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## 1.6 TRANSFORMATIONAL LEADERSHIP: CONCEPTS AND CULTURAL TRANSFER PROBLEMS

**Summary:** Transformational Leadership is a representative trend of the New Leadership conception. It puts leaders' own development, values, shared goals, mutually agreed performance criteria, special emotional-symbolic-charismatic effects, and empowerment into the focus of the influence process. It aims at the development of followers, as well as the raising of their level of aspiration and commitment, in order to bring about necessary changes in the organization. On the basis of relevant literature it can be concluded that this trend has not become sufficiently part of the Hungarian academic thinking yet – no matter how important the contribution of some institutions, e. g. that of the Szent István University have been to the generic field of Leadership. Therefore, our research has targeted an adequate conceptual analysis of some of the emerging theoretical problems and introduces preliminary results about the presence of Transformational Leadership at certain Hungarian organizations.

**Keywords:** New Leadership, Transformational Leadership, leadership development, Leadership Practices Inventory

### 1. INTRODUCTION

Transformational Leadership is a representative trend of the New Leadership conception coming after the Trait, Behavioural and Situational/Contingency theories in the evolution of leadership thought. These historical approaches have put the leader-follower dyad into focus, and laid an emphasis on small group effects. They have targeted the issue of influencing people for goal achievements but let some critical questions unanswered especially about the role and methodology of large-scale transformations. Nevertheless, the following trends have become evident by the late twentieth century:

- a) a recognition of an urging need for catalyzing and implementing organizational level change by the leader, and, also, by informal leadership, at all levels;
- b) a recognition of the use of heroic, powerful, charismatic, visionary – best generalized as transformational – style-elements in leadership (Buchanan, Huczynski, 2004, p. 741); and,
- c) a recognition of the need of investing into people through training & development, delegating, and empowerment (Mullins, 2007, p. 516; Yukl 2010, p. 133).

Transformational Leadership (TL) as a representative concept addressing the aforementioned leadership challenges encompasses multiple theoretical and pragmatic approaches with various scopes of analysis (Northouse, 2012 /edition 2013/, p. 186, p. 199). In an attempt to synthesize the definitions of several authors we can say that it refers to the use of a broad range of (i.e. non-conventional) means of influence in the leadership process with an aim to develop followers in order to bring about necessary changes in organizations (Fehér, 2010, p. 13). To its toolkit belong i. a. the practice of the leaders' self-development, shared values and goals, mutually agreed performance criteria, special emotional-symbolic-charismatic effects, and empowerment. The development of the followers targeted by TL includes i. a. a raise of their level of aspiration and commitment (op. cit. p. 185; Avolio, Bass 2002, p. 1; Yukl 2010, p. 277)

In setting of the goals of this paper we have been influenced by the fact that specifically the topic of TL has not become sufficiently part of the Hungarian academic thinking yet – no

matter how important the contribution of some institutions, e. g. that of the Department of Management and Organization of the Budapest Corvinus University, and the departments concerned at the Szent István University have been in the generic field of Leadership. With regard to this in this paper we offer first an overview of the TL theory along relevant dimensions and deal with some considerations about the transferability of its concepts to the Hungarian culture.

## **2. THE EVOLUTION AND CONCEPTS OF TRANSFORMATIONAL LEADERSHIP**

### **2.1. THE CHARACTERISTICS OF THE SOCIO-ECONOMIC ENVIRONMENT DURING THE DEVELOPMENT OF TRANSFORMATIONAL LEADERSHIP**

With the changing of the competition and labour market conditions and with the rise in value of the role of corporate human resources, several issues of human resource management gained increased importance during the 80s and especially by the turn of the 80s and 90s. (Fehér, 2009a)

Change tendencies started and were strengthening in each ‘STEP’/‘STEEPLE’ dimensions. The process of internationalization and globalization was highly impacted by the permanent information technology revolution, and the decline of the world communist political system. Both deregulation and stricter conditions of law application have appeared in the legal environment. There was a gaining ground of the service economy with an inevitable assertion of new quality expectations. The value systems and lifestyle of employees have changed. A multiplication of economic and ethical dilemmas related to environment and public interest could be observed simultaneously. As a result we stepped into a period of endemic changes when the aforementioned contextual factors created an endless chain of quick organizational transformations, and the human resource consequences of these, the often large-scale and dramatic ruining of existences and carriers, or the opening of extensive opportunities. (e. g. Schermerhorn et al, 1994, 36-43 pp, Dessler, 2000, 9-13 pp; see also Fehér, 2009a, 277 p)

Endemic change meant that the nature of the change itself changed. This period, unlike earlier ones, saw the changes brought about by the different motive forces appear enduring and/or in quick succession; often combined, in large numbers, controversially.

Given the complexity and dynamism of the developing scene of change in the period, we may well assume that transformational leadership functions and the performers of these functions did play a vital role. For the subsequent observer it may seem that the appearance of transformational leadership was in fact inevitable in this turbulent, complex environment. (Fehér, 2009a, in an interpretation of Kanter et al, 1992, 14-17, 372 pp)

The mentioned contextual and intra-organizational change tendencies caused significant rearrangement not only at the upper, but also at the lower and micro levels of leadership. The goals and the meaning of the organizational and workplace performance changed as well. We could observe a new approach to, and interpretation of performance in relation with tendencies like:

- a spread of non-routine activities and processes,
- the increase of the role of indirect performance factors besides special competences,
- the integration of individual competences into “organizational competences” – (Ulrich, 1997, 54-65 pp)

In order to gain more and new contributions from the employees it is not surprising that employee commitment had to be strengthened in the mentioned period. Though the feeling for commitment underwent deep frustrations (for example, due to redundancies, or constraints of

seemingly arbitrary changes), employers' expectations understandably focused around developing personal dedication in the above-mentioned ever changing external and internal organizational environment. There was a shift in the interpretation of commitment simultaneously, with commitment-related self-sacrifice, for example extra effort or risk-taking of a higher level getting more emphasis. (e. g. Dessler, 1994, 18-19 pp, Schermerhorn et al, 1994, 5 p; see also Fehér, 2009a) All these factors show how important the role of value-awareness for leaders became.

According to the above, the leaders of the given period were confronted with a need to understand and influence/manage:

- the context of the 're-defined employee performance',
- the changing values (with a newly interpreted commitment, and other values underlying generic competences),
- the relation between individual and collective values (with a need for strengthening basic values that were considered typical individually and collectively), and,
- a new leadership toolkit offering a wide range of dramatic-emotional-symbolic elements.

In summary we can suggest that "transformational leadership, more exactly the mature conception and practice of it were made necessary and helped develop by the mentioned external environmental and organizational challenges. In this complex environment, a leadership tendency that put understanding the new complexity and the new values in the centre, and that tried to give a modern leadership answer to the problems of handling complexity and mediating values with new, emotional and symbolic influencing means, was essential". (Fehér, 2009a, 278)

## **2.2. THE EVOLUTION AND CONCEPTS OF TRANSFORMATIONAL LEADERSHIP**

Though the term "transformational leadership" originally comes from Downton (1973, see Northouse, 2001, 132 p) it is Burns' "transforming leadership" concept that is considered to be the forerunner of transformational leadership. Transformation is "the process in which leaders and followers raise one another to higher levels of morality and motivation". (Burns, 1978, 20 p) We have to note that the phenomenon of "transformational leadership" was made widely known by Bass. (Bass, 1985) Bass defines transformational leadership in terms of the leader's effect on followers: they feel trust, admiration, loyalty and respect toward the leader, and they are motivated to do more than they originally expected to do.

An important step in the history of the TL concept was when Bennis and Nanus introduced their thoughts as "A new leadership theory". This name later has got a wider meaning. (Bennis, Nanus, 1985) The authors think of leadership as a potential to turn vision into reality, and to use power in a wise way. (Bennis, Nanus, 1996, 25-26 pp) Another major phase in the development of transformational leadership was the research by Tichy and DeVanna (Tichy, DeVanna, 1990) who studied the behaviour of chief executive officers during change. Their research suggested that CEOs view changes in three "stages": recognising the need for change, creating a new vision, and institutionalizing the changes. In the interpretation of Tichy and DeVanna, at each stage of the transformational process, success will depend on the leader's attitudes, values, and skills.

Kouzes and Posner are emblematic authors of today's leadership theory. Their first book on the challenges of leadership was published in 1987. Their research found four basic characteristics (integrity, competence, vision, enthusiasm), and, also five fundamental leadership practices (challenging the process, inspiring a shared vision, enabling others to act, modeling the way, encouraging the heart) which were typical of effective and admired

leaders. (Kouzes, Posner, 1987, Kouzes, Posner 1995, 18 p) They define leadership as the “art of mobilizing others to want to struggle for shared aspirations”. (Kouzes, Posner, 1995, 30 p)

The aforementioned mainstream TL authors like Burns, Bass, Tichy and Devanna, Bennis and Nanus, Kouzes and Posner represent more or less different approaches to transformational leadership. In Yukl’s interpretation “transformational leadership refers to the process of building commitment to the organizations’ objectives and empowering the followers to accomplish these objectives.” (Yukl, 1998, 324.) In a more recent publication Lussier and Achua note: “transformational leaders are known for moving and changing things ‘in a big way’, by communicating to followers a special vision of the future, tapping into followers’ higher ideals and motives.” (Lussier, Achua, 2007, 319 p) Gibson et al. define transformational leadership as the “ability to inspire and motivate followers to achieve results greater than originally planned for internal rewards.” As regards the organizational context they suggest that “transformational leaders...make major changes in the firm’s or units’ mission, way of doing business, and human resource management to achieve their vision.” (Gibson et al, 2009, 354)

Quoting Northouse we can say that “...transformational leadership is a process that changes and transforms individuals. It is concerned with values, ethics, standards, and long term goals. Transformational leadership involves assessing followers’ motives, satisfying their needs, and treating them as full human beings.” We would especially emphasize the authors’ following note: “Transformational leadership ... can be used to describe a wide range of leadership, from very specific attempts to influence followers on a one-to-one level to very broad attempts to influence organizations and even entire cultures.” (Northouse, 2001, 136)

As authors suggest within the mentioned different approaches we can still identify certain coherence. One of these conceptual cornerstones is a need for displacing the transactional leadership approach. Whereas “transactional leadership directs the efforts of others through tasks, rewards and structures, transformational leadership is inspirational, and arouses extraordinary effort and performance.” (see for example: Schermerhorn, 2008, 333 p) Thus it can be said that there is a need for a *leader* (instead of a *manager* in a traditional sense) who shows values, expresses confidence, leads by example, and who acts according to the following: vision, confidence, dramatic, symbolic actions, early successes and their celebrations, rewards. (Fehér, 2009a, 281)

Summarizing the role of transformational leadership, it can be said that this tendency by now has occupied its place among the basic organizational leadership theories, and it is one of the most accepted of the competing explaining concepts. (Yukl, 1998, 327-328, 340 pp, Northouse, 2001, 145-148 pp, Buchanan, Huczynski, 2004., Lussier, Achua, 2007., Schermerhorn, 2008., Gibson et al. 2009.) It is an approach that has so far provided the most comprehensive notion of leadership; it is based on thorough research; besides analyzing leaders’ needs it also emphasizes followers’ viewpoints; and – because of its mentality and expression – it has a great influence on those interested in it, both in theory and in practice. (op. cit. 281)

As regards the advantages of this tendency, with reference to Yukl and Northouse we can emphasize the following:

- Transformational leadership proves that emotional aspects of leadership are as important as rational factors, and that symbolic acts are as significant as assertive behaviours.
- This approach gives a more complete picture about leadership than many other theories, and it has a very wide spectrum of analysis.
- It proves the efficiency of transformational behaviours as opposed to transactional leadership. (Fehér, 2009a, 281 with reference to Yukl, 1998, 327-328, 340 pp, Northouse, 2001, 145-148 pp)

We can state that TL highlights the increased importance of the value-, emotionally, and also cognitively based aspects of influence in an era when needs of development and participation on the part of employees in specific business cultures and segments are increasing, and these followers put often more emphasis on value considerations in search of goals that make more sense, and offer adequate challenges for them. It suggests that under specific circumstances and to a certain extent there can be specific exchanges between employer and employee, not only from traditional *transactional* (typically: economic/financial) *aspects* but also regarding the application of the less traditional—called *transformational*—leadership—influence instruments. In other words, at given work situations not only the employers, but also the subordinates can draw extra benefits from the leader-follower relationship if the leaders enhance the development of the followers and add further value to the employer-employee relation i. a. by clarifying values and goals, offering inspirations, individualized care, and involvement. We could call these new types of exchanges between leader and follower paradoxically „transformed transactions”. (Fehér, 2010, p. 17)

For a further characterization of the generic concepts of transformational leadership we have identified the following dimensions (Fehér, 2010, pp. 15-17; Fehér, 2009a, p. 281):

- a) The goals of transformation: Can *transformation* be defined pragmatically, subordinated to the process of pursuing business goals at the corporations, or according to more comprehensive, conceptually broader guidelines?
- b) Target of transformation: How much emphasis is laid on the transformation of the corporation and the people?
- c) The role of the transformation of the leader: How much emphasis is laid on the transformation of the leader himself/herself?
- d) The level of transformational leadership behaviours: At what leadership level and in what direction (downward, horizontally, upward) can we consider the use of transformational leadership theories effective?

The results of the conceptual analysis of the generic theories of transformational leadership by Avolio, Bass (2002), Tichy, Devanna (1986), Bennis, Nanus (1985), Kouzes, Posner (2007) according to selected dimensions are the following (see also Fehér 2009a, pp. 281-282)

- a) TL theory deals with impacts on followers within a *business context*. The suggested elements of a wider, ‘high-order’ concept of leader-follower relationship would not undermine the business efficiency orientation expressed in the theories, rather support or complement it in a special sense. The business concern is straight-forward, no hidden agenda for influencing people in a manipulative way can be seen.
- b) All the authors included into the analysis emphasize the *transformation of people*, while the direct influence on participators is of course not separated from the desired corporate purpose, the *transformation of corporations*. Most authors consider transformation of the organization and the people together, that is, they do not break it down – of course in reality it happens integrated – to organizational-business and human spheres of the transformational process. Accordingly they do not specifically elaborate on the individual or group theories of transformation, and their methodology.
- c) A core element of the classical TL concept is the leader’s awareness of his/her *transformation*, including his/her *planned development*. In relation to this it is important to note that TL “rather than being a model that tells leaders what to do, ... requires that leaders be aware of how their own behaviour relates to the needs of their subordinates and the changing dynamics within their organizations” (Northouse, 2012 /edition 2013/, p. 204).

- d) Although some of the earlier interpretations laid more emphasis on the top or upper levels of management, by today, the use at lower levels is gaining on importance. As Buchanan and Huczynski put it "...leadership is a widespread phenomenon. Leadership behaviours are dispersed rather than concentrated in the hands of managers." (2004, p. 744).

### **3. CONSIDERATIONS REGARDING THE APPLICABILITY OF THE TRANSFORMATIONAL LEADERSHIP CONCEPTS IN HUNGARY**

The evolution of leadership concepts and methodology is a complex process determined by factors of a multi-level force-field environment. Solutions proved to be effective in some cultures are not to be automatically transferred to different ones, even if there are indications for a need of the transfer. In some of our earlier presentations and publications several problems of the transfer of Human Resource technologies to Hungary, i.a. issues of infrastructure, professional image, competency, culture, semantics, and methodology were investigated. (Fehér, 2009b; Kovach, Cahoon, Fehér, 1994) Some of the new values needed by new type work organizations in the context of personnel selection were reviewed by Fehér (1996.) While describing the pre-conditions and ways of the adaptation of change management technologies at certain organizations in Hungary, issues of the specific historical-economic-cultural context, and some of the typical traps in the process of the transfer were dealt with (Fehér and Bonifert, 2001, Fehér, 1997).

Suggestions supporting a possible relevance of our topic, the Transformational Leadership in Hungary can be categorized as of theoretical and practical nature.

#### *a. Theoretical arguments:*

- The theory under discussion offers effective, conceptually based, practical solutions with proved validity across many cultures, industries and organizational levels in such basic, essential segments of leadership as *identifying need for change, goal-setting, empowerment, development, performance management, problem solution*.
- TL, rather than 'neglecting' or 'replacing' transactional behaviours, suggests a completion of them by new ones. Theoretically this increases the likelihood of transferability.
- TL puts the development of followers into focus. We can state that tendencies of developmental concern, as a rule, could have a special relevance for an economy suffering from the shortage of material resources.

#### *b. Practical arguments supporting the relevance in Hungary:*

- For a long period Hungary has been a transformational economy and is under renewal now in its specific regional and national context. This grants a special importance to a leadership tendency of transformational focus.
- There is no reason to tie TL specifically to only certain periods/phases of recent business development. Its relevance can be marked e. g. under circumstances of high task complexity, lack of standardization, environmental turbulence, changing work values.

When thinking of the transfer and adaptation of foreign concepts we have always to keep in mind that the opportunities for, and the motivations and process of the transfer are determined to a large extent by the variables of the specific organizational and macro environment. In the process of adaptation – besides the mentioned variables – also the cognitive and other complex value, interest, power related, emotional, volitional factors, are not to be neglected. It is important to note here that in a search for a list of environmental factors determining the use of TL practices many items cannot be labelled as 'purely' driving or refraining forces of the evolution of leadership behaviours rather as those potentially bearing both characters.

In the macro level it is the historical background and a series of evolving societal, political, economic, cultural and other characteristics that influence the process of adaptation. Intervening variables in the mezzo level include:

- Organizational characteristics, e. g. industry, volume, ownership, life cycle, culture.
- Actual economic-cultural changes, the level of complexity of these changes.
- Values, power and transactional relationships in the background of changes.
- Behavioural patterns of dominant coalition and/or reference groups/group members (e. g. mother company executives, supervisors).
- Labour market conditions for managerial positions and (self-) employment effects at SME-s.
- Operational characteristics (economic-technological environment of jobs/co-operation, availability of resources, level of decentralization in policy formulation, time-constraints).
- Sociological, financial and educational parameters, values/attitudes of peers/subordinates.
- Knowledge base supporting managerial philosophies: competence of HR department, availability of organizational information, training-development and consultancy interventions and a ‘critical mass’ of role models.

Variables in the individual level include values, socio-financial circumstances, emotional-volitional and cognitive-educational factors, specific skills, like communication, symbolic expression etc., and personal power base.

#### **4. THE METHOD**

We have started a research for identifying the presence of certain TL behaviours in Hungary and showing the impact of certain types and background factors of the variables aforementioned, like industry, forms of ownership, size of the organization, organizational function, managerial levels, demographic parameters, managerial experience. To measure managerial practices and behaviours we use—under a special permission from Publisher Wiley, San Francisco—the Leadership Practices Inventory Self (LPI Self) developed by Jim Kouzes and Barry Posner. The LPI measures five leadership practices according to the Leadership Challenge approach (Kouzes, Posner, 2007, 2010; Northouse, 2012 /2013 ed./). The model was created through an empirical way, by interviewing thousands of leaders to answer the question: “What do the admired and exemplary leaders do to mobilize others to want to get extraordinary things done in organizations?” (Kouzes, Posner 2007) We can describe admired leaders’ behaviours by their five practices. “Model the way” is about how leaders are clear about and believe in their own values, leadership philosophy and guiding principles. “Inspire a shared vision” suggests that admired leaders are able to paint a “big picture” of what the organization aspires. “Challenge the process” is about how leaders change the status quo and how they challenge the people to try new methods among their work. By “enabling others to act” leaders develop relationship with others, and give freedom and choice in decision making. “Encourage the heart” suggests that how leaders support and recognize their subordinates. (op. cit., Northouse 2012/2013 ed/) Kouzes and Posner have done validity and reliability research on LPI (Posner 2010).

In the following Tables we summarize the results.

**Table 1: Sample of data collection between 2005 and 2009**

| Country               | Self N | Observer N |
|-----------------------|--------|------------|
| Canada                | 1429   | 14035      |
| South America         | 5183   | 2635       |
| Europe                | 4175   | 7511       |
| Asia                  | 3746   | 18665      |
| Australia/New Zealand | 1155   | 3098       |
| U.S.                  | 59497  | 180620     |

source: Posner 2010

Reliability of Leadership Practices Inventory was investigated through Cronbach's alpha coefficient. Each index (Table 2.) is above than 0.70 that could be acceptable.

**Table 2: Cronbach's alpha of LPI**

| Leadership practices         | Self | TOTAL of observer | Superior | Subordinate | Co-worker | Others |
|------------------------------|------|-------------------|----------|-------------|-----------|--------|
| <b>Model the way</b>         | 0,84 | 0,85              | 0,82     | 0,87        | 0,85      | 0,85   |
| <b>Inspire share vision</b>  | 0,91 | 0,92              | 0,91     | 0,92        | 0,92      | 0,91   |
| <b>Challenge the process</b> | 0,86 | 0,87              | 0,85     | 0,87        | 0,87      | 0,87   |
| <b>Enable others to act</b>  | 0,86 | 0,87              | 0,83     | 0,89        | 0,86      | 0,86   |
| <b>Encourage the heart</b>   | 0,91 | 0,92              | 0,90     | 0,92        | 0,91      | 0,91   |

source: Posner 2010

Validity of Leadership Practices Inventory was tested through positive workplace attitude scale. PWA is concerned to observer respondents and it contains 10 item about their feelings of and assessments about their level of team spirit, organizational pride, behavioural commitment, motivation, productivity, clarity of expectations, trust in management, appreciation, personal as well as workplace effectiveness.

**Table 3: Relationship between five leadership practice and PWA**

| Leadership practices         | Positive Workplace Attitude | Mean  | Std. dev. |
|------------------------------|-----------------------------|-------|-----------|
| <b>Model the way</b>         | weak                        | 42,16 | 9,83      |
|                              | moderate                    | 47,16 | 7,72      |
|                              | strong                      | 51,40 | 7,13      |
| <b>Inspire share vision</b>  | weak                        | 38,69 | 11,58     |
|                              | moderate                    | 44,18 | 9,76      |
|                              | strong                      | 49,20 | 9,17      |
| <b>Challenge the process</b> | weak                        | 40,14 | 10,43     |
|                              | moderate                    | 45,12 | 8,55      |
|                              | strong                      | 49,47 | 8,11      |
| <b>Enable others to act</b>  | weak                        | 45,25 | 9,70      |
|                              | moderate                    | 49,81 | 7,13      |
|                              | strong                      | 53,39 | 6,27      |
| <b>Encourage the heart</b>   | weak                        | 40,85 | 11,50     |
|                              | moderate                    | 46,28 | 9,42      |
|                              | strong                      | 51,01 | 8,53      |

source: Posner 2010



The LPI provides the respondents with information about their leadership behaviours. It contains 30 statements (6 behaviours compose 1 practice). Each statement is rated by a 10 points frequency scale. “1” indicates “almost never” and “10” indicates “almost always”. The respondents rate each statement by right of frequency. Higher scores represent higher frequency of leadership practices and behaviours. LPI has not been available in Hungarian so far. After a translation a retranslation into English followed and the instrument was sent back to the official publisher for approval. We collected the sample through paper and online form of LPI. To run the online version we receive support from Psidium OnlineTeszték Ltd.

## 5. THE SAMPLE

The research was conducted among formal managers. 33 men and 18 women, in the aggregate 51 respondents have participated so far in the survey in the preliminary phase, all Hungarians. The youngest is 25 years and the oldest are 60 years old. 8 respondents bear supervisory level, 23 respondents bear middle level and 16 respondents bear executive level positions. The respondents have come from a variety of sectors, e. g.: agriculture, finance, IT/telecom, education, governance, building and energy industry, chemistry, and several types of departments: chief execution, HR, engineering, production, IT, finance, marketing, R&D.

## 6. RESULTS

For estimating the frequency of leadership behaviours we have counted average scores. Table 4 shows the most frequent 5 leadership behaviours and Table 5 shows the less frequent 5 leadership behaviours with the average scores. At the end of the sentences, the letters suggest the practices. “M” means model the way. “I” means inspired a shared vision. “C” means challenge the process. “Ena” means enable other to act. “Enc” means encourage the heart.

*Table 4: The most frequent 5 leadership behaviours*

|   | Min | Max | Mean | Std. Dev |
|---|-----|-----|------|----------|
| 26. Is clear about his/her philosophy of leadership M | 3   | 10  | 8,71 | 1,553    |
| 27. Speaks with conviction about meaning of work I    | 4   | 10  | 8,59 | 1,711    |
| 14. Treats people with dignity and respect Ena        | 5   | 10  | 8,57 | 1,375    |
| 11. Follows through on promises and commitments M     | 5   | 10  | 8,55 | 1,316    |
| 4. Develops cooperative relationships Ena             | 3   | 10  | 8,51 | 1,433    |

Source: own work

*Table 5: The less frequent 5 leadership behaviours*

|  | Min | Max | Mean | Std. Dev. |
|--|-----|-----|------|-----------|
| 16. Asks for feedback on how his/her actions affect people's performance M | 2   | 10  | 6,76 | 1,818     |
| 9. Actively listens to diverse points of view Ena                          | 3   | 10  | 6,76 | 1,850     |
| 7. Describes a compelling image of the future I                            | 3   | 10  | 6,71 | 1,858     |
| 15. Creatively rewards people for their contributions Enc                  | 1   | 10  | 6,67 | 2,046     |
| 12. Appeals to others to share dream of the future I                       | 1   | 10  | 6,41 | 2,291     |

Source: own work

We can explain the nature of difference of the most frequent 5 leadership behaviours and the less frequent 5 leadership behaviours several ways. Firstly, there is a cultural specialty on

Hungarian leadership behaviour. For example the Hungarian leaders are clear about their philosophy, develop cooperative relationships, speak with conviction about meaning of work, but ask for feedback, listen actively, rewards creatively, appeals others to share dream have not been infiltrated in the Hungarian leadership behaviour. On the other hand we can explain the result that our Hungarian translated version is hard to construing by Hungarian respondents. However the meanings of items are not so clear.

In the course of research we have generated the five leadership practices index. Table 6 shows these according to descending order.

**Table 6: Average scores of five leadership practices**

|           | <b>Min</b> | <b>Max</b> | <b>Mean</b> | <b>Std. Dev.</b> |
|-----------|------------|------------|-------------|------------------|
| Model     | 38         | 58         | 48,23       | 5,333            |
| Inspire   | 32         | 59         | 45,81       | 6,490            |
| Challenge | 22         | 57         | 45,36       | 7,251            |
| Enable    | 35         | 55         | 46,55       | 5,094            |
| Encourage | 31         | 58         | 46,32       | 6,994            |

Source: own work

**Table 7: Mean of five leadership practices by Hungarian and international data**

|           | <b>Hungarian data</b> | <b>International data</b> | <b>p</b> |
|-----------|-----------------------|---------------------------|----------|
|           | <b>Mean</b>           | <b>Mean</b>               |          |
| Model     | 48,23                 | 46,70                     | 0,085    |
| Inspire   | 45,81                 | 43,59                     | 0,027    |
| Challenge | 45,36                 | 44,69                     | 0,24     |
| Enable    | 46,55                 | 49,34                     | 0,001    |
| Encourage | 46,32                 | 45,79                     | 0,618    |

Source: own work and <http://media.wiley.com/assets/7008/99/LPINormsFINAL012012.pdf>

We used one-sample t test to compare the mean of sample to international data. We can establish statistically significant difference from test values (international data) in case of “Inspire a share vision” and “Enable others to act (Table 7.)

To find statistically significant relationship to gender and the five practices comparing of means and ANOVA test was used (Table 8).

**Table 8: Report of ANOVA by gender**

| <b>Gender</b> |                | <b>Model</b> | <b>Inspire</b> | <b>Challenge</b> | <b>Enable</b> | <b>Encourage</b> |
|---------------|----------------|--------------|----------------|------------------|---------------|------------------|
| Male          | Mean           | 47,21        | 43,88          | 44,79            | 45,97         | 44,91            |
|               | Std. Deviation | 5,58         | 6,34           | 6,69             | 5,41          | 7,90             |
| Female        | Mean           | 49,56        | 48,89          | 48,00            | 47,89         | 48,83            |
|               | Std. Deviation | 5,00         | 5,35           | 8,33             | 4,97          | 4,87             |

Source: own work

If we take a look at Table 9, we can see that Inspire a shared vision to gender shows significant relationship but this relationship is weak. (Eta squared: 0,142) It means that women use “Inspire a shared vision” practice more frequently than men. If we take a look at the means (Table 5) we can see that women use more frequently all of the leadership practices but ANOVA test does not confirm it.

**Table 9: ANOVA by five practices to gender**

|                    |                | Sum of Sq. | df | Mean Sq. | F     | Sig.  |
|--------------------|----------------|------------|----|----------|-------|-------|
| Model * Gender     | Between Groups | 63,962     | 1  | 63,962   | 2,204 | 0,144 |
|                    | Within Groups  | 1421,96    | 49 | 29,02    |       |       |
|                    | Total          | 1485,922   | 50 |          |       |       |
| Inspire * Gender   | Between Groups | 292,354    | 1  | 292,354  | 8,078 | 0,007 |
|                    | Within Groups  | 1773,293   | 49 | 36,19    |       |       |
|                    | Total          | 2065,647   | 50 |          |       |       |
| Challenge * Gender | Between Groups | 120,171    | 1  | 120,171  | 2,255 | 0,140 |
|                    | Within Groups  | 2611,515   | 49 | 53,296   |       |       |
|                    | Total          | 2731,686   | 50 |          |       |       |
| Enable * Gender    | Between Groups | 42,9       | 1  | 42,9     | 1,549 | 0,219 |
|                    | Within Groups  | 1356,747   | 49 | 27,689   |       |       |
|                    | Total          | 1399,647   | 50 |          |       |       |
| Encourage * Gender | Between Groups | 179,361    | 1  | 179,361  | 3,660 | 0,062 |
|                    | Within Groups  | 2401,227   | 49 | 49,005   |       |       |
|                    | Total          | 2580,588   | 50 |          |       |       |

Source: own work

During the analysis we created three age groups. Below 35, from 36 to 45 and Above and equal 46. Table 10. and 11. show the report and results of ANOVA.

**Table 10: Report of ANOVA by age group**

| Age_group |                | Model   | Inspire | Challenge | Enable  | Encourage |
|-----------|----------------|---------|---------|-----------|---------|-----------|
| -35,00    | Mean           | 47,6000 | 47,6000 | 45,8000   | 47,1333 | 47,1333   |
|           | N              | 15      | 15      | 15        | 15      | 15        |
|           | Std. Deviation | 6,15049 | 5,87732 | 7,37951   | 6,33434 | 7,55803   |
| 36-45     | Mean           | 48,4091 | 44,3636 | 44,9091   | 45,6364 | 45,7273   |
|           | N              | 22      | 22      | 22        | 22      | 22        |
|           | Std. Deviation | 5,28843 | 6,77914 | 8,23991   | 5,32331 | 6,79763   |
| 46-       | Mean           | 47,9286 | 45,5714 | 47,6429   | 47,7143 | 46,2857   |
|           | N              | 14      | 14      | 14        | 14      | 14        |
|           | Std. Deviation | 5,28371 | 6,34537 | 6,07146   | 3,93072 | 7,80955   |

source: own work

If we take a look at Table 11. we can see that there is not significant difference by five practice to age groups. It means that the five leadership practices are not influenced by age.

In our research managerial position has also been included. Table 12 and 13 show report and result of ANOVA. Our question was that what kind of relationship is between frequency of five leadership practices and managerial positions.

**Table 11: ANOVA by five practices to age groups**

|           |                | <b>Sum of Squares</b> | <b>df</b> | <b>Mean Square</b> | <b>F</b> | <b>Sig.</b> |
|-----------|----------------|-----------------------|-----------|--------------------|----------|-------------|
| Model     | Between Groups | 6,075                 | 2         | 3,037              | 0,099    | 0,906       |
|           | Within Groups  | 1479,847              | 48        | 30,830             |          |             |
|           | Total          | 1485,922              | 50        |                    |          |             |
| Inspire   | Between Groups | 93,528                | 2         | 46,764             | 1,138    | 0,329       |
|           | Within Groups  | 1972,119              | 48        | 41,086             |          |             |
|           | Total          | 2065,647              | 50        |                    |          |             |
| Challenge | Between Groups | 64,254                | 2         | 32,127             | 0,578    | 0,565       |
|           | Within Groups  | 2667,432              | 48        | 55,572             |          |             |
|           | Total          | 2731,686              | 50        |                    |          |             |
| Enable    | Between Groups | 41,966                | 2         | 20,983             | 0,742    | 0,482       |
|           | Within Groups  | 1357,681              | 48        | 28,285             |          |             |
|           | Total          | 1399,647              | 50        |                    |          |             |
| Encourage | Between Groups | 17,634                | 2         | 8,817              | 0,165    | 0,848       |
|           | Within Groups  | 2562,954              | 48        | 53,395             |          |             |
|           | Total          | 2580,588              | 50        |                    |          |             |

Source: own work

**Table 12: Report of ANOVA to managerial position**

| <b>Lead_Pos</b> | <b>Model</b>   | <b>Inspire</b> | <b>Challenge</b> | <b>Enable</b> | <b>Encourage</b> |         |
|-----------------|----------------|----------------|------------------|---------------|------------------|---------|
| supervisory     | Mean           | 48,0000        | 49,1250          | 45,6250       | 49,3750          | 47,0000 |
|                 | N              | 8              | 8                | 8             | 8                | 8       |
|                 | Std. Deviation | 5,95219        | 5,86606          | 7,79995       | 4,43807          | 7,48331 |
| middle          | Mean           | 47,3600        | 44,0000          | 45,4800       | 45,8800          | 46,2000 |
|                 | N              | 25             | 25               | 25            | 25               | 25      |
|                 | Std. Deviation | 5,59673        | 6,41613          | 8,56407       | 5,44916          | 6,85565 |
| executive       | Mean           | 49,0000        | 46,3889          | 46,6667       | 46,5000          | 46,1111 |
|                 | N              | 18             | 18               | 18            | 18               | 18      |
|                 | Std. Deviation | 5,19049        | 6,24160          | 5,58359       | 5,28316          | 7,88065 |
| Total           | Mean           | 48,0392        | 45,6471          | 45,9216       | 46,6471          | 46,2941 |
|                 | N              | 51             | 51               | 51            | 51               | 51      |
|                 | Std. Deviation | 5,45146        | 6,42751          | 7,39146       | 5,29084          | 7,18413 |

Source: own work

If we take a look at Table 13. we can establish that there is not significant difference between managerial positions. It means that the five leadership practices are not influenced by level of managerial position.

**Table 13: ANOVA by five practices to managerial position**

|                         |                | Sum of Squares | df | Mean Square | F     | Sig.  |
|-------------------------|----------------|----------------|----|-------------|-------|-------|
| Model *<br>Lead_Pos     | Between Groups | 28,162         | 2  | 14,081      | 0,464 | 0,632 |
|                         | Within Groups  | 1457,760       | 48 | 30,370      |       |       |
|                         | Total          | 1485,922       | 50 |             |       |       |
| Inspire *<br>Lead_Pos   | Between Groups | 174,494        | 2  | 87,247      | 2,214 | 0,120 |
|                         | Within Groups  | 1891,153       | 48 | 39,399      |       |       |
|                         | Total          | 2065,647       | 50 |             |       |       |
| Challenge *<br>Lead_Pos | Between Groups | 15,571         | 2  | 7,786       | 0,138 | 0,872 |
|                         | Within Groups  | 2716,115       | 48 | 56,586      |       |       |
|                         | Total          | 2731,686       | 50 |             |       |       |
| Enable *<br>Lead_Pos    | Between Groups | 74,632         | 2  | 37,316      | 1,352 | 0,268 |
|                         | Within Groups  | 1325,015       | 48 | 27,604      |       |       |
|                         | Total          | 1399,647       | 50 |             |       |       |
| Encourage *<br>Lead_Pos | Between Groups | 4,810          | 2  | 2,405       | 0,045 | 0,956 |
|                         | Within Groups  | 2575,778       | 48 | 53,662      |       |       |
|                         | Total          | 2580,588       | 50 |             |       |       |

Source: own work

We must note, however, that we could not draw deeper conclusions, because of the size of our sample. Our future goals are: increasing the size of sample, doing research on validity and reliability, attaching more variables, for example experience, size of organization, sector of organization, number of subordinates to investigate the relationship of TL leadership practices and behaviours to these variables.

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