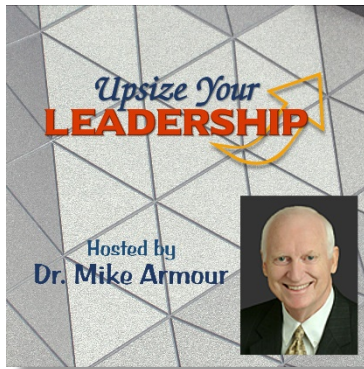# Transformational Leaders
Not Your Garden Variety of Leadership
Hosted by Dr. Mike Armour

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When you hear the word "transformer," what comes to mind? For generations, people would have immediately thought of electrical transformers, which served to boost or reduce the amount of power passing through an electrical system or device.

That was before the day of toys called "transformers," first popularized in the 1980s. They were cleverly designed action figures, with intricate moving parts. By manipulating the parts, a child could quickly reconfigure the action figure into a car or an airplane or a tank or what have you. Today's younger adults, who grew up around these fascinating playthings, naturally think of them when they hear the word "transformer."

But no matter what image you associate with that word, I invite you to set it aside for the moment. In this podcast, "transformers" are not electrical devices or imaginative toys. They are men and women, men and women who transform the world around them. We usually call them transformational leaders. They transform organizations. They transform institutions. They transform communities.

Join me for the next 20 minutes as we delve into the work of these transformers. Unlike electrical transformers or transformer toys, these men and women do not accomplish transformation in an instant. They work long and hard at it. And by watching them in action, we can gain valuable pointers on how to lead with impact. What better role models could you have if you want to upsize your leadership?

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What Sets Transformational Leadership Apart

Somewhere in the 1920s the phrase "not your garden variety" gained a foothold in American English. It became more widely used during the Great Depression of the 1930s and the war years of the 1940s. These decades marked an era when families depended heavily on household gardens as a source of food. Usually these gardens grew the most common fruits and vegetables, ones which were relatively simple and inexpensive to raise. Fruits or vegetables which were more exotic or which required expert tending were said to be "not your garden variety" plants.

I like to use the term "not your garden variety" to describe transformational leadership. Transformational leadership is not your garden variety of leadership. It belongs in something of its own category. I say this, not to downplay other forms of leadership or to minimize the challenges which other leaders confront. Rather, I'm merely stressing the fact that **transformational leaders require a unique blend of skills and abilities which may not always be necessary in other types of leadership**.

One way to illustrate the difference is to consider the impact of leadership on identity and behavior. Imagine that you're at a networking event. Over the course of the affair, you meet people who want to know more about you. In all likelihood, you will describe yourself with two kinds of statements. They will either be statements about who you are. Or statements about what you do. That is, some statements will be about your identity. Others about your behavior.

Language itself conditions us to think this way. Early in school we learn that there are two types of verbs: "being" verbs and "action" verbs. As their name implies, being verbs are derived from the infinitive "to be." Among other things, we use them to express aspects of our identity. For instance, "I am a good parent" or "I am a hard worker" or "I am a careful driver."

Action verbs describe movement. Change. Transition. How we act. They capture the essence of our behavior, whether a particular behavior is habitual and routine or merely incidental.

These same distinctions between "being" and "doing" are also true of organizations. Any established organization has a characteristic identity and a characteristic set of behaviors.

Now, all leadership aims at guiding people and organizations through some type of change in behavior. When clients engage me as a coach or a consultant, it's usually to help them with behavioral issues, either the behavior of specific individuals or the behavior of the organization as a whole.

However, while all leadership strives for behavioral change, most leadership scenarios do not require a change in identity, as well. That's what sets transformational leadership apart. **Transformational leaders succeed only by changing the organization's sense of identity – its sense of who it is and what it may become.**

And this change is not purely marginal or peripheral. It's substantive. To accomplish what they aim for, transformational leaders must do more than merely fiddle around the edges of organizational identity. They must change it markedly, so much so that the new identity spins off new patterns of behavior.

This is why I say that transformational leadership is not your garden-variety leadership. It's the kind of leadership which allowed Steve Jobs to transform Apple from a second-tier computer manufacturer (in terms of how many units it sold) to be the pioneer and first-tier manufacturer of cell phones.

Where Transformational Leadership Is Needed

Elsewhere in the high-tech world, it's the kind of leadership which Lou Gerstner employed to transform IBM. When he became CEO in 1993, IBM was a legendary manufacturer of mainframe computers. When he left ten years later, IBM was no longer a manufacturing company. It was a service company, integrating information from far-flung technologies so that the information was more accessible, more quickly available, and more useful for customers.

Now, most transformational leadership is not performed on a stage so large and so dramatic as Gerstner's turnaround of IBM or the diversification of Apple's product lines under Jobs. Smaller and less visible settings can also call for transformers in leadership.

For example, transformational leaders are needed in the wake of most mergers or acquisitions. These events result in two corporate cultures being thrust together. The cultures are likely to be quite different from one another. They may even be incompatible. Yet somehow, these diverse cultures must be melded into a seamless whole which is healthy and vibrant. For that to happen, changes are necessary in both identity and behavior within both cultures.

Over the past quarter century, this challenge has faced hospitals in my hometown. Several of the historic hospitals in Dallas were started by faith-based organizations – Baptist, Methodist, Presbyterian, Catholic – and most of them are over 100 years old. Their faith-based heritage shaped the culture and value systems of these hospitals.

By the 1980s, smaller hospitals and community health clinics were finding it difficult to survive, given the changing economics of medicine. They therefore sought alliances with these larger hospitals to create economies of scale and a broader network of specialists. In short order, Baylor Hospital alone added upwards of 150 clinics and medical practices. And today the system has 48 hospitals and 800 patient care sites.

The bulk of this expansion, however, came by adding health care components with no faith-based heritage. Integrating them into Baylor's culture thus required transformational leadership, not just at the outset, but continuously as the system expanded. In the 1990s I saw the magnitude of this challenge firsthand, when I briefly served as a consultant to the process.

Another moment which calls for transformational leaders is when an entire organization completely rebrands itself. The need to rebrand can arise from a variety of factors. Commonly it's because of changing market conditions. At other times it may be to capitalize on lucrative opportunities brought on by a new technology. Whatever the case, wholesale rebranding compels an organization to think about who it is and what it provides in a different way. Again, identity and behavior must change.

Still another time for transformational leadership is when a company sets out to disrupt or totally reconstruct the way that its industry does business. I've had several coaching and consulting clients in recent years who have had this very goal. They wanted to create an entirely new paradigm for their industry. They could not do so, however, without changing the identity and behavioral mindset behind the industry's traditional operational models.

Transformational leaders are again needed when a sweeping organizational turnaround is urgent. Usually, turnarounds become necessary because old patterns of behavior have led to an intractable, downward trend in performance or profitability. Old ways of doing business clearly are not working. Something new is essential.

This is not to say that every turnaround requires transformational leaders. Turnarounds are sometimes accomplished simply by recapturing lost efficiencies or regaining market share. On the other hand, many turnarounds are not possible unless an organization reinvents itself, which typically calls for transformational leadership. This is especially true if an organization is teetering on the brink of financial ruin, and opportunities to rebuild in traditional markets are limited.

Transformational leadership is likewise vital whenever an organization overhauls its core values. In my work in Africa, I see this challenge repeatedly. Many African nations, if not most, are plagued with pervasive corruption. When investors from the U.S., Canada, or much of Europe buy a business in Africa, they inherit a work force which may accept corruption as simply a way of life. Transformational leadership is demanded to instill a culture where honesty, integrity, and accountability are core values in the business.

I could easily add more examples of where transformational leaders are needed. But it's not my purpose to provide an exhaustive list. Instead, I merely want to demonstrate that we are surrounded with situations which beg for transformers in leadership roles.

Five Realities Setting Transformational Leaders Apart

This then sets the stage for me to discuss five realities which set the work of transformational leaders apart from other types of leadership. If these realities are ignored, the success of transformational leadership is put in jeopardy.

First is a reality which we've already noted, namely that **transformational leaders must target change in corporate identity as well as change in corporate behavior**. And by "corporate," I don't necessarily mean "corporation" or "company." I'm using the word in its generic sense to refer to any body of people who work together as a unit. It could thus be a department or a division within a larger organization. Or it could be a single branch of some bricks-and-mortar commercial operation. Any organizational unit with a characteristic identity and a set of behaviors may at times need transformational leadership.

Second is the reality that transformational leaders often operate in uncharted territory. Some even set out to accomplish things which few, if any have done before. This means that they can't draw on the experience of others. There are no ready reference books to point them in the right direction. They are genuine pioneers.

Great leaders take people someplace that they have never been before. Transformational leaders may take people to places where even the leaders themselves have never been before.

Third**, because they are in uncharted territory, transformational leaders must learn quickly from what goes wrong**. They can't persist on a path which appears to be ill-chosen. They can't waste time or energy rescuing an endeavor or initiative that is proving unworkable. They must have the humility to accept the abandonment of even their most cherished ideas in the interest of finding the best way forward.

Early on, they must also make it clear to their organization that there may be multiple wrong turns along the way. They should help the organization anticipate that moving ahead may call for occasional reversals in course. The group is, after all, blazing a new path through the forest. When they encounter a swollen stream, backtracking may be the first step forward in finding a good place to ford it.

By persuading the organization to use wrong turns or failed initiatives as learning experiences, leaders minimize the risk that such events will discourage their people or cause the organization to lose faith in its leadership.

Fourth, **because transformational leaders are taking people into the unknown, leadership must do an exceptional job of communicating vision**. People must be helped to see what's on the other side of the forest. What's on the other side of the mountain in front of them. Vision-casting is always important in leadership. In transformational leadership, vision-casting is imperative.

Fifth – and perhaps most daunting of all – **transformational leaders must change corporate culture to conform with the vision which they project**. The word "culture" has the same Latin origin as "cultivate." Cultivation is the process of putting down roots. Culture is rooted in the very soul of the organization. It is highly resistant to change. After all, roots run deep so that the plant can withstand high winds and storms which threaten to uproot it.

A Leadership Paradox

There is therefore a cultural paradox in transformational leadership. Trying to change the culture too radically or too quickly threatens a backlash from those who see no need to change or who have a vested interest in the status quo. On the other hand, so long as the culture remains unchanged, the goal of transformation is unattainable.

When Lou Gerstner became CEO of IBM in 1993, he inherited a culture which prided itself in having never made a layoff. IBM repaid faithful service by assuring workers a job, even in economic downturns. Gerstner's predecessors at IBM had used this approach to build employee commitment and loyalty, believing that employee longevity was a key to productivity.

By the time Gerstner arrived on the scene, however, blanket assurance of a job had become counter-productive. Far too often, people held onto their jobs by doing just enough to get by and little more. A practice which had once promoted productivity was now actually hindering it. Both performance and accountability were suffering.

Gerstner therefore set out to overhaul the company culture. He focused priorities around decisiveness, execution, simplification, and speed. Elevated performance became the watchword. And he signaled that a new day had dawned by terminating 100,000 workers. None of this was done easily or without careful planning. But in the decade of his leadership, IBM's market capitalization went from $29 billion to $168 billion. Transformational leadership carried the day – big time!

Linguistic Challenges in Effecting Cultural Change

One thing which makes culture difficult to change is that organizations have so much of their identity wrapped up in their culture. Remember, identity is expressed with being verbs, in statements which begin with phrases like "I am" or "We are." By their very nature, being verbs suggest something which is static, unchanging. The verbs "am," "is," and "are" connote a certain state of permanency.

Even when they are used as auxiliary verbs, words like "is" and "are" suggest a state which is unchanging at the moment. If I say, "She is running," running implies action. But because of the auxiliary term "is," what I'm really saying is, "She is in a state of running." That state will not change so long as she continues to run.

Because being verbs carry the notion of static states, and because we describe our identity with being verbs, identity has a permanency to it, born in the very language which we use to describe it. It is slow and usually resistant to change.

This is as true of organizations as it is of individuals. In general, people more readily adapt to calls for behavioral change than they do to calls for identity change. When they do fight back against behavioral change, it's often because the change violates something in their sense of identity, either personally or organizationally.

And people become quite emotional when their identity is challenged. If we are the least bit defensive, nothing triggers our defensiveness more quickly than an attack on our identity. As a consequence, transformational leaders can never be people who shrink back in the face of emotional criticism or who shy away from controversy or healthy conflict.

The challenge of leading change is great enough when leaders ask only for behavioral change. When they ask for changes in identity, the challenge compounds itself greatly. As we have seen, genuine corporate transformation always entails some degree of identity change. And because culture is the ultimate protector of corporate identity, transformational leaders must contend routinely with cultural pushback.

Now I think you see why I describe transformational leadership as not your garden variety of leadership. It's not for the faint of heart. And it does not always succeed. But when it's needed, nothing else can substitute for it.

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