Are You a Transactional or Transformative Leader?



Almost every day, I hear leaders of high growth companies saying how difficult it is to find great employees.

The easiest answer is when leaders are failing to market their workplace opportunities adequately.

The fix is simple but often missed. We forget we need to market for team members just like we do for customers.

The more common problem is with the quality of the workplace. The culture created by the leaders is simply not attractive enough to draw in and keep great talent.

The least desirable workplaces are led by transactional leaders. Transactional leaders are what we far too often come to expect when we think about managers in the workplace.

Transactional leaders are not looking to transform anything. Instead, their goal is to maintain the status quo. They only spring into action to fight fires or manage errors in the workplace. Transactional managers at the higher end of the leadership spectrum initiate contingent reward systems that promise an exchange with their people. If you provide me with X outcome, I will provide you with Y benefit (compensation, bonuses, etc.).

Transactional leaders do not inspire. They coerce. They care more about their wins than the wins of their people.

Transactional leaders struggle to attract great people.

At the opposite end of the leadership spectrum are transformational leaders. Transformational leaders do not lead by influence or leverage, they lead by example and inspiration. They give their

people autonomy to change the way things are done, to rock the boat and shake things up.

Transformational leaders attract and keep great people.

They give their people the tools and time they need to master their work. Deep down, every one of us wants to be great at something, at least one thing. That is why so many of us work so hard at our after-work pursuits. Transformational leaders provide their people with the opportunity to become "world class" in the workplace.

Transformational leaders appeal to their team's sense of greater good by finding and showcasing the greater purpose of their work, something beyond just dollars and cents. Steve Jobs at Apple inspired his people to "make a dent in the universe." Ford's original purpose was to "democratize the automobile."

Rather than transacting with employees to get the outcomes they desire; transformational leaders engage the intellect of their people to achieve the organization's goals. Transformational leaders help their people achieve their personal goals while helping the organization achieve its goals.

What type of leader are you?

Are you ready to start building a transformational business? If you are, head over to our Resource Page and check out our free tools to help you get started or give us a call at 229-375-5613.

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