

Transformational Leadership: Exploring its Functionality

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The President:

Prof. Dr. Thomas Bieger

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Abbreviations

e.g.	Example given
Etc.	Et cetera (and so forth)
FA	Familiarizing (Category and Process)
Ibid.	Ibidem
IN	Influencing (Category and Process)
MLQ	Multi Factor Leadership Questionnaire
RB	Relationship Building (Category and Process)
SEED	SEED Program (Social Enterprise for Economic Development)
TLern	Transformational Learning (Category and Process)

Abstract

In the light of global environmental, economical and social challenges, business leaders need to prepare their organization for important transformations and contribute to the positive design of our futures.

This research considers the transformational leadership style contributing to the comprehensive fulfilling of this task.

Over the last twenty-five years, the transformational leadership paradigm has gained much scholarly attention. It has been proven that a transformational leadership style has positive effects on motivation, alignment, performance and satisfaction of followers. In transformational leadership theory the leaders and the followers realize higher ends in a mutual process of growth.

Such leadership effects are of vital relevance with regard to the aforementioned challenges. However, the functionality of transformational leadership is not conceptually elaborated in transformational leadership theory to date. It is unclear, through which processes transformational leaders effect transformation within context. This limits the further development and application of transformational leadership theory.

Motivated by the potential of transformational leadership in the aforementioned challenges, this research strives to address this research gap. The functionality of transformational leadership is explored.

Qualitative data from an intercultural transformational leadership learning program (SEED Program, Social Enterprise for Economic Development) is analyzed. The functionality of transformational leadership is explored and a first conceptualization is derived. A dynamic and contextual perspective is applied.

The results of this research are summarized in *The Delta Concept*. Transformational leadership is conceived to be effected through the interplay of antecedent processes with the core process of influencing.

This research contributes to transformational leadership research by providing initial steps for understanding the functionality of transformational leadership.

Kurzfassung

Angesichts erheblicher globaler wirtschaftlicher, sozialer und ökologischer Herausforderungen müssen Führungskräfte in Unternehmen ihre Organisation auf wichtige Transformationen vorbereiten. Ihr Beitrag ist von großer Bedeutung für die positive Gestaltung der gesellschaftlichen Entwicklung.

Die vorliegende Dissertation betrachtet das Modell der transformationalen Führung im Hinblick auf die Bewältigung der anstehenden Herausforderungen.

Seit etwa 25 Jahren steht das Modell der transformationalen Führung zunehmend im wissenschaftlichen Interesse. Es konnte gezeigt werden, dass ein transformationaler Führungsstil positive Effekte auf die Motivation, Leistung und Zufriedenheit der Mitarbeiter hat. In diesem Modell erreichen Führungskräfte und Mitarbeiter höhere Ziele durch einen gemeinsamen Wachstumsprozess.

Diese positiven Effekte sind von besonderer Relevanz, um die Herausforderungen der Zukunft meistern zu können. Bis heute sind jedoch die genauen Funktionsweisen transformationaler Führung nur unzureichend untersucht worden. Insbesondere ist ungeklärt, durch welche Prozesse transformationale Führung im spezifischen Kontext wirksam wird. Diese wissenschaftliche Lücke führt zu einer Einschränkung der Weiterentwicklung und Anwendung transformationaler Führung.

Ermutigt durch das Potential dieses Führungsansatzes in Bezug auf die Gestaltung anstehender Transformationen, widmet sich diese Dissertation dieser bestehenden Forschungslücke. Dazu wurde ein interkulturelles Lernprogramm (SEED Program, Social Enterprise for Economic Development) wissenschaftlich begleitet. In einem explorativen Forschungsansatz wurden die erhobenen qualitativen Daten untersucht.

Die Forschungsergebnisse wurden im *Delta Konzept* zusammengeführt, welches erste Schritte für eine Erklärung der Funktionsweise transformationaler Führung bietet. Demnach wird transformationale Führung durch vorgelagerte und zentrale Prozesse erwirkt, wobei dem Prozess der Einflussnahme besondere Bedeutung zukommt.

Die vorliegende Forschungsarbeit leistet mit ersten Erkenntnissen zur Funktionalität transformationaler Führungsprozessen einen wertvollen Beitrag zu bestehender Forschung in diesem Bereich.

1. Introduction and Phenomenon

1.1. The Research Problem and its Relevance

The important future challenges we face relate to the megatrends of climate change, global population growth and urbanization. Solutions need to be found in order to relieve poverty and environmental problems, establish new energy supplies, secure global health and food supplies and establish future business systems that generate income and favorable living conditions for the people around the globe. Reaching global sustainability to these ends will lead to important social, environmental and economic transformations (World Business Council, 2010).

There are important challenges ahead:

“(...) never before has the future held as many questions, and with such serious consequences depending on the answers. And never before has the shape of the future depended so much on what we – business, government, citizens – do today.” (World Business Council, 2010: 1)

The business world will be both affected by the larger political, social and economical shifts as well as being a key player within this process. Business leaders are challenged to comprehensively react to these transformations and prepare their organizations for necessary adaptations. It is said that Steve Jobs once pointed out that leaders can be perceived as “architects of the future” and “keeper of the vision” (cited in: Bass & Avolio, 1994). It is about developing an adequate vision, deciding on what needs to be transformed and what can and should be kept. Thereby transformation goes beyond mere change. Transformation affects the deeper frames and values systems and herewith builds ground for accessing future opportunities holistically.

The questions leaders face relate to the way they manage to define and design transformation; how they create momentum for transformations; how they achieve transformation in their organization; and how they motivate people to follow and envisage the transformations.

Here, the leadership style of *transformational leadership* is of interest as it has already proven to have positive effects on commitment and performance in organizations (Dumdum et al. 2002; Lowe et al. 1996). With its seminal works Burns (1979) and Bass (1985) brought forth the most researched phenomenon in leadership in recent years (Gardner et al., 2010). It is a promising conceptualization of leadership with regard to the aforementioned need to tackle transformational tasks.

Firstly, *transformation* forms an essential part of this leadership style, as its name suggests. Herewith, it includes an inherent dynamic perspective of leadership.

Secondly, previous research has produced positive evidence about of transformational leadership behaviors (*idealized influence, inspirational motivation, intellectual*

stimulation and individual consideration) on followers' performance, satisfaction and commitment. As Bass (1985), describes transformational leadership is in grade to bring about "performance beyond expectations." This extra effort of the followers is obviously needed when it is about meeting the challenges of transformation.

Thirdly, transformational leadership has been conceptualized to be of particular use and value in times of crises and shift, when new directions and alignment need to be found (Avolio & Yammarino, 2002; Bass, 1998). Fourthly, since going back to its theoretical foundation, it is believed to heighten leaders' and followers' morality beyond self-interest - a most valuable quality critical in the light of global challenges ahead.

The concept of transformational leadership seems to be a promising approach when it comes to responding to dynamics by respective transformations in organizations and societies. Already, in today's world, business leaders need to steer their organization through increasing volatile environments and keep track of new opportunities resulting from a larger degree of global connectivity. The concept of transformational leadership is vital in the light of the challenges we face ahead and as well in the actual leadership tasks.

Analyzing the extent of current theory reveals that research over the last twenty-five years has predominantly contributed to establishing the positive effects of transformational leadership behaviors with regard to follower performance (Bass, 1999; Lowe, et al., 1996; Yammarino, Spangler, & Bass, 1993). Whilst the positive affect of transformational leadership style towards followers' performance seems to be indisputable, there is a considerable conceptual gap when it comes to understanding the *functionality* of transformational leadership (Bass, 1998; Yukl, 1999). Surprisingly, whilst relating to *transformation* the dynamic and contextual perspective of transformational leadership is underdeveloped. It is unclear which processes are involved, how the behaviors are put into practice, how the relation to the followers becomes manifest in a specific context and how transformational leaders identify and steer through transformation (Avolio & Yammarino, 2002; Yukl, 1999). In summary, how do transformational leaders effect transformation? In the light of the aforementioned necessity of transformation as current and future leadership challenge this is unsatisfactory.

This conceptual gap hinders the further advance and reception of transformational leadership. Knowing that transformational leadership and the involved behaviors have positive effects is an important point of departure. Nevertheless, for embracing these positive effects it is necessary to understand more about its functionality. This can lay the foundations for further refinement by going beyond the transformational leadership behaviors and shedding light on the underlying processes, contextual impacts, requisites and dynamics of the phenomenon in question. The consequence from a practical perspective is that with knowing more about its functionality, the application of transformational leadership can be supported and enhanced. Further, organizations

are better qualified to build respective leadership capacities when they know more about the functionality.

Transformational leadership is relevant in theory and practice. It can help to respond to transformational needs and embrace new opportunities. Closing the gap of understanding with regards to its functionality is a valuable endeavor.

1.2. Intended Contribution and Research Design

Motivated by the relevance and potential residing in transformational leadership, this research strives to contribute to the understanding of its functionality. I will address the conceptual gap of functionality by exploring what transformational leaders do in the course of fulfilling their transformational leadership task. The aim is to shed light onto (1) the involved processes and activities (2) the contextualization of transformational leadership.

To achieve this, I will analyze data of an intercultural leadership development program – the SEED Program (Social Enterprise for Economic Development). In this program students are given a transformational task to perform. They are asked to work together within rural Asian settings, in order to find and develop business ideas and therewith contribute to a social transformation towards entrepreneurial thinking. The data collated, consists of learning reports of these international students on which I will conduct a content analysis. Furthermore, I will enhance and triangulate the findings with records from prior participatory observations. The data provides the opportunity “to look over the shoulders” of transformational leaders. I will analyze the activities, challenges, and interactions taking place in course of the program.

With this explorative and qualitative approach I will follow a general call for qualitative investigations in leadership research (Conger, 1998; Parry, 1998) and in transformational leadership research in specific (Bass, 1995, 1999). This design gives room for embracing unexpected aspects and increasing the understanding of a phenomenon. Qualitative research is scarce in transformational leadership. Most publications build on quantitative correlation analysis between transformational leadership behaviors and follower performance. The explanatory potential of such approaches towards enhancing the understanding of transformational leadership is limited. In general, qualitative research designs are said to generate understanding on a more holistic basis (Miles & Huberman, 1994). Therefore I have chosen an explorative research approach for analyzing the SEED data. In order to integrate the findings into a concept of understanding I theorize from the analyzed data. I use the methodologies of grounded theory in this process. I will build on prior transformational leadership research. Further to this general foundation, I will approach the data in an open manner in order to embrace new aspects. After analyzing and initial structuring, I will strive to integrate my findings into existing research within transformational leadership.

My intended contribution is to gain insight into how transformational leaders effect transformation.

1.3. Dissertation Outline

In *Chapter 1*, I introduce the general relevance of transformational leadership and outline my intended contribution.

In *Chapter 2*, I lay the theoretical foundations of this research, analyze the current status of research, derive the research gap with regard to the functionality of transformational leadership and specify the research questions.

In *Chapter 3*, my choice of an explorative research design is explained and the overall research process is described. This consists of data gathering, data reduction, data display and triangulation as well as conclusion drawing.

In *Chapter 4*, I present my results. I demonstrate the emergence of categories from the text-analysis in the specific data context. The findings are integrated in *The Delta Concept* which provides initial insight into the functionality of transformational leadership.

In *Chapter 5*, I review previous transformational leadership literature in the light of my findings and enter the result discussion. I analyze the integration of previous research into the interpretation of my results. I discuss the potential of generalization of my findings and the overall contribution of my research with regard to the posed research questions.

Chapter 6 contains concluding reflections. The strength and limitations of my research are analyzed and avenues for further potential research are highlighted.

2. Theoretical Background

2.1. Transformational Leadership Research

2.1.1. Origins

The origins of transformational leadership can be traced to seminal works of Weber (1947) (charismatic leader); (Burns, 1979) (transforming vs. transactional leadership); and Bass (Bass, 1985, 1998; Bass & Riggio, 2006) (transformational and full-range leadership).

Weber (1947) elaborates on *charisma* as an anti-authorian legitimation. He notes that the legitimacy and authority of a leader is defined through the perspective of the followers (Weber, Henderson, & Parsons, 1947).

Burns (1979) in his seminal work on political leadership connects to this perspective and elaborates on leader- and followership its linkage. He defines leadership as a process by which

“...leaders induc[e] followers to act for certain goals that represent the values and the motivations-the wants and needs, the aspirations and expectations-of *both leaders and followers*.” (Burns, 1979: 19) [italics in original]

He underlines the interactive perspective of leader and follower relations. Thereby leaders and followers are characterized by differences in motivation, power and skill. Leaders and followers engage and strive for a common goal (Burns, 1979).

With *transactional* and *transforming* he introduces two distinct forms of interactions between leader and follower (ibid.)

In *transactional leadership*, leaders and followers “bargain” on the exchange of “valued things” (Burns, 1979). Such a relationship is not characterized by a deeper connection and there is no “mutual pursuit of a higher purpose” (ibid: 20).

Instead, *transforming leadership* “...occurs when one or more persons engage with others in such a way that leaders and followers raise one another to higher levels of motivation and morality” (Burns, 1979: 20). This mutual transformation of leader and follower is characteristic to the concept of *transforming* leadership according to Burns (ibid.). Burns (1979) sees *transactional* and *transforming* leadership as polar extremes of leadership styles which exist exclusively.

Based on the theory of Burns (1979), Bass (1985, 1998) elaborates his theory on leadership styles, including *transformational* and *transactional* leadership style and subsequently extending it further to the *full-range leadership model* (Bass, 1998).

An important distinction between Burns (1979) and Bass (1985) theory is that leadership styles do not exclude each other. According to Bass (1985), leaders can and should display both leadership styles depending on the specific context.

In the conceptualization of the full-range leadership model Bass & Riggio (2006) elaborate further on this idea of various leadership styles. They integrate the leadership styles of contingent reward, management-by-exception, laissez-faire leadership in the full-range leadership model. They contend that an optimal profile of a leader displays all leadership styles in a balanced way.

However, transformational leadership focuses on concept of positive attribution for achieving “performance beyond expectations” in its followers. Furthermore, Bass & Riggio (2006) note that they see transformational leadership as the most positive of leadership styles. With this in mind, transformational leadership remains at the forefront of interest (Bass & Reggio, 2006).

Riggio (2008) the important point in the selection of the leadership style is the context in which it occurs. Since the focus of my research relates to transformation, further elaboration exclusively investigates *transformational leadership* style.

2.1.2. Bass’s Model of Transformational Leadership

Bass (1985: 17) notes that in order to effect transformation: “The transformational leaders sharply arouses or alters the strength of needs which may have lain dormant.”

“Transformational leaders attempt and succeed in raising ...followers...to a greater awareness about the issues of consequence.” (Bass, 1985: 17)

Transformational processes are related to the “upgrading” of needs, which enable followers to become “self-directing”, “self-actualizing” and “self-reinforcing”. Thereby the “subordinates take on greater responsibilities” (Bass, 1985: 16).

According to Bass (1985: 20) transformational leadership achieves its goals by:

- “...raising our levels of awareness, our level of consciousness about the importance and value of designated outcomes, and ways of reaching them” is achieved;
- “...getting us to transcend our own self-interest for the sake of the team, organization, or larger polity.”
- “ ...by expanding our portfolio of needs and wants.” (Bass, 1985: 20)

According to the original seminal work of Bass (1985) three elements were defined. These were charismatic leadership and inspirational leadership, individual consideration, and intellectual stimulation. (Bass, 1985)

With *Charisma* as a leadership trait for transformational leaders, Bass (1985) builds on the considerations of Weber (1947). A charismatic leader is able to promote the notion of higher values and aspirations within its followers, resulting in greater commitment

(Bass, 1985:40). *Inspirational leadership*, first designed as a sub-factor of charisma helps to increase the motivation of followers. *Inspirational leadership* thereafter heightens the emotional attachment of followers to a common goal. In *individualized consideration* the leader provides developmental orientation and acts as a mentor for the individual follower. In *intellectual stimulation* the leaders increase the capability of problem solving among followers. The transforming leaders “discern, comprehend, visualize, conceptualize, and articulate [...] opportunities and threats facing the organization’s strength, weaknesses, and comparative advantages” (Bass, 1985: 99).

These behaviors characterize the transformational leadership style. Its application leads to higher satisfaction and effectiveness of the followers.

“Transformational leadership arouses transcendental interests in the followers and/or elevates their need and aspiration levels. In doing so, transformational leadership may result ultimately in a higher level of satisfaction and effectiveness among the led.” Bass, 1985: 32)

The concept of transformation is reflected in the seminal works of Bass (1985) and Burns (1979).

According to Bass (1985) transformation is essential in order to respond to new requirements. His theory is based on the concept of follower transformation.

Burns (1979) emphasizes that both leaders and followers mutually transform and transcend self-interests in order to reach higher ends.

Of vital importance in both original theories is the relationship between leader and follower. In Bass (1985) this relationship manifests itself in the behavioral aspects of *charisma and inspiration*, *intellectual stimulation* and *individualized consideration*. This leads to a transformation within followers which results in higher performance and increased satisfaction.

With a set of quantitative studies Bass (1985) tested this theory. He found an augmentation effect between transformational and transactional leadership styles. What this meant was that the performance of followers increased when transformational leadership behaviors were applied in addition to or substituting transactional leadership behaviors. This positive effect related to extra effort, effectiveness, satisfaction with the leader and “performance beyond expectations” of the followers.

In further exploration (Bass, 1998, Bass & Riggio 2006), behavioral aspects have been altered and detailed. A frequently used, standard questionnaire was developed (Multi Factor Leadership Questionnaire, MLQ) and a focus of research evolved with respect to the augmentation effect of transformational leadership. In mainly quantitative studies the standardized questionnaire is used to survey and measure the positive effect of transformational leadership behaviors, mainly on follower performance and satisfaction. Strong evidence of this positive effect has been found in numerous publications.

Before further analysing the current state of research on the paradigm of transformational leadership, I will introduce the details of transformational leadership behaviors according to the Multi Factor Leadership Questionnaire (MLQ) (Avolio & Bass, 2004).

2.1.3. Transformational Leadership Behaviors

Idealized influence (IA & IB)

“These leaders are admired, respected, and trusted. Followers identify with and want to emulate their leaders. Among the things the leader does to earn credit with followers is to consider followers' needs over his or her own needs. The leader shares risks with followers and is consistent in conduct with underlying ethics, principles, and values.”

(Avolio & Bass, 2004: 94)

Avolio & Bass (2004: 94) detail exercising idealized influence into attributes and behaviors. The attributes (IA 1–4) are that leaders:

- IA 1 “Instill pride in others for being associated with me”
- IA 2 “Go beyond self-interest for the good of the group”
- IA 3 “Act in ways that build others' respect for me”
- IA 4 “Display a sense of power and confidence”

Avolio & Bass (2004: 94) describe what a transformational leaders does (IB 1–4):

- IB 1 “Talk about my most important values and beliefs”
- IB 2 “Specify the importance of having a strong sense of purpose”
- IB 3 “Consider the moral and ethical consequences of decisions”
- IB 4 “Emphasize the importance of having a collective sense of mission”

Inspirational motivation (IM)

“These leaders behave in ways that motivate those around them by providing meaning and challenge to their followers' work. Individual and team spirit is aroused. Enthusiasm and optimism are displayed. The leader encourages followers to envision attractive future states, which they can ultimately envision for themselves.”

(Avolio & Bass, 2004: 94)

Avolio & Bass (2004: 94) detail inspirational motivation into the following behaviors of transformational leaders:

- IM 1 “Talk optimistically about the future”
- IM 2 “Talk enthusiastically about what needs to be accomplished”
- IM 3 “Articulate a compelling vision of the future”
- IM 4 “Express confidence that goals will be achieved”

Figure 1: Transformational Leadership Behaviors (Avolio & Bass, 2004) - Part 1

Intellectual stimulation (IS)

“These leaders stimulate their followers' effort to be innovative and creative by questioning assumptions, reframing problems, and approaching old situations in new ways. There is no ridicule or public criticism of individual members' mistakes. New ideas and creative solutions to problems are solicited from followers, who are included in the process of addressing problems and finding solutions.”

- IS 1 “Re-examine critical assumptions to question whether they are appropriate”
- IS 2 “Seek differing perspectives when solving problems”
- IS 3 “Get others to look at problems from many different angles”
- IS 4 “Suggest new ways of looking at how to complete assignments”

(Avolio & Bass, 2004: 95)

Individual consideration (IC)

“These leaders pay attention to each individual's need for achievement and growth by acting as a coach or mentor. Followers are developed to successively higher levels of potential. New learning opportunities are created along with a supportive climate in which to grow. Individual differences in terms of needs and desires are recognized.”

- IC 1 “Spend time teaching and coaching others”
- IC 2 “Treat others as individuals rather than just as a member of the group”
- IC 3 “Consider each individual as having different needs, abilities and aspirations from others”
- IC 4 “Help others to develop their strengths”

(Avolio & Bass, 2004: 95)

Figure 1: Transformational Leadership Behaviors (Avolio & Bass, 2004) - Part 2

On the basis of factor studies Bass (1998) further elaborates on the components of transformational leadership. For the measurement of transformational leadership he introduces The Multifactor Leadership Questionnaire (MLQ).

As to critics on negative sides of the personal trait of charisma (also tyrants can display charisma) this factor is first enhanced and then substituted by the more behavioral term and aspect of *idealized influence*. (Bass, 1998) This aspect summarizes that the leaders act as role model. Moreover, Bass (1998) underlines that the leader needs to be equipped with high standards of ethical and moral conduct. He further elaborates on *inspirational motivation* and establishes it as behavior independent from charisma. Critiques note that the unclear distinction between charisma and transformational leadership as well as the related research streams is a conceptual weakness (Yukl, 1999). This lack can be historically explained as the works for transformational leadership are going back to Burns (1979) elaborations on charisma.

In summary, Bass (1998) details the transformational leadership behavior into (1) Idealized influence, (2) Inspirational motivation, (3) Intellectual stimulation, and (4) Individual consideration.

Thereby in *idealized influence* the leaders act as role model. The followers, “admire, respect and trust” the leader (Bass, 1998). Avolio & Bass (2004: 94) detail these into further behaviors and attributes. Transformational leaders “instill pride in others for being associated with me”; “Go beyond self-interest for the good of the group”; “Act in ways that build others' respect for me”; “Display a sense of power and confidence” as behavior the transformational leaders “Talk about my most important values and beliefs”; “Specify the importance of having a strong sense of purpose”; “Consider the moral and ethical consequences of decisions”; “Emphasize the importance of having a collective sense of mission”.

In *inspirational motivation* leaders motivate and inspire their followers for a certain goal or shared vision. The leader provides meaning and challenge and displays enthusiasm and optimism (Bass, 1998). To do so the transformational leaders “talk optimistically about the future”, “talk enthusiastically about what needs to be accomplished”, “Articulate a compelling vision of the future” and “Express confidence that goals will be achieved” (Avolio & Bass, 2004: 94).

In *intellectual stimulation* the transformational leaders stimulate innovation and creativity in followers. Thereto they “re-examine critical assumptions...”; “seek differing perspectives when solving problems”, “get others to look at problems from many different angles”, and “suggest new ways of looking at how to complete assignments” (Avolio & Bass, 2004: 95).

In *individual consideration* the transformational leaders act as coach or mentor for their followers. They create learning opportunities a supportive climate and develop their followers by individual attention and consideration. Thereto transformational leaders “spend time teaching and coaching others”; “treat others as individuals rather than just

as a member of the group”; “consider each individual as having different needs, abilities and aspirations from others”; “help others to develop their strengths” (Avolio & Bass, 2004: 95).

Figure 1 gives an overview of all transformational leadership behaviors and the respective detailing according to Avolio & Bass (2004).

2.2. Current Status of Transformational Leadership Research

2.2.1. The Augmentation Effect

Transformational leadership is the most frequently researched leadership paradigm in the last 20 year (Gardner, et al., 2010; Lowe & Gardner, 2000). It has received this interest on the basis of supposed multiple positive effects of transformational leadership style on follower’s performance, satisfaction and effectiveness. These positive effects are conceptually built into the original theory of Bass (1985) as the *augmentation effect* and are the driver for the positive reception of this leadership paradigm in theory and practice. With the augmentation effect it is theorized that transformational leadership behaviors increase the performance of followers when they are applied, instead or in combination with transactional leadership behaviors.

With the introduction of MLQ as a standardized survey and measurement tool for leadership styles (Bass, 1998), empiric testing of this augmentation effect gained impetus in research. Subsequently, much empirical evidence is found for the value of transformational leadership. Thereafter, transformational leadership enhances performance in terms of efficacy and follower satisfaction in comparison to others leadership styles, this has been found in numerous quantitative studies applying the measurement of the MLQ (Dumdum et al., 2002; Lowe, et al., 1996).

Research addressing the positive effect between transformational leadership behaviors and performance is so abundant, that there are calls for leaving this issue and not searching for further evidence (Bass, 1995; Gardner et al., 2010; Yukl, 1999).

2.2.2. “The Black Box” of Functionality

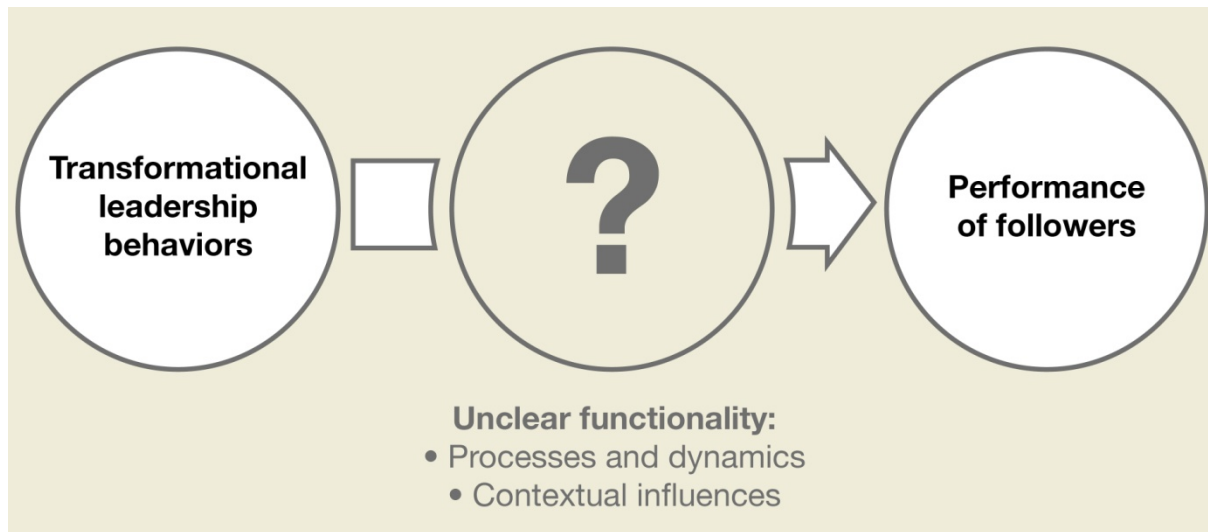


Figure 2: “The Black Box” of Functionality

Whilst the positive effect seems indisputable in literature presently (Antonakis, Avolio, & Sivasubramaniam, 2003; Avolio & Yammarino, 2002; Bass, 1995; Bono & Judge, 2004; Conger & Hunt, 1999; Lowe, et al., 1996), there are important conceptual gaps with regard to how these transformational leadership behaviors are put into practice and how they provoke these positive effects with followers (Avolio & Yammarino, 2002b; Bass, 1998; Bass, 1999; Yukl, 1999).

Reviewers refer to this as the “black box” of the functionality of transformational leadership (Dumdum et al. 2002; Avolio & Yammarino, 2002a; D. I. Jung & Avolio, 2000). Research applying the Multifactor Leadership Questionnaire (Avolio & Bass, 2004) places so much focus on measuring and relating transformational leadership behaviors to positive performance effects, that the explanation of the transformational leadership functionality is compromised. Currently, it is unclear, what a transformational leader exactly does in a specific situation and which processes and interaction this involves (Bass, 1999; Yukl, 1999). Various researchers call for an enhanced understanding of the functionality of transformational leadership with regard to the contextual influences (Avolio & Yammarino, 2002b; Bass, 1998; Conger, 1999; G.; Dumdum et al. 2002; Kark & Shamir 2002; Yukl, 1999) and the processes and dynamics involved (Bass, 1995; Bass & Riggio, 2006; Yukl, 1999).

Transformational leaders are said to exercise multiple roles. In Bass and Avolio (1994) the following roles of transformational leaders are named: coach or mentor, communicator, delegator and developer of others, enhancer of group cohesiveness, facilitator of cooperative behavior, direct and indirect influencer, inspirer of others, instiller of commitment, monitor of development, promoter of positive change, provider of empowerment, questioner of assumptions reframer of problems, role model, and stimulator of innovation and creativity (Bass & Avolio, 1994).

This poses the obvious question, about how a transformational leader displays and puts these roles into practice.

Of great importance is the interaction of leaders with their followers within the specific leadership context. The roles and behaviors are manifested in relation to the followers. Nevertheless, the majority of current research assumes that there is a unilateral cause-effect connection between transformational leadership behaviors and follower performance. Whilst an overall positive effect of transformational leadership behaviors has been demonstrated through research, it is likely that on the way to achieving these effects, complex social interactions take place. Also, it is likely that transformational leaders need to adapt and vary their behaviors according to context and progression in the course of collaboration. In a dynamic perspective it is likely that the positive effect of transformational leadership needs “to grow” through various interactions over time. This is in contrast to the common static perception of transformational leadership research.

Through interactions the leaders and followers socially relate to each other. This supposition is in line with the conceptualization of both, leadership in general (Osborn et al., 2002) and transformational leadership as a social phenomenon. Like all human interaction it is likely that transformational leadership comprises of social processes and related complexities (Bass & Riggio, 2006). These issues of functionality are currently underdeveloped.

Previous research predominantly takes a static perspective and abstracts from the complexities of human interaction. To date, research has found moderating and mediating factors with regard to the positive effects of transformational leadership, for instance trust (Podsakoff, 1990), affect (Brown & Keeping, 2005) commitment (Korek et al., 2010) social distance (Cole et al., 2009) interpersonal norms (Williams et al., 2010). This indicates the likelihood of complexities of social interaction within transformational leadership.

The aforementioned research recognizes this fact but falls short in providing explanations. These relate to *how* the functionality of transformational leadership is influenced by various contextual factors and *how* transformational leaders react thereupon (Bass, 1998) and which social interactions take place. So far these issues are analysed as a “side product” of research establishing the positive link between behavior-performance effects. For the purpose of enlightening how transformational leadership functions, research needs to focus on opening the “black box” by identifying involved (social) processes (Parry, 2002) and contextual influences (Yukl, 1999).

In the following I review the status of research with regard to contextual influences and the process perspective in transformational leadership as relevant aspects for the understanding its functionality.

2.2.2.1. *The Contextual Gap*

To date research on transformational leadership frequently assumes its effectiveness being independent from context. For instance, Avolio and Bass (2004) underline the applicability of the MLQ and its constructs in various countries. Also Goho (2006) finds, according to his test of the MLQ model, that it is reliable in diverse cultural settings.

However, Bass (1997) points out that even transformational leadership has proven to be applicable across nations, cultures and organizational contexts this does not mean that it will be of the same manifestation in all contexts. Bass (ibid.) names this a “variform universal” indicating both elements of universality in the explanatory concept and its variations according to specific contexts. The variations as pointed out by Bass (1997), relate to the application of transformational leadership in practice as Bass (ibid.) notes. For instance, there are variations found in the suitability of transformational leadership in collectivist cultures (Bass, 1995; Jung, Bass, & Sosik, 1995).

This is in line with the general perspective of leadership, being both, depending on context and containing general concepts (Chemers & Ayman, 1993). In research of transformational leadership to date the universalities of transformational leadership behaviors are stressed. It seems appropriate to amend transformational leadership theory with contextual perspectives. This is reflected in the call for context sensitive investigations in transformational leadership research. Expected is that through incorporating the contextual dimension into transformational theory and research, a better understanding of its functionality can be gained (e.g. Bass, 1999).

The understanding of the contextual influence in the functionality of transformational leadership does not seem to have advanced considerably over the years. Bass (1998; 1999; Bass & Riggio 2006) therefore repeatedly encourages respective research efforts.

Few studies have established the overall importance of context for transformational leadership. For instance, Bommer et al. (2004) investigates upon transformational leadership antecedents conceptualized in “cynicism about organizational change” and leader’s peer context. By taking these two aspects of the context into consideration they are able to explain a quarter of the variance in the manifestation of transformational leadership behavior. Rubin (2003) finds out that variances in transformational leadership behaviors can be related to antecedent factors. Robin (ibid.) uses a survey approach and a variance analysis to find out to which extent various antecedents factors influence the display of transformational leadership behaviors of leaders. His main findings are that leader-focused antecedents plus control variables accounted for 33% follower-focused antecedents account for 24%; and situation-focused variables accounted for 18% of the variance in transformational leadership behaviors.

Antonakis et al. (2003) tested the MLQ for contextual influences. In specific they were: environmental risk, leader–follower gender, and leader hierarchical level. In summary they point out that the context needs to be considered in studies as to clearly define the boundary conditions of the model applied.

These studies are limited in their explanatory power of the functionality of transformational leadership. However, by acknowledging the importance of context they lay ground for further investigations into the functionality of transformational leadership.

Other research approaches analyses transformational leadership behaviors in specific contexts.

For instance, Balthazard et al. (2009) analyse the emergence of transformational leadership in virtual versus face-to-face teams contexts. They found that the tam-context has influence on the emergence of transformational leadership. Therefore, personal characteristics play a role in face-to-face teams whereas linguistic quality of written communication is of importance for the emergence of transformational leadership in virtual teams.

Also Lim and Ployhart (2004) take a specific contextual setting for their analysis. They analyse transformational leadership behaviors in contexts of “maximum performance” in a military setting. They find that transformational leadership is more predictive for team performance in “maximum performance” context. They explain this by a general applicability of transformational leadership in crisis situations.

The aforementioned studies point to the importance of context in the transformational leadership functionality but do not offer detailed insight into how transformational leaders respond to these context influences. Furthermore, they do not relate to the social complexity presumably inherent in transformational interactions.

Bass (1995) reviews advances in understanding the functionality of transformational leadership and names Podsakoff et al. (1990). They introduce and evaluate of *trust* as an important influential factor on transformational leadership. Further, Bass (1995) points to the contribution of Shamir et al. (1993) who introduce followers’ self-concept and self-esteem as contingency for transformational leadership behaviors. The focal points of these two studies reflect to a greater extent the social complexities of transformational leadership and strive to enlighten the functionality of transformational leadership.

Recent studies introduce further situational mediators in this regard, for instance interaction behaviors (Yang, 2009), creativity levels (Wang & Zhu, 2011), social distance (Cole, et al., 2009), motive patterns of followers (Sosik et al., 1998) or team climate (Eisenbeiss et al., 2008).

Looking at transformational leadership out of the perspective of human interaction might be an important alternative interpretation. For instance, Brown and Keeping (2005) analyse the impact of interpersonal affect on the construct of transformational

leadership. They come to the conclusion that interpersonal affect can cause bias in the MLQ measurement of transformational leadership. An alternative perspective for interpreting their results could be to see interpersonal affect as an inherent part of the social interaction involved in transformational leadership. Thereafter, interpersonal affect and other aspects of social interaction need to be considered when investigating further the functionality of transformational leadership. Further investigations, in this direction might lead to more differentiated insight into the functionality of transformational leadership.

While the current status of overall research implies that context is of great importance, an explanation of functionality is not elaborated. The contextual aspects of transformational leadership are mainly investigated in form of moderators between transformational leadership behavior and performance. Most publications measure transformational leadership effectiveness and manifestation by applying MLQ. Such studies take situational aspects into consideration but still conceptualize a direct link between transformational leadership behavior and performance. These studies do not directly refer to *how* transformational leadership is put into practice in a specific context.

Each study takes specific aspects of the context into consideration. All in all, multiple themes are addressed (personal traits, trust, attitude of the followers, team context, interpersonal affect, etc.) however, the various perspectives do not lead to a coherent picture of the contextual perspective of transformational leadership. In addition, the contextual aspects are so far analysed in a static perspective.

An alternative perspective is offered by Purvonova and Bono (2009) and Pawar and Eastman (1997).

Purvonova and Bono (2009) investigate in an experimental study, leaders' transformational leadership behaviors across different team types (face-to-face and virtual). They find that leaders change their behaviors depending on the specific team context.

Pawar and Eastman (1997) conceptualize potential contextual influences on transformational leadership. They contend that the initial contextual setting influences the manifestation of transformational leadership and - more important to the perspective to the functionality of transformational leadership - that transformational leaders can influence upon the context. They categorize transformational leadership into two types with respect to the aim of either harnessing or confronting the contextual setting. Whether the context is harnessed or confronted, depends on the specific goal of transformation. Pawar and Eastman (1997) include the interaction of the transformational leaders with the specific context within their research. In this perspective, influencing the context either by harnessing or confronting it is an inherent part of transformational leadership activity. They underline the interdependence of the transformational leadership process within context.

A more dynamic perspective of interplay between transformational leaders and context emerges.

This is an alternative perspective to the majority of research that either sees transformational leadership independent from contextual factors, or sees context moderating the effectiveness of transformational leadership behaviors.

In conclusion, it is likely that the context in which a transformational leader acts has important influence on the manifestation of transformational leadership. Understanding the functionality of transformational leadership implies broadening the scope of investigation beyond the behavior – performance investigation and incorporating the contextual aspects as integrative part of the analysis.

The literature review reveals that to date many issues with regard to the contextual influences on the functionality of transformational leadership remain open.

The following key issues remain unexplored: (1) how transformational leaders put into practice their transformational leadership behaviors in specific contexts (2) how transformational leaders adapt and respond to context and, (3) how contextual influences impact on the transformational leadership functionality.

2.2.2.2. *The Process Gap*

Burns (1978: 20) in his conception of transforming leadership, notes that leaders and followers “engage” with each other and “raise” each other’s motivation and morality. Thus, in its theoretical foundation transforming leadership relates to a *process* that involves leaders and followers. Further, Burns (1978: 434) summarizes explicitly transforming political leadership involving processes for the “achievement of real change”. Also, Avolio and Bass (2004: 94) underline that transformational leadership “... is a process of influencing in which leaders change their associates’ awareness of what is important, and move them to see themselves and the opportunities and challenges of their environment in a new way.” This is in line with the reasoning that the positive effects of transformational leadership as shown in previous research needs to be established throughout time in various leader-follower interactions. Hence, understanding the process(es) of transformational leadership is of vital importance for its functionality. This is in line with the call of researchers for investigations and conceptual amending of transformational leadership with regard to the involved dynamics and processes (Yukl, 1999; Bass & Riggio, 2006).

To date research on transformational leadership by large does not contain any process or dynamic perspective. It is implicitly assumed, that transformational leaders exercise the same behaviors, independent from any sequences in time. The term “process” is mainly used as a synonym or summary of the transformational leadership behaviors and does, in this sense, not relate to dynamics.

As there is no comprehensive process perspective on transformational leadership is found to date, I will briefly review existing research with respect to finding initial insight for such a process perspective.

Some research approaches detail the functionality of transformational leadership as they provide intermediate factors between behavior and performance. This can give insight into the potential content and goal of intermediate transformational leadership processes.

For instance, (Bass, 1990) notes that transformational leaders share a vision with their followers. Further, Bass (1999) interprets transformational leadership as provoking alignment of followers' values and interest with the organization. Jung and Avolio (2000) build thereupon and introduce value congruence as a mediating factor on work group effectiveness, and the effects of transformational leadership. Feinberg et al. (2005) analyse the ability of leaders to create consensus or similar mindsets. Shamir et al. (Shamir et al. 1993) and Kark and Shamir (2002) conceptualize the transformational leadership activities as inducing influence on follower's self-esteem and self-concept of followers. Even though, the process perspective is not elaborated in these studies they give indication that various processes are involved in transformational leadership activity. For instance, reaching value congruence, consensus, and a shared vision involves various sequences of interactions between leader and followers. The analysis of Dionne et al. (2004) on intermediate outcomes of transformational leadership behaviors supports this perspective. Instead of being a prompt and direct result of transformational leadership, its positive effects can be conceptualized as evolving in a process of leader and follower interaction.

The aforementioned studies lay the foundations for further analysis of transformational leadership processes as an important bridge between transformational leadership behavior and positive performance results.

In addition studies exist which investigate transformational leadership in association with learning processes (Mavrincac, 2005; Zagoršek et al., 2009). These publications do not directly address a transformational leadership process but take in the larger setting a process perspective. For example it is found that transformational leadership has an influence on organizational learning (Zagoršek, et al., 2009) by positively influencing upon information acquisition, and provoking behavioral and cognitive changes.

Overall, this literature review reveals, that the process perspective on transformational leadership is considerably underdeveloped.

Whilst it is widely assumed that transformational leadership contains important dynamics, an important gap remains.

It is unclear, (1) how transformational leaders practice their behaviors in the course their transformational task (2) which interactions take place at what point of time and (3) how the transformational leaders and followers engage in transformational

activities. In brief, how a transformational leadership process can be conceptualized. Research in this direction could lay the foundations for further understanding the functionality of transformational leadership. Seeing transformational leadership as a dynamic phenomenon comes closer to the inherent complexities of human interaction.

This responds to the call of Yukl (1999) who sees multiple ambiguities in the transformational leadership behaviors. Taking a dynamic perspective might help to analyze the related and distinct behaviors and therewith support the conceptual development.

Parry (2002) notes the importance of understanding the underlying social processes in transformational leadership.

Chemers (1993) underlines, that leadership is a multifaceted process. Focusing on the effectiveness of leadership with cause-effect relations, lead to a great variety of factors that give a diverse picture (ibid.). Instead, keeping in mind that transformational leadership is a multifaceted and multilayered phenomenon, the variety of relevant factors found is not surprising. As reviewed in this chapter, the variety of factors reflects this general stance of Chemers (1993) in the area of transformational leadership research. These factors give indication for the complexity of the transformational leadership phenomenon but fall short in setting up a coherent picture and understanding functionality of transformational leadership. Therefore, bringing a process perspective into transformational leadership research will probably support the integration of various factors into a dynamic flow of interactions. By doing so, a more holistic perspective on the functionality of transformational leadership could be gained.

2.2.2.3. *The Transformation Gap*

Burns (1978) conceptualizes transforming (political) leadership as a driver for desired social change. He sees transformational leadership potential in alleviating the pressing problem of underdevelopment in the world (Burns, 2003). Instead, a focal point of transformational leadership according to Bass (1985) is the transformation of followers in respect to heightening their motivation and brining them to transcendent their self-interest.

Thus, transformation is conceptualized on various levels within transformational leadership research. It relates to the personal level (here the followers) and to the larger contextual e.g. organizational level. The concept of transformation is not well researched in transformational leadership.

Poutiatine (2009) notes that transformation goes beyond change as it requires second-order change, and is irreversible. It further involves “assent to change”, uncertainties, and facilitate a broader perspective (Poutiatine, 2009: 192-193). Thus, on personal level transformation can be understood as deep rooted change, affecting the underlying frames of reference (Poutiatine, 2009). A frame of reference “is a meaning perspective, the structure of assumptions and expectations through which we filter

sense impressions. [...] It selectively shapes and delimits perceptions, cognition, feelings, and disposition by predisposing our intentions, expectations, and purposes” (Mezirow, 2000: 16).

Poutiatine (2009) points out that up to date the personal perspective of transformation is not addressed in transformational leadership. For instance, it is not understood, how the influence on the follower is affected and by which process the follower is “transformed”. Poutiatine (2009) introduces the process of *transformational learning* as potential explanatory process for the functionality of transformational leadership. Transformational learning relates to the theory of Mezirow (2000) and the elaborations of Cranton (2006). Thereafter *transformational learning* occurs, “...when people critically examine their habitual expectations, revise them, and act on the revised point of view” (Cranton, 2006: 19). The applicability of this theory in transformational leadership remains unexplored.

Further, only few studies have related directly to the transformational potential in a wider perspective of initiating transformations on an organizational or society level.

In their book on improving organizations Bass and Avolio (1994) investigate the application of transformational leadership for driving organizational development and change within various contexts. Here, transformational leadership and the related behaviors are presented as a distinct way of reasoning and practicing leadership within organizations. *Transformation* is in the center of this analysis of transformational leadership. Thereafter, transformational leadership serves as a means for organizational change and for establishing an overall *transformational culture* within organizations. This improves the capability of organizations to embrace future challenges and opportunities.

In their book Bass and Avolio (1994), the potential and practice of transformational leadership is analyzed with regard to e.g. corporate reorganizations and human resource management (Kroeck, 1994), in the decision making processes (Bass, 1994), with respect to total quality management alliances (Avolio, 1994) and organizational transformations (Atwater & Atwater, 1994).

Atwater and Atwater (1994) analyze the examples of Motorola and General Electric and find that transformational leadership supports the organizational inclination for change (Atwater & Atwater, 1994). Thereby the transformational leadership behaviors of *individual consideration*, enhances learning opportunities, *intellectual stimulation* fosters creativity, *inspirational motivation* establishes alignment of values between followers, leaders and the organization and *idealized influence* builds trust and herewith the basis for positive influence. All these factors support the envisaged transformation of organizations. Kroeck (1994) sees transformational leadership supporting a transformational culture of organizations by expanding employees’ skills, fostering employee’s identification with the organization, building employee

relationships that are characterized by partnership, stimulating creativity and teamwork and instilling affection for their organization.

A recent analysis shows that transformational leadership can foster the organizational adaptation towards sustainability (Ussahawanitchakit, 2011). The investigation of Zagoršek et al. (2009) offers further explanation. They find out that transformational leadership has a positive effect on organizational learning, via effecting behavioral and cognitive changes.

These examples illustrate an important starting point for further analysis of the potential of transformational leadership in establishing and fostering transformation in organizations and other contexts. Currently, this perspective is underdeveloped in transformational leadership research. It is unclear, (1) how transformational leaders foster transformation in the larger context; (2) how transformational leaders interact with their followers, (3) how transformational leaders put into practice the transformational leadership behaviors for the goal of provoking transformation in the larger contextual setting.

In the light of the important transformations a conceptual development of the transformational potential of transformational leadership is crucial for the further diffusion of this leadership paradigm. A starting point could be a better understanding of the character of transformation and the integration of respective learning theories into transformational leadership theory, as proposed by Poutiatine (2009).

2.2.2.4. *The Methodological Gap*

There are calls for different research approaches in order find inspiration for conceptually closing the gap of transformational leadership functionality (Bass, 1995; Yukl, 2010).

Overall there is only a very limited amount of qualitative research approaches so far on transformational leadership in comparison to the overwhelming number of quantitative approaches ranging in thousands.

Examples of qualitative research approaches are: e.g. Dvir et al. (2002) evaluate transformational training effect in a field-experiment in the military context, Singh and Krishan (2007) apply a grounded theory approach to derive context specific factors for the MLQ, Beyer (1999) applies narratives in with a focus on charismatic leadership.

In the light of the reported gaps in understanding the functionality of transformational leadership, a reassessment of research approaches seems appropriate and necessary. Most research applies survey approaches using the standardized MLQ and measures the performance effects of transformational leadership behaviors. To date, behavioral aspects of transformational leadership are concentrated on predefined behaviors as given in the MLQ (Avolio & Bass, 2004).

This partial focus seems prone to limiting the explanatory potential of research. Researchers call for a greater variety in research approaches for instance Bass (1995) calls for qualitative research in order to avoid excluding variables which cannot be measured easily. Yukl (1999) calls for the inclusion of richer descriptions such as diaries or observations and reducing the application of standardized questionnaires. This might allow the analysis of more holistic data sets, which in turn lay ground for a wider explanatory potential. For the purpose of generating insight into the functionality of transformational leadership, the research design needs to respond to an interactive, dynamic and situational perspective on transformational leadership (Bass, 1999).

Parry (1998, 2002) suggests a grounded theory approach, with the potential of including social processes by studying qualitative data. This is in line with the perspective of Miles and Huberman (1994) who advocate for qualitative methods in research situations where the basic connections still need to be explored.

2.3. Deriving Research Questions

This literature review has shown that to date much is unknown about the functionality of transformational leadership.

Many aspects of transformational leadership functionality remain unclear. The “black box” has not yet opened.

It is likely that the functionality of transformational leadership involves the complexities of human interaction, contains dynamics and contextual influences. To date these aspects have not been explored, therefore the overall functionality of transformational leadership remains undiscovered.

This research aims to shed light onto the functionality of transformational leadership.

In specific, this research strives to explore:

- (1) How transformational leaders and followers interact (within context and in sequence of events or time).
- (2) How transformational leaders effect transformation.
- (3) How transformational leaders adapt and respond to context.

The aim is to explore transformational leadership within context and with regard to inherent dynamics.

3. Research Design

3.1. Qualitative Research Design: An Explorative Study

The aforementioned research questions indicate that there is much unknown in the research field of transformational leadership functionality. Important conceptual gaps with regard to process and contextual aspects of transformation remain. An explorative, qualitative research design is considered appropriate for addressing these research gaps. I herewith strive to complement previous quantitative research by a holistic investigation of the functionality of transformational leadership.

The selection of the qualitative research design is motivated by its strength in the light of the aforementioned research intent.

Miles and Huberman (1994: 10) underline that qualitative research allows one to examine a phenomenon as it is “naturally occurring”, “embedded in its context” and including “peoples lived experience”. They conclude that qualitative research is the most fitting research strategy when the research goal is to examine new areas.

According to Miles and Huberman (1994: 10) qualitative data provides “thick descriptions” which allows investigating the “meanings” people give to events.

This supports analysis of the phenomenon within a holistic context (ibid.: 10). There is a strong possibility for discovering and “understanding latent, underlying, or nonobvious issues” (Miles & Huberman, 1994: 10).

Also Corbin and Strauss (2008: 25) note “...underlying the use of qualitative methods is the assumption that all of the concepts pertaining to a given phenomenon have not been identified, or aren’t fully developed, or are poorly understood and further exploration on a topic is necessary to increase understanding.”

These aspects directly relate to the aim of this research of shedding light onto the functionality of transformational leadership. In a qualitative research approach I strive to find fundamental insight into the practice of transformational leadership which enables understanding to emerge.

In the analyzing process, I use the techniques of grounded theory. I thereby follow a theory building process based on the techniques proposed by Glaser and Strauss (2008) with regard to the “...discovery of theory from data...” (Glaser & Strauss, 2008:1). In contrast to a grounded theory research design which builds on theoretical sampling and iterative data gathering until saturation, I conduct an explorative study and only make use of elements of the grounded theory with regard to theory building. I do so as my research is based on data which has been collected prior to in depth analysis.

The grounded theory approach offers comprehensive methodologies and techniques for data analysis and theory building (Glaser & Strauss, 2008). The aim is to find a

theory that “fits the situation being researched” and “work when put into use” (Glaser & Strauss, 2008: 3). In other words the theory emerges from the data-analysis and brings meaningful explanation to the phenomenon under research.

Miles and Huberman (1994) describe the process of qualitative data analysis as a continuous and iterative enterprise. This involves the interrelated steps of “data collection”, “data reduction”, “data display” and “conclusion drawing and verifying” (Miles & Huberman; 1994: 12). I build on existing data which I analyze in an explorative approach. For the analysis I apply the methodologies of grounded theory and iteratively conduct the process steps of data reduction, data display as well as conclusion drawing with verification.

In the following I describe my research process by addressing these elements.

For the data reduction I used the computer program *Maxqda* as a text-analysis tool. This facilitates the process in the areas of documentation and analysis.

3.2. Data Gathering

3.2.1. Data Source: The SEED Program

3.2.1.1. Program Design

The SEED (Social Enterprise for Economic Development) Program is an intercultural leadership program (SEED Program brochures 2007-2011). It exposes students from Asian and European universities to rural contexts in Asia. Their task is set off economic and social transformation, by engaging in social entrepreneurship activities. The students develop viable business plans through collaboration with the villagers and within the multicultural team.

During approximately ten days of fieldwork, the students are placed within the respective villages, share daily habits and fully immerse themselves into the context.

The SEED Program is co-organized by the Universiti Malaysia Kelantan (UMK) respectively The School of Business and Management at Institut Teknologi Bandung (SBM – ITB), or the Banking University of Ho Chi Minh City and the Asia Research Centre (ARC) at the Chair for International Management (South East Asia), University of St. Gallen (HSG), in collaboration with the ASEAN Learning Network.

Since 2007, the SEED Program has been conducted four times in Indonesia, once in Malaysia and once in Vietnam with approximately twenty participants each time.

The task is to promote social and economic development and transformation. This involves acting as change agents, helping and empowering the villagers, discussing perspectives with the villagers, overcoming obstacles, finding new and creative approaches, finding new products or ways of marketing existing products, searching and facilitating the investment by venture capitalists, fostering talent and changing mindsets of the villagers (SEED Program brochures).

Following the introductory sessions the SEED Program is designed to bring students into the position of effecting transformation. Two elements are central to the SEED Program: firstly, to foster sensitivity by in finding out the needs of rural Asian context with respect to social and economic development; and secondly, building consciousness about their own abilities.

By doing so, the students act as transformational leaders. During the SEED Program they immerse themselves into the village context and are closely linked to village life.

The task involves in detail:

- Participating in daily village life.
- Collaboration with the villagers and within the multicultural team with discussion and exchanging views and perspectives.
- They have the task to look at the situation out of the perspective of what could be improved in order to foster social and economic development.
- Analyzing the situation from the perspective of the villagers.
- Reaching understanding of the situation.
- Finding creative solution and evaluating feasibility.
- Overcoming obstacles relating to the intercultural field and teamwork.
- Helping the villagers in developing a vision of what is possible.
- Facilitating financing.

“By renewing the mindsets of villagers, students help to facilitate creative problem solving among villagers so that they can develop their own enterprises and achieve their own aspiration.” (SEED Vietnam Program Brochure 2011: 2).

Throughout the two weeks program the students spent most of the time in the respective village and are within close contact to the team and the villagers.

The data analyzed originates from the following two SEED programs:

- Social Enterprise for Economic Development (SEED): A Cross-Cultural Leadership Program, Sri Tujuh, Tumpat, Kelantan, Malaysia, 21st July – 3rd August 2010
- Intercultural Leadership: Social Enterprise for Economic Development (SEED) in Indonesia, Pangalengan Village and Bandung, West-Java, Indonesia 30th October to 12th November 2010

In the course of these SEED Programs the students documented their experience in learning reports. These learning reports are explored in the present research.

The SEED programs as conducted since 2007 initiated transformations within the villages. The following examples demonstrate the transformative potential of the SEED Programs.

For instance, the SEED Program 2008, Indonesia initiated the founding of a village owned enterprise (“Koparsi” or VOE). In the initial situation various villagers were

facing similar problems with regard to limited access to financial resources, lack in infrastructure, access to information technology and limitations in transportation services. The idea of the village owned enterprise as proposed by the SEED Program, emerged out of the discussion with the villagers. During the SEED Program the financial, strategic and organizational set up of the VOE was defined through collaboration of the SEED participants, villagers and social finance investors. The VOE was founded in 2008 and offers services to the villagers since that time. With the help of the VOE development obstacles have been overcome. The VOE is characterized by an entrepreneurial and collaborative approach. For instance, the VOE facilitates the provision of fertilizers by combining the demands of the villagers. This allows a reduction of costs for the villagers.

The villages are responsible for managing the VOE. Support is provided with regard to business knowledge by local students and with financing by social investors. Establishing the VOE led to transformations within the village. In a practical perspective economic development was fostered by solving transportation and provision problems. More fundamentally the foundation of the VOE influenced on mindsets with regard to positively approaching and overcoming obstacles, fostering entrepreneurial thinking, and initiating collaboration between villagers (Participatory observation 2007-2008; follow up in subsequent SEED Programs; personal discussion with Prof. Chong and local SEED organizers).

A second example relates to adaptations in farming principles. In the initial situation of the SEED Program 2007 in Indonesia it was common that every family kept their own cows close to their home. Furthermore the farmers had the habit of washing away the excrements of the cows. In combination with a limited canalization this caused serious pollution of water. The farmers living at lower levels of the mountain area were cut off of fresh water supply. This led to social tensions between the villagers. In collaboration with the villagers the SEED program 2007 developed ideas for alleviating the situation. It was suggested to centralize the cows into larger stables. Furthermore using cow dung for the production of natural fertilizers was suggested. Centralizing the cows reduces the distribution of water pollution in the mountain area. In modern stables the pollution is reduced through foundation and better canalization. Furthermore, the production of fertilizers reduces water pollution as the cow excrements are processed. Moreover, the fertilizer introduces a source of income for the villagers. Whilst the villagers overall supported the idea, important social transformations are connected to the introduction of these new approaches. The cows are of central economic importance for the families they prefer to keep their cows in their own stables. It became clear that a radical shift to the new farming approach is not feasible. Since the first discussions in the SEED Program 2007 the subsequent SEED Programs continued to work on the implementation of the new farming approach. Over the years a transformation in the mindset of the villagers has occurred and the centralization of cow stables was introduced into the village context.

These examples show that the SEED Program has effected important transformations within the villages since the start of the Program in 2007. Many business ideas have been introduced and implemented in the village context. Examples are processing tomatoes (dried and canned tomatoes and tomatoes paste), guava juice and dried guava production, yoghurt production, orange production, introduction of organic farming principles and candy production (documentation SEED Programs 2007-2011)

The introduction of these business ideas and the implementation is linked to transformation within the village context. All ideas and implantation originate from the collaboration between the villagers and the SEED Program participants. The local students and universities provide further support in the implementation of the business ideas after the SEED Programs. In a continuous collaboration the local students and the local university are in contact with the villagers until the next SEED Program starts. The SEED Programs are conducted every year and start with a review of the implementation status of prior SEED Programs. Through this collaborative design the SEED Programs are initiating transformations within the village context on an economic, environmental, social and attitudinal level.

3.2.2. The Learning Reports

According to Glaser and Strauss (2008) it is important that the qualitative researcher investigates data in which the research problem (here the functionality of transformational leadership) is of relevance to the persons sharing their experience.

The students act as transformational leaders in the course of the SEED Program. In the learning reports the students display their transformational activities and give insight into the challenges they face. The way they fulfilled their task is evident in the learning reports. Therefore the SEED data is an appropriate research basis for investigating transformational leadership.

I gathered data in the form of written learning reports. Students were free to note what they considered important within the course of the SEED Program. They noted their reflections regarding activities, events, learning, experience, and exchange with the team and with the villagers.

The reason qualitative research is „...the desire to step beyond the known and enter into the world of participants, to see the world from their perspective and in doing so make discoveries that will contribute to the development of empirical knowledge.” (Corbin & Strauss, 2008: 16)

‘Thick description’ in SEED data provides context of events on which they reflect. “Researcher must locate the expressed emotions, feelings, experiences, and actions within the context in which they occurred so that meaning is clear and accurate.” (Corbin & Strauss, 2008: 57)

Few took a daily format and noted activities according to specific points in time. The majority submitted records. All used English.

I conducted a detailed analysis on two SEED Programs taking place in 2010 in Indonesia and respectively in Malaysia. In total, I analyzed 25 learning reports originating from the SEED Program in Indonesia (17) and the SEED Program in Malaysia (8). The learning reports of the SEED Program in Malaysia come from students of the University of St. Gallen (1) and the ETH Zurich (1), University of Brunei, Malaysia (2), University of Hochiminh City, Vietnam (1) and the Singapore Management University (3). The reports of the SEED Program in Indonesia are all from students of University of St. Gallen (17).

Both SEED Programs were conducted in intercultural teams in which international students work together with local students from the respective host university.

3.3. Data Analysis

3.3.1. Data Reduction

3.3.1.1. *Open Coding*

For the present research I chose samples of two, comparable SEED Programs. In the respective learning reports I found rich descriptions of activities, interactions etc. of the students with regard to their transformational task.

According to the categorization presented in Miles and Huberman (1994) I chose a sampling strategy of “intensity”. Concentrating the analysis on these two SEED Programs allowed to conduct an in depth investigation of the student records and follow the transformational leadership process in great detail.

For data reduction I applied the methodologies of a grounded theory approach. Following Strauss and Corbin (1990) I started to analyze the data using an open coding approach.

Open coding is understood as a “...process of breaking down, examining, comparing, conceptualizing, and categorizing data” (Strauss & Corbin, 1990: 61). I took a detailed look at learning reports and exercised a line-by-line coding (Strauss & Corbin; 1990) system. I added “conceptual labels” to single statements found in the learning reports, in other words, I termed what I was examining. This enabled me to compare activities between various students and in a next step, aggregate similar activities into concepts.

As Miles and Huberman (1994: 56) note, “coding is analyzing.” Through the coding I reduced and derived relevant concepts. I used analytical tools (Corbin & Strauss, 2008) for this process.

For instance, while reading the learning reports I asked questions. This research method establishes a close link to the original data and fosters the emergence of

concepts and categories not previously foreseen (Strauss & Corbin; 1990). Furthermore I used the comparative technique to establish common activities.

The coding process evolved iterative manner. I followed new concepts as they emerged and added them to the coding tree. In a next step I grouped similar concepts into categories.

3.3.1.2. *Category Building*

In a next step, I identified “categories” (Strauss & Corbin, 1990) under which various concepts could be summarized. Gradually the usability of certain categories emerged out of the variety of concepts. Strauss and Corbin (1990) define a category as “a classification of concepts” with a higher level of abstraction.

These categories emerged out of the analysis of activities (e.g. information gathering, exchanging views, etc.). These activities were grouped into concepts. In the further abstraction process the categories emerged. On an aggregated level these give insight into vital elements of the students’ transformational task. The analytical tools of asking questions and comparing triggered the conceptualizing process. In this, the explanatory potential of the categories with regard to the research questions was evaluated. This helped to selection and focus on specific categories. The following categories were identified as a result of this iterative process [number of codings]: (1) familiarizing [777], (2) relationship building [72], (3) transformational learning [296]; (4) influencing [225].

3.3.1.3. *Axial Coding*

After coding all learning reports, I further elaborated each category in its meaning perspective. Furthermore, I concentrated on identifying meaningful relations between the categories. This research strategy is termed “axial coding” (Strauss & Corbin; 1990). According to Strauss and Corbin (1990: 96) axial coding is “a set of procedures whereby data are put back together in new ways after open coding, by making connections between categories.”

I retrieved detailed text-passages of each category and searched the data for connecting elements. Further I analyzed and compared complete individual reports to test potential connections between categories.

In the next step, I strived to analyze the potential of the categories further with regard to the explaining the transformational leadership functionality.

3.3.1.4. **Core Category and Selective Coding**

In a selective coding process (Strauss & Corbin, 1990) I found the category *influencing* is of core importance in explaining the functionality of transformational leadership. The category of *influencing* emerged as a core category of my research. Strauss and Corbin (1990) define this core category as “the central phenomenon around which all the other categories are integrated” (ibid.).

Selective coding is “the process of selecting the core category, systematically relating it to other categories, validating those relationships, and filling in categories that need further refinement and development” (Strauss & Corbin, 1990: 116).

Through the aforementioned analytical processes I integrated the findings and built a theory of transformational leadership functionality.

I found that all other categories are in meaningful relation to the category of influencing. *Influencing* introduces the important conceptual link between all categories. This provides an integrated perspective of all categories which leads to the meaningful interpretation of the transformational leadership process as experienced.

As Corbin and Strauss (2008: 263) define integration is the “... process of linking categories around a core category and refining and trimming the resulting theoretical construction.”

3.3.2. **Data Display**

In the display of the data, I strive for giving insight into the theorizing process. The important analysis results are displayed through descriptions and diagrams. As Miles and Huberman note “...a *display* is an organized, compressed assembly of information that permits conclusion drawing...” (Miles & Huberman, 1994:11). I found three forms of data display helpful for the aforementioned purpose.

Firstly, I display selected quotations of the learning reports with regard to the categories. The categories emerge out of the text analysis of the learning reports and the respective grouping processes. In the display I provide insight into the flow of meaning attribution and exemplify the category building process. The display of selected original quotations clarifies the meaning of the categories and gives insight into the underlying theorizing process. In order to give an original insight into the learning reports, students’ comments are cited without any corrections of grammatical or spelling mistakes.

Secondly, the diagram of *The Delta Concept* displays the categories into an explanatory conceptualization of the functionality of transformational leadership. In the diagram the categories are connected. There are three outer categories and one core category in the center.

This illustrates that the categories are found to be in meaningful relation. *The Delta Concept* guides us through the display of the research results and summarizes the findings.

Thirdly, using a flowchart, I analyze and display the interplay of the categories in a process perspective (Langley, 1999). Furthermore, in a distribution diagram, I illustrate the iteration and frequencies of applied categories as found in the learning reports. Both forms of display and analysis relate to enlightening the dynamics of the phenomenon.

3.4. Verification and Conclusion

I apply three approaches in order to test the plausibility of my findings.

Firstly, during the coding process I abstract from the “individual story” and define concepts and categories across various records of individuals. The categories are formed on the basis of repeating activities and themes. These themes are based on the general relevance across various reports.

Secondly, I triangulate my findings by comparing them to previous participatory observations conducted on comparable, earlier SEED Programs (SEED 2007 and SEED 2008). As source of data, I use the articles on these investigations (Beck & Chong, 2008; Beck & Chong, 2009) as well as the original field notes. I analyze the documentation for themes that are connected to the present study in order to conclude its plausibility.

Thirdly, I use a comprehensive literature review in order to verify my findings. Two perspectives are part of this verification step. Firstly, I evaluate the compatibility of my findings with the transformational leadership behaviors, as defined and detailed in the MLQ (Avolio & Bass, 2004). Secondly, I specifically review streams of transformational leadership literature with respect to the overall findings.

The literature review also plays a vital role in the process of concluding my findings. In order to keep an unconditioned perspective on the data, I introduce specific literature only after completing category building and fundamental conceptualization as Strauss and Corbin (1990) suggest.

I then discuss the findings in the light of existing theories. I evaluate to which extent the topics of my findings are covered and evaluate similarities and differences. Divergent findings point to a potential area for amending existing theory.

The conclusion process according to Miles and Huberman (1994: 69) is about “understanding patterns, the recurrences, the plausible whys.” The theorizing process results in first steps of understanding transformational leadership functionality. I summarize my findings in *The Delta Concept*.

3.5. Generalization

In the research process I identify and follow various levels of abstraction.

- 1.) The story of each student and his or her reflection on experienced events.
- 2.) The building of categories in the coding processes as abstraction from the individual story. The perspective is across various participants as well as across two selected SEED Programs.
- 3.) The abstraction into *The Delta Concept* as well as the connections of the categories.
- 4.) The reflection on the applicability of the SEED findings with respect to other (organizational) contexts.
- 5.) The abstraction from the SEED context from help and integration with existing transformational leadership theory.

The display of the research finding abstracts mainly from the single story and starts at the level of concepts. The category building process is illustrated and evidenced with individual quotations. In establishing connections between categories a further abstraction from the individual perspective is achieved. However, individual quotes are used here in order to exemplify and underpin the validity of the connections found.

Through an analysis of the specifics of the SEED context, I evaluate the transferability of my findings towards other (organizational) contexts. In order to reach a conclusion on the general meaning of the SEED findings for the functionality of transformational leadership I examine previous research.

4. Results

4.1. Overview

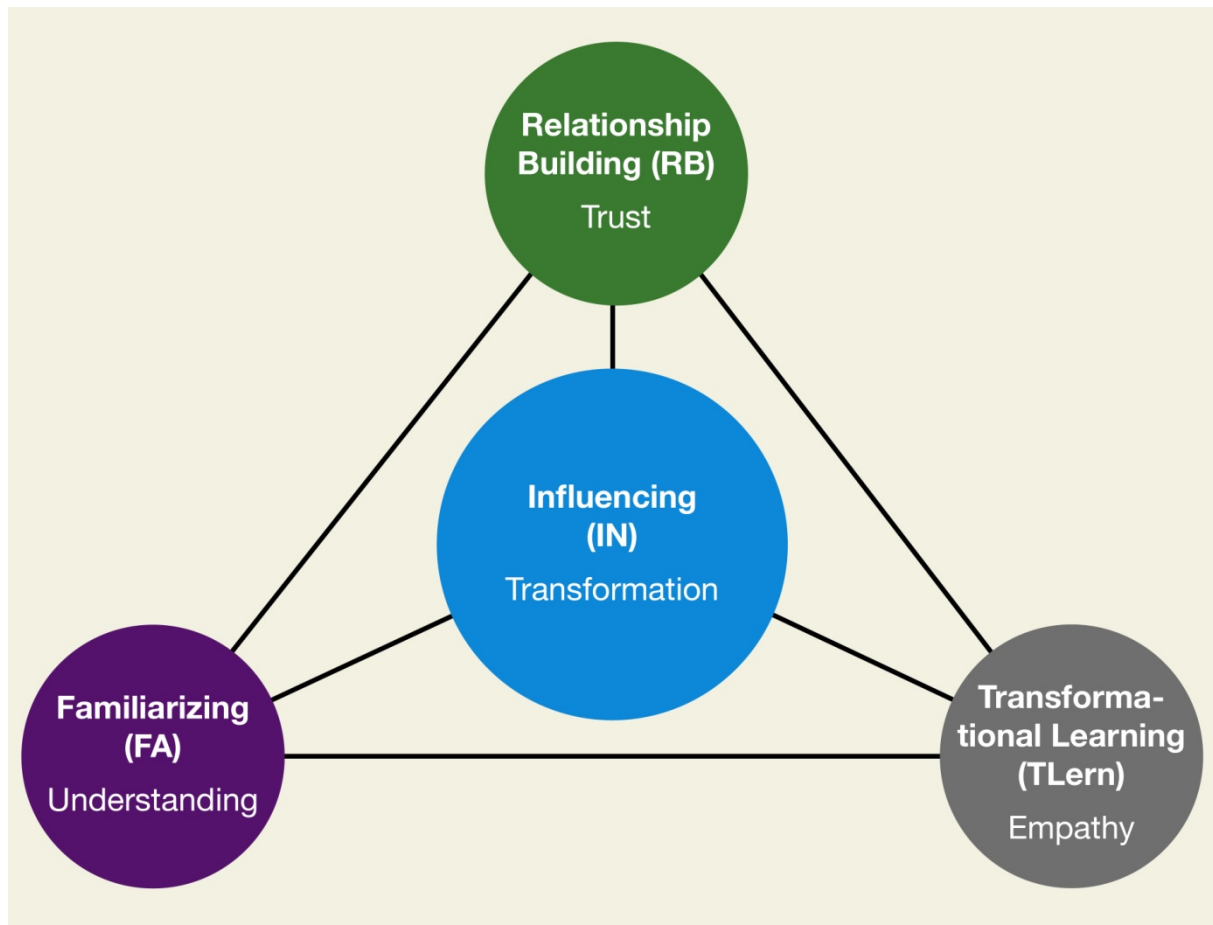


Figure 3: *The Delta Concept*: Overview

After careful analysis of the learning reports, four categories emerged (1) familiarizing, (2) relationship building (3) transformational learning and as core category (4) influencing. (Figure 3 gives an overview and guides through the following representation.)

These categories are grounded in the notes of the students.

Through open coding I found various concepts reflecting activities of the students. These concepts were later categorized into the aforementioned elements.

In the following, I will present the categories by displaying and analyzing the respective text-passages.

The Delta Concept (Figure 3) displays the findings of this research. I will introduce the concept comprehensively after the presentation of all categories.

4.2. Category: Familiarizing

4.2.1. Introduction to Familiarizing

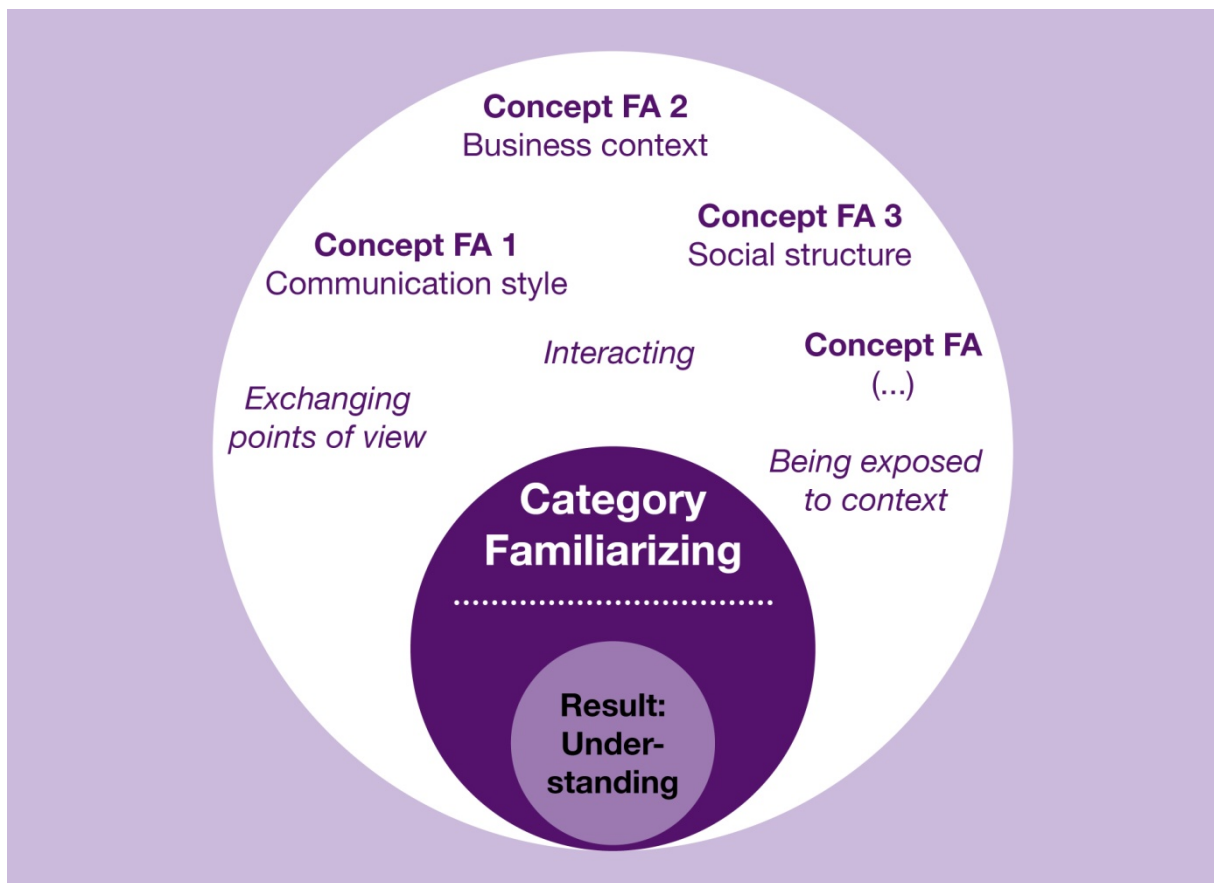


Figure 4: Category Familiarizing

Analysis of the reports found approximately 700 single text-passages relating to the category of familiarizing. Various records on activities, critical incidents, interactions, practices as well as involved feelings form part of familiarizing and contribute substantially to the formation of the category. Figure 4 displays the category familiarizing.

I define *familiarizing* as a process which is triggered by an exposure to a new context with the result of gaining an understanding of crucial contextual factors.

Familiarizing is the most selected category and it is found in all except one participants.

The SEED Program is a real life and intercultural experience. The students are confronted with Indonesian respectively Malaysian life in its various facets. The students discover contextual specifics with regard to the remit of daily life, infrastructure, communication, and business life.

In the following I will analyze in detail the familiarization with communication style as well as business and social structure as these contextual issues are vital for the task of transformation.

4.2.2. Areas of Familiarizing

4.2.2.1. Communication:

Within the learning reports much is found about the contextual differences in the communication style. The students observe habits of communicating as part of daily life.

D_6 observes the villagers when holding informal talks and meetings occasionally during evening hours.

“By walking in the streets I observed many snack-stands, where people meet and discuss in the evening. I conclude that social activity in the evening is a very important pillar of the Indonesian lifestyle.” D_6:1260-1470

For the transformational task this observation is of relevance. Being familiar with common socializing activities, helps find the right occasions to establish contact with the villagers. The observation that informal talks in small groups are of importance in that context, is relevant for the transformational task. Finding the right situation and style for communication is crucial in an attempt to connect and induce transformational influence.

“In the evening we were invited to join a traditional meal and even to visit the mosque. This evening we experienced the traditional lifestyle and the socializing. At this time it was my impression they were discussing about their problems in a rather informal way. In this atmosphere were many decisions made for example during discussions in the night watch where the men exchange some gossip. The farmers with whom we were eating and chatting were more open to us. They were very honestly explaining us their problems and how unhappy they were with their current situation. Only in these circumstances we were able to empathize and therefore identify their real problems.” D_6: 45-733.

They also learn that it is common to sit on the floor during discussions:

“On Wednesday we headed to the meeting where we were all sitting in a classroom on the floor. Imagine having a meeting in Switzerland where people would sit on the floor, impossible. But I actually liked it and it gave a

certain atmosphere, although I must confess that after a while I didn't feel comfortable anymore." D_15: 1985-1325

Whilst this might be easy to adjust to, they find contextual differences in the form of communicating more challenging.

"As we experienced in several discussions with the villagers of Cisonhari, the Bahasan culture features the habit of not mentioning and saying things directly. This is called Basa-Basi. The villagers' response in local language to a question posed by us was usually very long (several minutes). We were mostly disappointed after receiving a translated version of the response that was only three sentences long." D_12:752-1171

"It turned out that assessing the economic situation in a Kampung was not simple. During Interviews people said one thing and half an hour later, the same person in the same interview would say the exact opposite. In addition the Sundanese way of talking very politely made the interviews very time consuming." D_14: 1636-1952.

The statements indicate that in the beginning the students reacted with irritation and even frustration to the distinct communication style of the villagers. At the same time they knew that their task needs to be fulfilled within this specific context. Reflections were fosters with regard to finding forms of adaptations.

D_16 and D_13 illustrate the first step towards inter-contextual communication, when they discover the deeper rooted attitude of politeness.

"What followed in the days in the village was a continuously better understanding of the villagers' life and business. But this understanding had to be extracted piece by piece. There's an interesting difference between the way Indonesians, namely Sudanese and Swiss exchange information. Where as we were valuing the conversation in terms of how precise the given information was – the Indonesians would rather make sure they delivered a polite answer, whether it was based on actual knowledge or just a vague guess. This sometimes led to contradicting information." D_16:1571-2148"

"Another common dialog that we had with the villagers was when we said thank you very much for answering our questions and giving us all this information. The reaction was often an apology for not speaking our language (to us as foreigners in their country!) This extreme politeness was by the way not just something they showed towards us. They interact in the same way with each other. This usually leads to extended conversations. The villagers like flourishing talks and therefore discussions are not always conducive." D_13: 114-651

With a deeper understanding of how and why the villagers communicate in such way, an attitudinal change of the students occurs. This fosters critical adaptation in the distinct communication style.

For instance, D_8 and D_17 outline the importance of patience.

“What I learned too, is that when talking to people one had to respect their pace of talking. It was very impolite to push the person opposite to talk faster or to basically tell him to get to his point. Therefore, speaking of the very flowery way of talking, there was no solution but to wait.” D_8: 1038-1337

“First we spoke to the head of the village. Soon we realized that the Indonesian culture is by far not as straight-to-the-point as ours. As we learned, at the beginning of a meeting people talk quite long about personal things. Of course, back home we also want to know who the people are we’re talking with. However, it is much more straight to the point. Consequently, at the beginning N. talked almost 30 minutes to the villagers without mentioning our questions. We realized we have to get used to that and just be patient.” D_17: 2388-2926

The examples of D_8 and D_17 illustrate forms of adaptation with by being patient and displaying respect.

A further adaptation strategy is the practice of repeating the same question (e.g. D_11) and double checking (D_17) with various sources.

Communication difficulties are also apparent in the intercultural teamwork.

“Working with the IBT students was a pleasure. Actually we had some hurdles to overcome, was what mostly explainable through the language barrier. Neither they nor we were always able to express our proper feelings and meanings. Furthermore there were some differences in the working style as well as in the way of communication. I would say that we tended to be a little more direct, while it was sometimes difficult to find out what their real opinion was. But all in I think the Indonesian students were not that different than we are.” D_13: 564-1113.

“The first phase of team-building, the city rally in Bandung, already indicated the existence of a cultural gap. This was mainly based on different modes of communication. We quickly noticed that Nanda, and this was even more true for the villagers, would strictly avoid any negative reply to our questions, work-related or in a private context. I often encountered phrases like „Yeah, but...“, when they were meaning to deny. Another way of combining denial with the Indonesian politeness was them saying: if it is Ok for you?! The polite, rather quiet way of communicating of our Indonesian partners appeared as a cultural obstacle for efficient group work to me in

the beginning, you could never be certain whether your Indonesian counterpart is really agreeing or simply avoiding conflict.” D_3: 548-1359

“...we hardly ever discussed matters in the whole group. Most of the times, communication would only work between two or maybe three persons. Talking to everybody hardly ever helped, because most of the time someone wouldn't be around, wouldn't pay attention, or (as hard as it sounds, but true) simply didn't matter. Maybe it would also be a good idea to reduce the number of persons per group” C_4: 194

In the SEED Program the students have to deal with similar problems within their intercultural team as well as with the villagers. Problem solving within the intercultural team helps bridge the contextual differences towards the villager.

D_13 finds a positive attitude to the contextual difference of “polite communication” and learns through familiarizing himself with the distinct contextual.

“...I think behind these behavior [flourishing talks] lies the deep respect for other human beings, which is deeply rooted in their culture. This is what makes their behavior truly admirable. The politeness is just an expression of that.” D_13: 1075-1298

D_13 displays a critical reflection which allows familiarization whereby she creates a deep understanding of the context.

Timing is another contextual difference that was frequently noted.

“The Indonesian relationship to time is very confusing. It seems that there exist two different understandings. On the one hand, there is the religious time relation. It is very strict and relates to the five times that a Muslim has to pray on one day. Our fellow students got up at five o'clock each morning even if they went to bed late. This reflects the above stated discipline in respect of religion. On the other hand, the daily time is perceived in a much more laid-back.” D_12: 2253-2735.

“First of all we met the Indonesian students and I learned that they are not very different from us. Except of something. Punctuality is not really their thing. Not at all! They show up when they like and don't seem sorry if we waited 30 min or more. But I already had the chance to make experience with the so called “jam karet” which literally translated means elastic time. Therefore I might have more understanding in terms of this issue. Time is just not so important here.” D_2: 850-952.

D_2 gains a differentiated view in which she notes that there is a contextual difference with regards the importance of punctuality. Terming this as “elastic time” helps with the process of familiarizing. The students strive to respect and adapt to the context. D_8 exemplifies a common practice:

“I also learned that even though it might be impolite to rush someone, it is not impolite or at least not uncommon to let people wait or not to show up at all. Again, something that we just had to accept and just learned to calculate extra time when planning a day.” D_8: 1338-1608

D_3 gives another example of familiarizing relevant for the transformational task. The story of Mr. A. give multiple forms of familiarizing with relevant aspects of the context.

“One very striking example was the story of Mr. A. who is unable of increasing his honey business due to the irrational behavior of the rest of the village community. The trees needed to feed further bees are simply used as firewood, mainly for cooking. Even intensive communication and support by the village Imam and most important informal leader, wouldn't help him. But Mr. A. didn't seem to be upset with that situation in any way, he was smiling and talking gently as ever, although expressing discontent. This is just one incident that gave me the impression that the desire for harmony seems very dominant in Indonesian society.” D_3:1908-2574

This example gives insight into interdependencies and conflicts of interests that are relevant in the village context. Furthermore, the example helps D_3 to familiarize with the functionality of the society, for instance the importance of the concept of harmony and the respective dealing with conflicts. This contextual knowledge is therefore important in the task of bringing in new business ideas and inducing transformation.

4.2.2.2. *Business Context*

The students familiarize themselves with various aspects of the business context, for instance, the attitude towards loans and contracts, the role of middlemen, working attitude, business standards and potential obstacles for economic development.

The students observe that loans are frequently not paid back. They find underlying explanation for this habit into areas: the religious duty of “giving” and the rule of not allowing interest:

“The Islamic institution of Zhakat (Arabic: *زَكَاة*), which is one of the five pillars in Islam, obliges the Muslims to share parts of their fortune with the less privileged. Zhakat helped mitigating the problem of poverty, but also caused a reluctance to pay back microfinance loans, as the debtors did not understand the concept of a mortgage, and thought the borrowed money had been a gift.” D_7: 2801-3069 + 8-138

“Another big problem is the fact that the religion disapproves interests. Though, without interest the existence of the whole mechanism of lending

and borrowing money is much more unlikely. Consequently, raising money in order to start a new business is a huge issue. I started to realize that doing business in this part of the world isn't as straightforward as back home. Their culture, religion and tradition negatively influence so many basic principles of business that it is tremendously difficult to be successful in business. This is particularly the case in the countryside where generally traditional and religious values have an even higher importance." D_17: 2257-2931.

Here, the students gain a decisive insight into specifics of business life within the context. The attitude towards loans is of importance as the students need to find respective venture capital for their business ideas. Moreover it influences the potential of economic development in general. The students familiarize themselves with distinct attitudes towards loans by embedding it in a larger (religious) contextual perspective.

This relates as well to the attitude towards contracts.

"Furthermore, I comprehended that contracts did not mean much in business life. Business is built on personal trust. That I actually realized already the first day in Jakarta at the airport, but the extent was not clear to me then. The principle of mutual trust goes as far as that inhabitants preferred to sell their milk to a broker paying them a lower price than to sell it to the new broker who some of them did not really know yet." D_8: 2872-3322

D_8 familiarizes himself with the concept of trust and the importance of personal relations within this context.

D_8 relates to the importance of middlemen in the business conduct of the village. The students often refer to the importance of middlemen in their reports. From the perspective of the students the middlemen are not helpful for the economic development of the village. D_12 describes his opinion:

"Many families are dependent on a certain middleman who exercises great influence on them. There are few benefits such as provision of raw material, stable prices and a constant demand. In my opinion the drawbacks like low income, high workload, no bargaining power, only source of income and even fear outweigh the advantages." D_12: 1849-2182

However, the middlemen seem to be an integrative part of the business context. The students familiarize themselves with this in particular and conclude that this aspect cannot easily be changed. D_2 notes the divergent perspectives:

"Also the problems they had were different than the ones we identified. (...) For all the products our village exported to other regions there was a broker responsible to negotiate with outsiders. The broker did not live in the village itself and while talking to the people in the village

we found out that the broker has a lot of power, as he's the only one who exactly knows the prices the goods are really sold at. We also found out that in some cases the broker keeps a large sum for himself as a commission. But instead of questioning the existence of a broker as his job could also be done by one of the villagers, the villagers were more concerned about the prices they sell their products, which were in their eyes far too low. We tried to explain them that maybe the problem is exactly this broker and asked if there exists no other possibility to sell their products. Even when we proposed to skip the broker and directly sell the products to the market the villagers were not willing to see the problem. For them the broker was inevitable and they could not imagine selling their products without him." D_2: 2077-3304.

D_17 gains further insight in the way business life is organized. He notes that the villagers normally do not strive for differentiation while doing business.

"Particularly important for our work in the village later on was that we got some hints on how people think businesswise there. We learned that most businesses on the street were somewhat alike. People start to sell the same things, which are already sold by most of the other little businesses in the same area. They do not really differentiate themselves from the others. Finding customers seems to be a matter of luck or of the louder voice rather than strategy." D_17: 2177-2649

D_8 (1712-1965) looks at the topic from a different perspective as she notes the number of street sellers is as well a sign of little bureaucracy. Thereafter it might be positive that everyone having an idea and a good product can start a business easily.

C_8 finds out in which areas women are active in business life.

"We visited the wet market today, which seemed a little unhygienic, it was slippery and there were flies around. Most of the vendors were women entrepreneurs. They seemed to be working very long hours at the market." C_8: 60

The students notice mindsets which are both helpful and limiting further development. For instance, D_12 finds a positive example whereas D_2 notes that the villagers give in easily.

"Above all, most of the people we talked to have a vision (not always clear), are ambitious and hard working." D_12: 2330-2441

"It just seems that if something is not working perfectly, the villagers just give up on it entirely. In this case by just thinking: "There are not enough computers anyway so why repair the two we have." D_2: 077-3304.

Through the process of familiarizing, the students gain an overall picture of existing mindsets. They are able to determine which mindsets are help and which mindsets hinder the successful integration and implementation of business ideas.

D_7 summarizes the importance of mindsets with respect to the task of fostering economic development. He concludes that a certain level of “business acumen” is needed for any further economic development.

“However, the more the villagers told about their handling of money and business in general, the more it dawned on me that it was primarily a problem of mind-set instead of capital. Providing the villages with the funding, which indeed is insufficient, will only make sense if the villagers have adopted at least a basic business acumen.” D_7: 381-725.

In the following example, D_12 reflects of deeper rooted obstacles of development. He familiarizes himself with the overall economic situation found in the context.

“Of course, capital is not the only way of growth and to prosperity, but in these rural areas it might be the most convenient. The people cannot save money for future investment (i.e. expansion of production) because everything is reinvested immediately for input factors. Instead of improving efficiency and capacity they work longer hours in order to increase production.” D_12:1609-1985

The students familiarize with educational standards as being a limiting factor of economic development.

“Trying to get to know what they were doing for business I learned a lot about “their way” of business. First of all I realized that structure in business means a lot less than it does in Switzerland. Accounting is hardly part of their vocabulary.”D_8:1651-1901.

The aforementioned examples illustrate the importance of process of familiarization.

4.2.2.3. Social Structure

The students familiarize themselves with various social aspects of the village. In the following I expand upon the topics of contextual difference which are observed by many students and which have direct relation to economic transformation.

The students observe a specific “community sense” amongst the villagers..

“What impressed me the most was the “Gotong Royong”. That is a community work by the community for the community. They assemble once a week voluntarily to repair for example the street or the mosque. The

reason is that the government does not provide them with sufficient infrastructure. So they have to ensure the maintenance of it on their own. It is everybody's duty to participate; if some can't come they can send food instead. The SEED Program can use this community sense, enforce it and turn it into economic well being by empowering the people to use the advantages of a strong community sense." D_6: 708-1322.

"One particular institution was dragging my attention. It was called Gotong Royong. Every Saturday the men and boys in the village would gather in order to fix infrastructure and the like. This is also a social event, where men have time to gossip with each other or smoothen problems. Gotong Royong, together with the night watch and the mosque, was the pillar helping to maintain a strong sense of community feeling." D_7: 1265-1692.

Familiarization with the importance of community is relevant for the transformational task of the students. In the later analysis, it will be shown that the students develop business ideas relating to this sense of community.

The students get into contact with the Imam. He is of outstanding importance in the social structure of the village.

"It was also important to get to know who was of an important role in the village. As we found out the imam was the informal leader who basically controlled everything. Speaking of business there might not be a formal permission needed to start a new one, but in this village nothing is done without the approval of the imam. So for us this meant that whatever business we would suggest, we needed approval from the imam, too." D_8: 2434-2869

The students become aware, that the Imam is the most important contact person. The implementation of new ideas depends deeply upon his approval. Compared to Western cultures, in SEED context the religion and therewith religious persons have a much greater influence on the social life. D_5 notes this in the following comment.

"Another insight deals with the poles of tradition and Western culture. The social structure and traditional Indonesian everyday life is strongly influenced by religion." D_5:1123-1293.

For their transformational task the students need to respect and respond to this contextual difference. In the process of familiarization, the students question their own perceptions and even prejudices with regard to the Imam and Muslim religion in general. For instance, D_17 points out that through the positive contact with the Imam he reached greater openness.

"Since that was the first time for me being in an Islamic country, experiencing an Imam open-minded like this was very important for me. Usually, the impression of religious leaders one gets from the news is totally

different and it is very difficult to have a neutral opinion. However, these experiences with (...) the Imam, definitely helped me not to have so many prejudices towards Muslims in the future.” D_17: 1933-2356

Through familiarization with the social aspects of religion, the students gain important deeper understanding, most relevant for the functionality of their transformational task. In this context, not respecting cultural specifics would make the transformational endeavors impossible.

D_17 underlines this with his comment on the general importance of familiarizing with the village organization in respect to the transformational task.

“We were thrown into a totally different culture and environment and had to come up with a project within a very small time frame. As mentioned, it took us two days to find out how the village is organized, who are the important people, whether they are trustworthy and to spend enough time with them in order they trusted us.” D_17: 1837-2168

He notes that the familiarization with the village organization took two days – a considerable period in the light of the duration of the program, another indication for the importance of familiarization.

In a process perspective, the familiarization is triggered by the exposure to the specific context.

Furthermore, the students familiarize with the larger (political) context. For instance, C_8 finds out why villagers are reluctant to accept help.

“Today we visited the community centre (...), and found out that there is plenty of help available for the villagers if they do seek help. However, many of them are unwilling to do so because they support the opposition party PAS (Malaysian Islamic party).” C_8: 120

Being aware of these underlying issues is of importance to comprehensively relate to the context.

Another topic frequently observed by the students is the level of education. For evaluating the feasibility of their business ideas the students need to be familiar with their educational level.

“The education level in Cisonhari is very low. There are not enough schools and teachers to provide a profound education. The children from certain RWs have to walk for more than an hour to get to school. It is very rare that pupils attend higher education like senior high.” D_12: 2455-2638

Furthermore, the students notice that the limited educational level is hindering economic development.

“The main problems he identified were the lack of education of the workers, lack of entrepreneurship and poor negotiation skills of the villagers. Looking back now, I have to say that those were aspects we definitely encountered and that [the head of village] is aware of what is holding back economic development in his Kampung.” D_14: 1125-1451.

In their transformational activity the students address this low education level. In the course of transforming they strive to empower the people. Here the familiarization with the context, directly impacts on the transformational task of the students.

4.2.3. Summary Familiarizing

Through familiarizing the students gain a critical deeper understanding of the context. This is vital for effecting transformation.

In their transformational task, they need to find and implement business ideas which are appropriate within context. Through familiarization the students lay the foundations for discovering these needs and for finding the appropriate way of addressing these. Familiarization enables the students to detect and respond to the needs of the villagers.

From this detailed analysis, it is shown that familiarization and gaining a deeper understanding plays an important role in the transformational leadership task within the SEED context.

4.3. Category Relationship Building

4.3.1. Introduction to Relationship Building

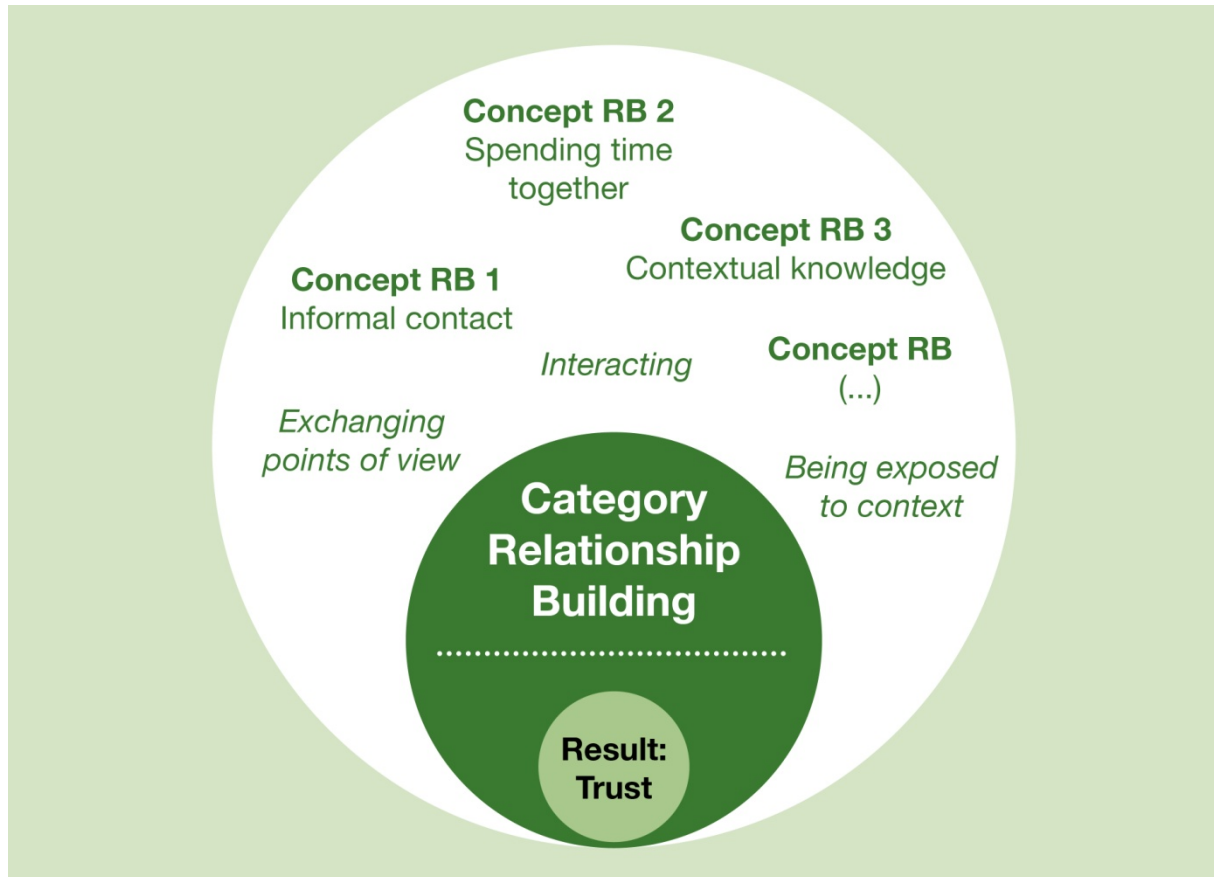


Figure 5: Category Relationship Building

In the reports 72 text-passages relate to the category of *relationship building*. Compared to other categories these are few. However, relationship building proves to be of vital importance for the transformational leadership process. Figure 4 gives an overview of the category.

I define *relationship building* as a process which leads to a personal and positive relationship.

In the following I will analyze text-passages which give insight into the process of relationship building and the resulting quality of trust.

The detailed analysis reveals the importance of relationship building with respect to the transformational task.

4.3.2. Relationship Building within the Team

The students establish their first contact to each other upon arrival. In a first task they were asked to jointly explore the local agricultural markets.

The students gather contextual information and enter into first interactions within the team. Most of the students refer positively to this stage of the program and underline the importance of “having fun together” for building a positive team atmosphere.

“We also went out in the evening and had some great fun. With the time we made several shared experiences and that brought us even closer together. Spending time together and learn from their culture is the key to receive a high level of multi cultural competence. In this manner a foreigner becomes a friend and that is the fundament for any success.” D_11: 721-1077

The SEED Program supports the immersing into the intercultural team context. The students live in the same location and share their daily routines.

“The first few days we always ate together. I. showed us the typical Indonesian food and we told him what kind of food we eat normally in Switzerland. We had great discussions about family, academic studies, religion and many other topics. Step by step we became acquainted with each other and the prejudices we had in the beginning began to change.” D_11: 287-648.

Through this close contact occasions for informal talks are fostered. These contribute positively to the process of relationship building.

“My group seemed to be very helpful and nice and after the meeting I went to have some tea with a few Malaysian girls. I was surprised about the many personal questions they asked me and about how open and funny they were, laughing and making jokes. In front of the whole group they are often quite conservative and quiet.” C5: 89.

D_11 notes the importance of openness in the process of relationship building.

“We laughed a lot of times together during that evening. It was a different kind of conversation than we had during the day. After talking [openly] our relationship changed. There was more trust and closeness than before. We changed from being foreigners to acquaintance and everybody enjoyed spending time together. By then we were able to empathize with them, see things from their perspectives and learn about some of the characteristics of their mindset.” D_11: 1902-2494

In the process of relationship building the students discover similarities and differences. They exchange their points of view and display interest in experiencing

distinct perspectives and ways of life. With the fundament of discovered similarities, the differences are easier to accept as D_7 notes.

“The leisure activities of the students pretty much corresponded to ours, which additionally helped bridging the two, at the first glance, very unlike cultural mind-sets. Pleased having found similarities, we could tackle more delicate topics such as religion and gender questions.” D_7: 7-297.

The most important contextual difference discovered refers to religious beliefs and practice. The international students familiarize with the practice of Muslim religion.

Most of the international students admit that they had prejudices relating to Muslim religion in the beginning of the SEED Program. Through the process relationship building, the students overcome these prejudices. D_4 emphasizes the importance of openness, trust and mutual respect in the process of relationship building.

“Being highly interested in religions, I found myself in several long-lasting religious discussions. My Indonesian friends were eager to talk to me. Being a delicate topic it is always difficult neither forcing the counterpart into a defensive stance nor remaining superficial and flattering. Due to mutual respect and trust we managed the balancing act.” D_4

“I really did have the thinking that women in Indonesia might be not open enough because of their religion or just behave in a different way. But one really can’t describe it like that. Our local students impressed me with their openness too.” D_4: 740-989.

D_3 compares and analysis differences in perceptions with regard to religion.

“In an evening conversation, many Indonesians were talking about religion providing them not only guidance but a goal in life, to be a good person. Fascinated, I was talking to Swiss members of the project and, not surprisingly, many of them were extremely uncertain and prioritised enjoyment and individual fulfillment much more. For me it was fascinating to see, how people with a very modern, western appearance as well as lifestyle adopt religious values in their lives.” D_3: 1052-1590.

D_3 comes to deeper reflections about the meaning differences with regard to religion.

Along with the process of familiarizing with the context relationship is build. It becomes clear that relationship building is a process that emerges out of various interactions.

To analyze the process of relationship building it is interesting to analyze how the students deal with problems they are facing within the intercultural teamwork.

For instance, issues are documented with regard to differences in working styles. The international students are challenge by differing perceptions with regard to focus in

group meetings, timing and quality expectations, as well as communication style. Various students note the feeling of frustration when referring to the early experience within the intercultural team.

“The frustration was augmented by finding out that some of the information of the villagers was completely wrong (factor 3 to 4 wrong when talking about output of production!!!) and that also the UMK students (who are the translators and on which we relied) sometimes told stories that were just not true...” C_4: 147

“Even though the intercultural team work was sometimes a bit frustrating since people were at times not very hard-working, showed up late for group meetings and delivered work of questionable quality, the program was all in all a wonderful experience that allowed me to learn a lot, to meet many nice and interesting people, to get insight into a totally different culture, and to get to know about other peoples’ lifestyle, working style and different social, educational and cultural backgrounds.” C_5: 253.

As C_5 notes openness to deal with these differences. Also D_13 while noting the differences and challenges in working style comes to a positive conclusion on the overall experience.

“Working with the IBT students was a pleasure. Actually we had some hurdles to overcome, was what mostly explainable through the language barrier. Neither they nor we were always able to express our proper feelings and meanings. Furthermore there were some differences in the working style as well as in the way of communication. I would say that we tended to be a little more direct, while it was sometimes difficult to find out what their real opinion was. But all in I think the Indonesian students were not that different than we are.” D_13: 564-1113.

D_7 terms the team mate as “friends”. This makes clear that in the course of the program a very positive relationship was built.

“Out in the village, in the heat of the moment, when tempers were sometimes frayed, stress could occur. To get across a simple question to the villagers could take up to half an hour as the Sundanese people are known for their flowery speaking mode, which we were not aware of at the beginning. So, doubts would creep in whether our interpreters were having their own private discussion with the interviewee. Still, we ever fell out with our Indonesian friends, as a consequence of setting up an elaborate ethics of discourse, whereby problems were discussed openly without any animosity whatsoever.” D_7: 302-912.

Relationship building enables the students positively dealing with challenges. Further the experience of overcoming challenges further fosters the building of

relationship. The students value the team work as it founded on a positive relationship as D_6 notes.

“In general we worked well as a team. We had more discussions than in other teams maybe because we were together all the time. So we discussed a lot of details. In my opinion more discussion is better than less especially in areas where it is complex to find a solution. I’m persuaded that being together for a long time and discussing a lot brings a solution that considers nearly every facet. It was a very impressing experience to see how you could develop a solution in a team. We really had a complex issue and it was very satisfying to find a solution that one person by himself wouldn’t have found.” D_6: 45

The quality of the relationship evolved from not knowing each other to the level of a trustful relationship, and even to friendship in the course of the program.

“The seven of us then spent two more days in Jakarta. As a group of friends we decided this spontaneous change in plans. Something I would not have dared to imagine before coming to Indonesia not really knowing anyone in the group.” D_14:390-627.

4.3.3. Relationship Building with the Villagers

At the first look relationship building with the villagers seems complex. The students face a language barrier as most of the villagers do not speak English. The local students act as translators between the international students and the villagers. Analyzing the learning reports the language barrier is of relevance. However, both sides manage to establish a trustful relationship in the course of the program.

A “door-opener” is the hospitality and friendliness of the villagers. Most students note positive experience with regard to the first contact with the villagers.

“From the first until the last day in the village I felt the receptiveness of the people, of course with some exceptions. Most of them were interested in the project, but we had to explain the whole project once and once again to the different people. Maybe it would be a good idea to inform them the next time. I must admit to explain it was part of the empathizing process, but on the other hand it could be possible to save time. And time was our biggest challenge.” D_9: 1286-1767.

D_14 notes occasions in which they meet the villagers, these are of formal and more importantly of informal kind.

“After this introduction we finally met the head of our Kampung (G.Pangkalan), (...) He accompanied us throughout the project and

introduced us to almost all the people we met in the village.” D_14: 798-1002.

D_13 and D_14 give examples of informal contact and its value.

“It was the evening that we could spend with the villagers that made it so special. Usually we had to go back to the villa around 4pm. This day we stayed in the village and therefore had plenty of time, to talk and visit many of the villagers. We literally couldn’t refuse it but we got invited everywhere. We were offered some tea in one home, singkong¹ in the next one, and noodles in the other – and what we always got was a warm and welcoming smile, just wonderful encounters with great people.” D_13: 1238-1750.

“The stay overnight in the house of Mrs. T. on Saturday was a great experience. In the evening we ate with the members of the family and three Indonesian students, who happened to stay in our Kampung at the same time for their studies in agriculture. They were very interested in life in Switzerland and also asked a lot of questions about our perception of Indonesia. We talked till past midnight and got up the next morning to eat a delicious breakfast, before assisting to the production process of caramel candies. To sleep over in the village gave us the opportunity of getting to know the villagers better and talk about other things than our project.” D_14: 1-672.

D_14 notes, as commonly observed by the students, that the informal contact and exchange occasions are of great value. By such contact the villagers and students relate to each other on a personal level. D_11 notes an occasion of immersing into the villages context.

“We also played football with a lot of children from our and even from another village. When we spent some time with the boys, Laura helped the women in the caramel candy production. The goal was to spend as much time as we had with the villagers to get to their social and economic structures.” D_11: 1392-1691.

This direct contact helps the students to gain important insight.

D_6 notes that through the process of relationship building the students get access to important information. Here, relationship building fosters familiarization.

“From then on, one by one of us started to ask questions about her free-range chicken business and other potential business. We also went around the neighbourhood to explore more business opportunities and potential entrepreneurs. Our relationship improved a lot more this day and they [the villagers] have started to open up to me. I needn’t any translators for my conversations with the villagers because I do know how to speak Malay with

a little bit of the Kelantan dialect. The Thai mate has even better proficiency at it.” C_6: 103.

Also D_7 illustrates the potential of gaining insight on the foundation of a trustful relationship.

“In Garut I accompanied Ishan, Akhmad and some other students to the local mosque. There, I even entered the praying room and stood in the back and watched. I felt a sanctity in the room as it can be felt in monasteries or temples as well. The mere fact that uncounted people have been there with their fears, joys and sorrows looking for truth and the explanation of existence have given the room a majestic atmosphere.” D_7: 1986-2416.

D_8 notes an important example of adaptation to the contextual requisites. She finds an appropriate conduct for herself in the Muslim culture.

“Also when visiting and interviewing the villagers I was in constant conflict between active participation, asking question, discussing with my team etc., and behaving reserved like it is expected from a women. I personally decided on not letting traditional values hampering my work for the team, but I tried to follow the rules by not entering a house as the first one, not shaking hands if not initiated by the villager, not dressing to revealingly etc.” D_8: 1046-1511.

Further examples of adaptation relate to accepting food, offering little presents and respecting religion and communication style; in summary, adapting to the level of friendliness and politeness adequate within the context. Here, familiarization with the contextual specifics is a prerequisite for the process of relationship building.

4.3.4. Trust

In the SEED context the students and the villagers build a trustful¹ relationship.

Trust is important for the transformational task of the students. The students consciously deal with the issue of whom they can trust.

D_17 gives an example of distrust and the consequences on their transformational task.

“It was then that we started to realize that the head of the village was trying to maximize his own profit with our help. We have always suspected that he wasn’t entirely honest towards us. However, this confirmation came as a

¹ Trust “is the reliance on and the confidence in the truth, worth, reliability, etc, of a person.” (World English Dictionary, Collins: <http://dictionary.reference.com/browse/trust>)

shock to us. If we couldn't trust the head of the village, whom else can we trust then? (...) Since the head of the village was nevertheless a key person in the village we couldn't just exclude him from our work. The challenge was to give him the feeling he would still be important for our project in order that he doesn't disapprove our suggestions, but at the same time we had to work together with other, more reliable people. We realized, as head of the village and his influence he could jeopardize our entire project. This experience showed us that – although there are many really friendly and reliable people in the village - we have to be very careful whom we really trust.” D_17: 810-1733

In contrary D_11 and D_13 describe, how the trustful relationship fosters their transformational task.

“After spending much time with the villagers and presenting our ideas theoretically we recognized the trust that began to rise. We tried to help them without gaining something. It showed the villagers that we were selfless and we had a high level of morality.” D_11: 39-300.

“There was no sign of mistrust at all. I think they felt that we are selfless and truly willing to help. That's why they are glad about our support and not offended at all.” D_13: 1496-1669.

Important facilitators of the process of building relationship are shared activities and informal talks. In these occasions relationship is built and trust emerges.

“In the evening we were invited to join a traditional meal and even to visit the mosque. This evening we experienced the traditional lifestyle and the socializing. At this time it was my impression they were discussing about their problems in a rather informal way. In this atmosphere were many decisions made for example during discussions in the night watch where the men exchange some gossip. The farmers with whom we were eating and chatting were more open to us. They were very honestly explaining us their problems and how unhappy they were with their current situation. Only in these circumstances we were able to empathize and therefore identify their real problems. I learned that during the social activity in the evening trust is built. When they started to trust us we were able to understand their real problems. I understood that in order to empathize you need to build trust bridges in the right atmosphere. What attracted my attention as well was that the people are very religious.” D_6: 45-1064.

D_13 summarizes the positive effect of trust and the importance in the transformational task.

“It was the little things that already made a difference. Even only listening to them, and show them how interested we are to learn about their dreams, needs and problems, gave them something valuable. And they started to trust us, what was the basis to be open for our ideas.” D_13: 624-907.

4.3.5. Summary Relationship Building

Through the process of *relationship building*, trust emerges which facilitates the fulfillment of the transformational leadership task.

For instance, if the villagers trust the students they are more open to give crucial insight. This helps the students to fulfill their transformational task. Furthermore, the villagers are more receptive to the transformational influence of the students within a trustful relationship. Moreover, if the students trust the villagers, the students are more motivated to display extra effort. In a trustful relationship also likely, that both sides express their points of view in an open way. This again, facilitates the transformational task.

Trust emerges out of a process of relationship building throughout the SEED Program.

The SEED analysis has shown that familiarization with the context fosters the process of relationship building. Displaying context specific knowledge fosters openness which is relevant for relationship building. However, relationship building fosters familiarization through the increased access to critical insight.

The process of relationship building proves to be of vital importance for the transformational leadership task in the SEED context.

4.4. Category Transformational Learning

4.4.1. Introduction Transformational Learning

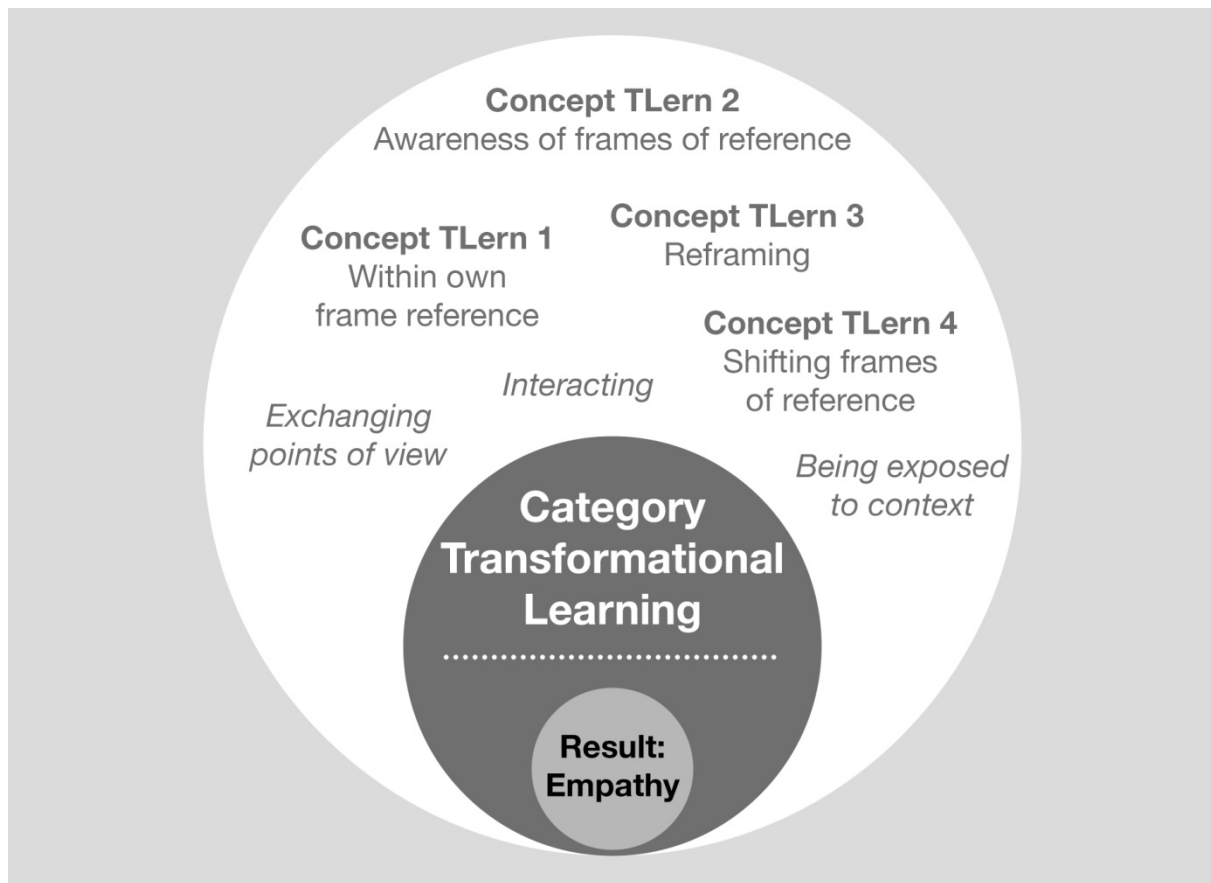


Figure 6: Category Transformational Learning

Analysis of the learning reports found that the students reflect extensively on points of views, perspectives, and underlying forms of interpreting events. The students notice distinctness of points of views with regard to the villagers and amongst the intercultural student group. These differences relate to various topics. Some of the students analyze these differences in interpretation to a deeper extent. They develop an understanding of why the villagers come to certain conclusions and become aware of their own specific ways of attributing meaning. They find out, that the forms of interpretation are influenced by the respective specific culture and the personal experience.

Inspired by the previous reading of Poutiaine's (2009) article, I categorized these activities as being part of a *transformational learning process*. Following, Poutiaine (2009) and going back to Mezirow (2000) and Cranton (2006), I summarize the underlying interpretative schemes as *frames of reference*.

In the analysis I detect various levels of awareness of such frames of reference. The awareness levels are distinct between the students and alter during the course of the

program. I analyzed the reactions of the students to differences in points of view. The detected awareness levels are: (1) *within own frame of reference*, (2) *displaying awareness of frames of reference*, and (3) *reframing and* (4) *shifting own frames*. (see Figure 7)

I summarized these activities the category of *transformational learning*. Figure 6 gives an overview this category. In approximately 296 text-passages relate to the aspects of transformational learning is found.

4.4.2. Frames of Reference – Levels of Awareness

4.4.2.1. *Within own Frame of Reference*

Through exposure with the new context, the students are confronted with differences in the daily life habits.

“My first impression was that there is no order in the traffic and that littering is widespread what implies that the government is not strict or that there are no rules that determine the public order.” D_6: 739-938.

“The first impression I had was, that everything is in state of chaos. This does not exclusively affect traffic as described above – in my point of view nothing seemed to be in order. D_5: (486-672)

D_6 and D_5 term the traffic situation as “chaotic” and “without rules”. D_6 and D_5 evaluate the situation out of their frame of reference. This relates to their personal and cultural perception of “order”. D_5 makes clear that he is expressing his personal point of view. In his reflection he is more critical as he limits his judging to his point of view.

D_12 does not limit his judging in such regard. He stays within his frame of reference when he states that “time should be taken precisely”.

“On the other hand, the daily time is perceived in a much more laid-back way and often not taken as precisely as it should be. I experienced this attitude especially in the cities.” D_12: 66-176.

In the course of the group work many occasions lead to conflict. The reflections about such situations reveal the frames of reference the students apply.

“Each group was supposed to present for 15min, followed by a 5min discussion by the panel. The first group presented for about 25min, followed by a discussion of about 30min. Then came – to my surprise – a speech by a lecturer of UMK. Seemed logical to me, after we were already 1h40min behind after the first presentation! -> so all in all, the organization was, once again, totally off.” C_4: 249

Frustration is in his statement. He evaluates the mode of presenting out of his frame of reference in which it is important to keep the schedule. He does not search for

explanations of the different mode of presenting and does not value potential positive aspects of this more “laid-back” mode.

D_4 observes a difference in the working style of the local students with regard to the topic of planning ahead. She names the manner of leaving things open as “emerging organization”. This illustrates that she reflects about the difference she experiences.

“This actually has occurred several times: I would probably call this “emerging organization”: most agenda issues were announced on very short notice. The broad program was fix – this was very good –, but the detailed and more exact things were badly communicated and often on short notice. In general you had to collect several opinions and then check back several time until you finally knew, what was going on.” D_4: 250.

In her statement her underlying frame of reference becomes clear. She values when things are planned and “fixed”. In the aforementioned statement she does not reflect upon the potential reasons of different working styles. Moreover, she does not limit her judging to her personal point of view. Neither does she consider a potential advantage an “emerging organization”. In other words she stays within her frame of reference for evaluating what she experiences.

C_4 experiences a challenging situation in team work. He solely evaluates this situation out of his perspective and within his frame of reference. Moreover, he even strives to enforce his own perception of “structure”.

“Still most of the time the majority of the students would just sit at the villagers places (sitting down as soon as possible, chatting to each other, and hardly addressing any questions to the villagers). Structure had to be forced upon the whole process.” C_4: 148.

“It was already visible, that the group needed some “pushing” or else they first would avoid all kind of work and second proceed in a very unstructured manner (with one exeption).” C_4: 130.

In contrast, D_11 allows various perspectives and finds reasons why differences in points of view exist. Through this, D_11 moves beyond judging the situation out of his perspective and considers underlying frames reference.

“The basement to work successful in an intercultural team requires the ability to respect other cultures and different opinions. You need to be open-minded and aware of seeing things from different perspectives. The acceptance of other value systems and the patience in communication is crucial for a constructive working environment. D_11: 2092-3027

D_11 demonstrates a greater awareness level with regard to frames of reference. In the next chapter I analyze further text-passages to this regard.

4.4.2.2. *Awareness of others' Frames of Reference*

In the course of the program various students find deeper rooted explanations for differences in behaviors or points of view. They become aware of the existence of frames of reference.

Building on the previous example of difference in working style I contrast the aforementioned statements of D_4 (148) and C_4 (130) with D_7 who displays awareness of frame of reference.

D_7 goes beyond simply observing and complaining about a difference. He finds a deeper rooted explanation for the attitudinal difference.

“The conviction that the future is determined impedes the villagers from planning ahead.” D_7: 1169-1258.

D_7 becomes aware that the (religious) belief as underlying frame of reference shapes the attitude of the villagers. This frame of reference differs from the frame of reference of D_7. In his cultural context planning ahead and keeping schedules is seen as valuable and important behavior.

Also, the example of extensive talks, which I introduced in the chapter of familiarizing illustrates how the students reveal frames of reference.

Here D_13 links this communication habit to respect and politeness. She herein finds the cultural frame which explains the specific communication style of the villagers.

“...I think behind these behavior [flourishing talks] lies the deep respect for other human beings, which is deeply rooted in their culture. This is what makes their behavior truly admirable. The politeness is just an expression of that.” D_13: 1025-1298.

In the following I would like to analyze the levels of awareness of frames of reference by comparing the students D_9, and D_7 and D_17. In the chapter of familiarizing I introduced the topic of loans. The students familiarize with the problems of a village owned enterprise. The enterprise gives loans to the villagers but these were not paid back. The students search for explanations for that behavior and come to different conclusions.

D_9 suggests that the reason for not paying back the loans relates to the fact that it is community-owned. Later on in the learning report he observes the importance of community in the Indonesian culture and reevaluates his opinion on community based solutions. In his first reasoning he stays close to his frame of reference. This is influenced by the general attitude towards community-owned enterprises within his context.

D_7 and D_17 find an explanation of the conduct of the villagers in the religious beliefs (not being allowed to take interest and the duty of giving charity). Thereby, they take a deeper look and try to see the frame of reference of the villagers. They analyze the reason for not paying back the loans in the light of religious beliefs and therewith in an abstracter level.

This involves being aware of other frames and the acceptance that there are other rules.

4.4.2.3. *Awareness of own Frames of Reference*

Being exposed to other perceptions not triggers the awareness of frames of reference but leads to shifts in own perspectives or even frames of reference.

D_14 and D_12 become aware of things they take for granted in their lives such as infrastructure and education.

“What broke in on me were the sidewalks of Bandung, considering that around our hotel they were practically non-existent. The crowded streets even in the night, all the small food carriages on the side of the streets and the huge traffic were quite in contrast to Switzerland’s streets and made quite an impression on me. It was not my first time in Asia, but when going abroad, the most impressive changes are those concerning aspects you take for granted in everyday life, like public transportation, sidewalks.”
D_14: 2107-2628.

“According to one of the key actors in our RW, the development is closely related to human capital. Since education is low (60% of the children go to junior high), the likelihood of any kind of development is very small. In a nutshell, education is key to permit a prosperous future. We in Switzerland take education for granted. After having seen the comparison with Indonesia, I have become more aware of the paramount importance of education. Education in reading, mathematics and writing, for instance, is also important for business (see section above). Education is considered to be a prerequisite for a solid business.” D_12: 233-866.

These examples show that a first step for shifting own frames of reference is to become aware of own perceptions and interpretations. In the village context they experience that infrastructure and education is not a commodity but something rare. D_14 and D_12 reevaluate their point of view. They shifted their personal frame of reference from “what we have is for granted” to even “fundamental things are not for granted”.

D_8 states the process of becoming aware of own frames of reference with respect to individualism.

“Those talks really helped understanding the other culture and also made me question or at least look at my culture differently. For example, it

became once again clear, how important individualism is in my culture and that one just has to remember that this is a quality not applicable for all other cultures, too.” D_8: 2169-2491

Individualism is an example of an element of a deep rooted frame of reference. D_8 becomes aware that the design of daily life in her home context is oriented towards individualism. Being exposed to a distinct context triggers awareness of own frames of reference.

D_10 describes a crucial situation when he confronts villagers with common working hours in Switzerland. The answer he gets leads to the learning that different frames of reference lead to different points of view.

“When we told them that a man in average works for 8.4 hours every day they said that this is because we do not know how to live. If you work that much you don’t have enough time to live and to enjoy the good things in life. That was very interesting and a good learning experience. And somehow I really can see their point. A possible answer to that statement of the villager could be: we work so we can enjoy even better things in our free time, for example to travel around and to buy things you can’t even imagine. But this point of view seems to me inadequate. The villagers are not used to the kind of things we are in Switzerland. So how can someone possibly say that we in Switzerland know better how to live than the villagers in Ciaul do? Given what they have they seemed to me very satisfied and pleased with what is going on in their lives. This learning experience was a turning point for my mind set.” D_10: 2092-3027.

D_10 displays awareness of his own frame of reference (you need to work to be able to enjoy better things), and awareness of the frame of reference of the villagers (if you work that much you do not know how to live). Moreover, the experience with a distinct frame of reference impacts on his frame of reference.

He describes this incident as “turning point for his mind set”. By stating so he indicates that the experience of being confronted with a different world view and the reasoning behind affects his own way of thinking. The shift in his frame of reference might be formulated as e.g. “happiness does not depend on how much you own”. This is a fundamental transformational learning which has an effect on his frames of reference.

The following statement of D_13 illustrates the source of different frames of reference D_13 reflects on differences between the villagers and the local students.

“Indeed it is true that the inherent culture of the people is determined by their environment. And even though the cultural environment of the villagers and the IBT students was the same in general, the natural and social environment was it certainly not. This might be the reason why I had the impression to be confronted with two different cultures.” D_13: 287-645.

Being exposed to the new context brings the students in the position to look at their own context, or lives out of a different angle. Seeing something that is different makes them think about their own frames. The statement of D_3 is an example of valuing unique insight gained through the exposure.

“As being already discussed, I perceived the Indonesian culture as being very polite, tolerant and based on the avoidance of open conflicts. This is of special relevance in a business context, where conflicts appear and need to be solved in an efficient way, involving all actors to achieve maximum results. In the village, as well as in the group, I encountered several examples for the very different conflict cultures that gave me a perspective on my way of dealing with issues in a group, I never had before.” D_3: 1384-1906.

4.4.2.4. Reframing

Closely linked to the awareness of frames is the process of *reframing*. Through reframing perspectives of others are incorporate into own frames of reference.

In the learning reports I follow various examples reframing.

D_5 reframes his perception of chaos. He shifts the underlying frames of “what is chaos” and “what is order” through exposure to the new context. He even adapts to certain habits.

“The first impression I had was, that everything is in state of chaos. This does not exclusively affect traffic as described above – in my point of view nothing seemed to be in order. Anyhow after some time had passed I began to realize that the manner of chaos I considered people to live in is a kind of order to people living in it. This did not only seem unfamiliar, I regarded it unimaginable this chaotic order could social interaction and coexistence. At the end of the trip I even noticed absorbing parts of this cultural attitude. For example I started crossing traffic like Indonesians commonly do.” D_5: 486-1120.

D_7 observes the habit of prayers and reflects on the benefits of a silent moment or ritual. He even suggests establishing “rooms of silence” in his home context. His frame of reference with regard to religion is shifted. He underlines the positive aspects of religion and suggests adapting the daily life habits in his home society.

“Their deep affiliation to religion even manifested itself at the university. It seemed very common that in a break one would go to the campus-mosque for a prayer. I could very well imagine that an equivalent “room of silence” in Switzerland could be a worthwhile investment. How many burn-outs could be impeded and stress mitigated if once or twice a day people would gather in the room of silence in order to pursue a ritual, say a prayer or merely sit

quiet so as to come to terms with themselves. Chuang-Tzu said more than 2000 years ago: "Only in quiet water one can see his mirror image." D_7: 7-616.

For many students the exposure to a Muslim context leads to reframing activity. As noted before religion is one of the most important contextual differences to which the students are exposed. During the program they are in close contact with their Muslim teammates and the villagers, gain insight into the daily routines and familiarize with attitudes. For most of them this leads to discovering own prejudices and ultimately reframing their perspectives.

"Many conversations have strengthened the impression of religion playing a very positive role in people's lives. For me personally, this changes in a way my perception on western society and the connection of religion, values and people's way of life." D_3: 2149-2403.

"In my perception, in Europe religious values increasingly play a minor role in society. Our mind-set's seem to be more influenced by economic thinking as well as individual pursuit of happiness. As the role of religion deteriorates the guidelines for your life become unclear. In Indonesia on the other hand this situation seems to be different. Whereas I associated religious societies, especially in Islam, with suppression and absence of personal freedom, my perception has been changing." D_3: 839-1340.

Another example of cultural difference that triggers reflection and reframing is the communication style. Most students find themselves challenged by the indirect way of communicating.

D_13 finds underlying frames of reference for this behavior and comprehensively deals with this challenge. D_13 looks at the challenge of this communication style in the larger frame of a "truly admirable" politeness.

"This extreme politeness was by the way not just something they showed towards us. They interact in the same way with each other. This usually leads to extended conversations. The villagers like flourishing talks and therefore discussions are not always conducive. This is what we had to experience by ourselves during the interviews: asking a single and simple question, our translator and the villager got usually lost in an endless conversation. In the end we got an English answer of one sentence. We had to learn, that this phenomenon was not the fault of our translator but it is the result of the extreme politeness. But this was not the impressing thing. Instead, I think behind these behavior lies the deep respect for other human beings, which is deeply rooted in their culture. This is what makes their behavior truly admirable. The politeness is just an expression of that." D_13: 378-1295

The example of D_9 illustrates how important it is to adapt to other frames of reference in the context of transforming.

In the beginning D_9 is very skeptical of community owned enterprise. He doubts that people care about something as soon as it is commonly owned. At a later stage he becomes aware of the importance of community in the village context. He adapts to the contextual frame of reference when he suggests a community based solutions for a transportation problem (D_9 8323-1378).

The following example illustrates in a nutshell the importance of being aware frames of reference in the context of transforming. Through the intensive contact with the villagers the students familiarize with their self-perception.

“We learned that –different from us – they don’t think that they’re poor. They know that their life is simple but they don’t consider themselves as poor.” D_2: 1906-2072.

D_3 specifies the self-perception of the villagers and describes the moment of familiarization with their way of thinking as a “shock”.

“The living conditions on the first sight seemed to indicate a massive need for development. But my perception was shocked, when many villagers declared that they wouldn’t change their daily routine for further income. Although just a minority, this was an eye opener for me.” D_3: 53-619

Unconsciously the students take for granted that all villagers want to change their lives and that they see themselves as being poor. At the beginning of the program D_2 even sees the village context as “...the end of the world!” (D_2: 2214-2394).

Since the students are confronted with the self-perception of the villagers they are forced to reframe their interpretation.

The shift in frame from ‘the villagers are poor and eager to escape the miserable situation’ to ‘the villagers are contend with their lives and might not see areas for improvement’ is of vital importance for their transformational task.

As D_3 notes, simply “copying” the Western way of life is not acceptable. D_3 finds out that the transformational task is more complex than this.

“We had the impression that most villagers seemed contend with their life as farmers and day labourers. For us, the contrast between the standard of living in the village and what we are used to was striking and the village in need for development. But we got told various times, that people basically think they have all they need: Food, water, a house and enough free time with the family. Development, changing their way of life to be similar to ours, is undesirable for some villagers.” D_3: 716-1214.

D_3 even shifts his own frame of reference with regard of being happy to a less materialized perspective.

“Isolated from western living standards and consumption patterns, the villagers seemed happy and very much in peace with themselves. This helps me to get a different perspective on my own life as well, happiness is not dependent on big-time salaries and fancy accessories.” D_3: 53-619

4.4.3. Empathy

Throughout the program the students establish a deep connection to the villagers. For instance D_10 describes that he respects the villagers as someone of his family.

“Two things that decelerate or even prevent the Islamic people in Indonesia from overcoming the principles of respect and self-abandonment for someone else, is firstly, as I observed, the deep rootedness of this principles from the childhood on and secondly the omnipresence and strict execution of the Islam by the majority of the society. The influence of all what I just listed forms the mind-set of the villagers significantly. This is something I really profited and learned from for myself. It opened my eyes how to treat less privileged people and that they earn my respect as if it is someone of my own family.” D_10: 252-2882.

I would like to interpret this emotional and intellectual state the students display as *empathy*.²

The students demonstrate that they are able to look at world out of the perspective of the villagers. In the *transformational learning process* the students establish the awareness and understanding of others' perspectives. The statements of the students support the idea that transformational learning leads to empathy and that this quality is important in the transformational leadership process.

D_13 describes the connection of empathizing and transformational task such:

“It wasn't necessary to have some agricultural know how or experience in village development (even though it could have been helpful). What we could do was to [empathize] with the villagers, understand their needs, identify their resources, recognize what opportunities they have and show them a way of how to make use of that.” D_13: 236-571.

“You need to listen to them first and try get their perspectives of things you also need to question yourself and your lifestyle. Because the most difficult

² Empathy can be defined as “the intellectual identification with or vicarious experiencing of the feelings, thoughts, or attitudes of another.” (<http://dictionary.reference.com/browse/empathy>)

barrier is the ethnocentrism. We are accustomed to compare foreign cultures to our own lifestyle and we often think our way is better.” D_11: 1589-1884.

Also D_7 sees empathy closely connected to transformational leadership in the activity of recognizing the needs of the villagers.

“Alone the fact of being in the village, listening, has proven to be remedial to the villagers. It was like in a psychological treatment. Already if one has somebody to tell one’s worries and concerns, relief can appear. This is also a fundamental pillar of transformational leadership: To empathise with the counterpart in order to recognise the true needs. Hence, governmental help, with all its good intentions, cannot be successful unless the attempt of walking in the shoes of the villagers has been achieved.” D_7: 1839-2363.

There are many examples found in which the students express empathy with the villagers. E.g. C_2 see how hard the life conditions are.

“I feel that the people here are very hardy and adaptable. They work hard for their livelihood and enjoy what they do.” C_2: 61.

Ultimately empathizing occurs in situations in which perspectives are exchanged in a trustful atmosphere.

“They were very honestly explaining us their problems and how unhappy they were with their current situation. Only in these circumstances we were able to empathize and therefore identify their real problems.” D_6: 522-732.

“I learned to empathize with people and listen attentively, to get their perspectives of things and see their problems. We had intensive conversations within the group and with the villagers.” D_11: 1204-1398

“I understood that in order to empathize you need to build trust bridges in the right atmosphere.” D_6: 888-985.

The students experienced a language barrier which challenged the process of empathizing.

“What I learned though, is that to be truly selfless and empathizing it is crucial to speak the language of the people that one is trying to help. Of course I tried to be empathizing and to put myself in their position, when I was thinking about, if one of our plans was truly going to help them and if they could actually consider the plan as viable as I did. But without being able to speak to the people myself, it was awfully hard to be sure that I actually understood their feeling. I was wondering very often, whether or not they would have actually told us if they did not like our ideas.” D_8: 367-973.

Through transformational learning the students are enable themselves to understand the position of the villagers as D_8 describes. She also names empathy as being important for successfully bringing in new ideas into the village context.

4.4.4. Summary Transformational Learning

The students are exposed to a new context. The SEED data shows that this triggers reflections which lead to awareness of frames of reference.

Firstly, the students notice differences in social life and related points of view. Secondly, the students identify explanations about why they see the world in a specific way (own frame of reference) and why others come to specific conclusions (others' frame of reference). Thirdly, through reframing, they question frames of reference and enhance their form of interpretation by the perspective of others.

Figure 7 demonstrates the levels of awareness of frames of reference and related typical attitudes.

This is an important learning process, facilitating the transformational task of the students. It can be summarized with the help of the transformational learning process proposed by Mezirow (2000) and Cranton (2006).

The transformational learning process enables the students to incorporate various perspectives. This facilitates the transformational task with regard to developing context sensitive ideas and finding the adequate form of exercising influence. Through transformational learning the students gain an understanding of the underlying frames of references which lead to specific contextual mindsets. Influencing these is of importance for achieving sustainable transformation. Furthermore, the transformational learning facilitates empathizing with the villagers. The feeling of empathy increases the motivation of the students to fulfill the transformational task.

In summary, *transformational learning* fosters a balanced and contextualized way of influencing the villagers.

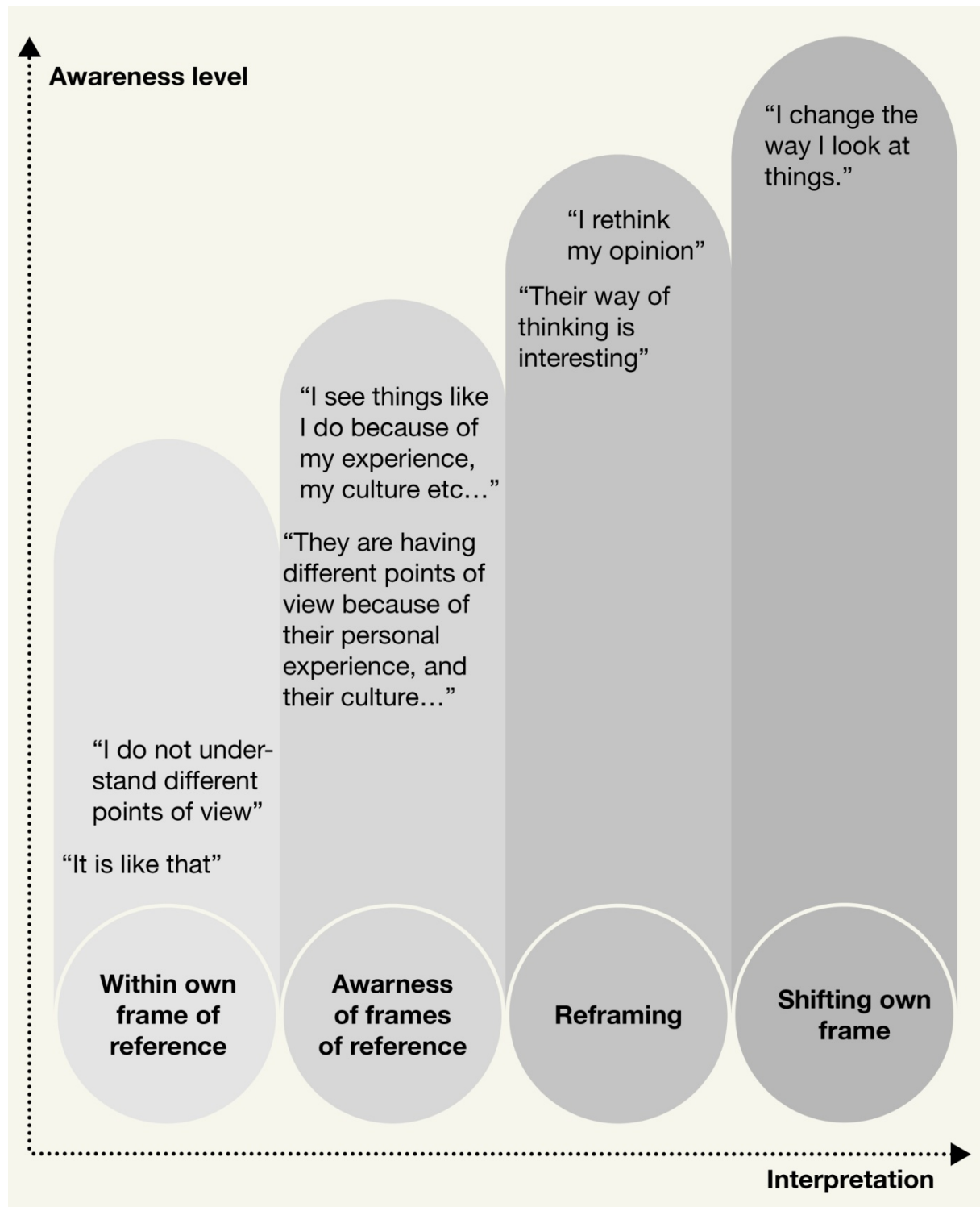


Figure 7: Transformational Learning: Awareness Levels

4.5. Category Influencing

4.5.1. Introduction to Influencing

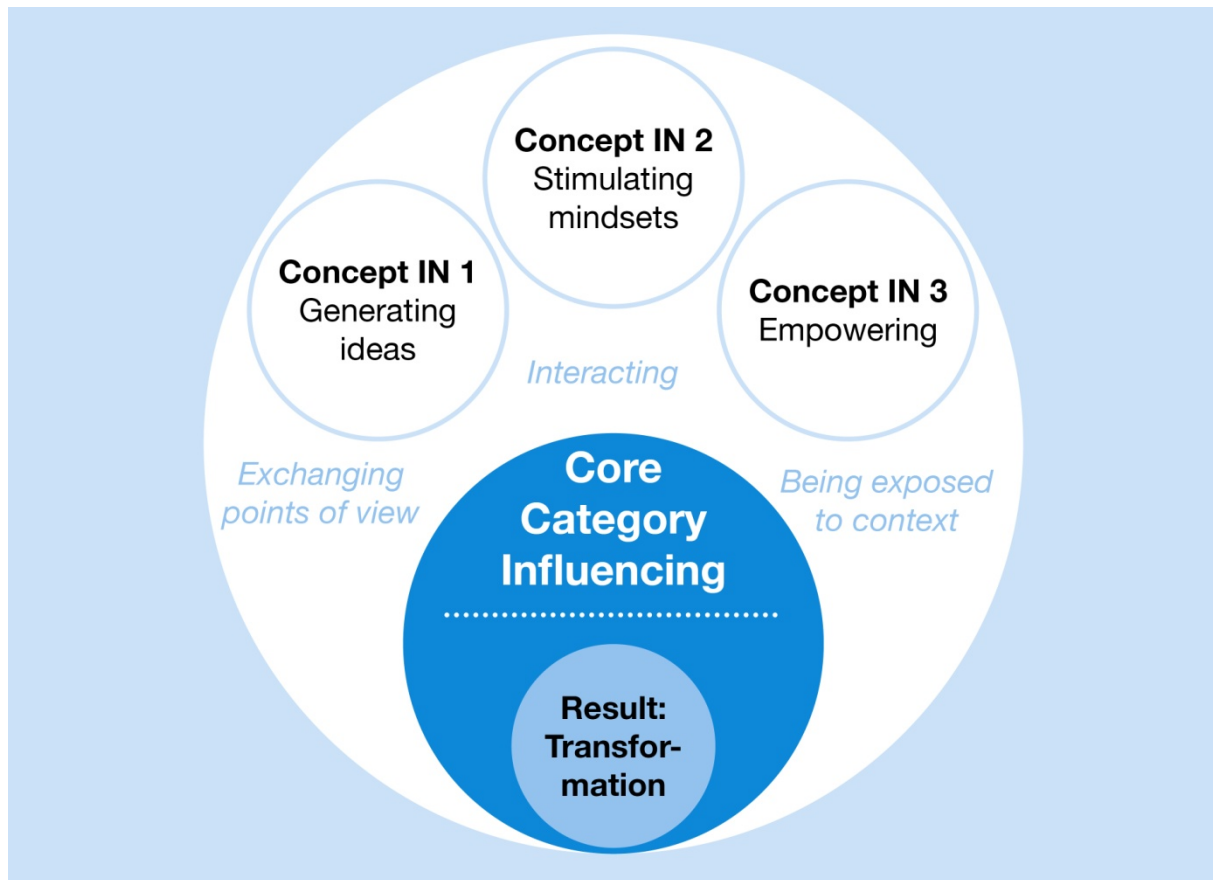


Figure 8: Core Category Influencing

The students' task is to find business ideas for the economic development of the village. The business ideas need to respond to the needs of the villagers and be of longer lasting effect.

The SEED data analysis found that these tasks comprise of intensive exchange with the villagers. This exchange relates to new ideas and exchanging about existing ideas, discussing adequate implementation forms, evaluating mindsets and crucial knowledge.

Through coding I grouped these activities into the processes of (1) generating ideas, (2) stimulating mindsets, and (3) empowering. The SEED data reveals the importance of interaction and exchange in these processes. Through these processes the students are exercising their transformational influence. I therefore summarized the concepts to the core category of *influencing*. In total 225 text-passages relate to this category. Figure 8 displays the category and its components.

I define *generating idea* as all activities which lead to finding and solidifying business ideas. With *stimulation mindsets* I subsume activities and modes by which the students analyze and question mindsets of villagers. *Empowering* subsumes all activities of the students with the aim of establishing critical knowledge.

In the following I will analyze text-passages relating to these processes and reveal the inherent influential character of these processes.

I define the *influencing* as “the process of effecting transformation in the villagers by bringing in new ideas, stimulating mindsets and empowering.” Transformation is the result of the influencing process.

Further analysis shows, that all other categories positively related to the category of influencing. This supports the conceptualization of influencing as core category.

4.5.2. Generating Ideas

The students develop various business ideas. The ideas are within the agricultural context and relate to enhancing the production span, refining existing products, finding new ways of distribution and optimizing the production and packaging.

All business ideas are closely related to the village context. These ideas build on existing products and are found close contact to the villagers.

For instance the idea of cookie production was found when the students initially tasted the cookies during a festivity. Impressed by good taste, the student started to evaluate this product as a potential business idea.

“Ultimately we settled for an idea which we heard about only by chance. At the time of our visit most of the women were preparing cookies for a special, Islamic celebration and as a result were served lots of cookies. Delighted about the taste of the cookies we quickly realized that this could be our future business model and we tried to obtain as much information about the cookie production as possible.” D_16; 3220-2734.

D_8 becomes aware of the notes the importance of balancing the expectations of what could be achieved in short time.

“After spending our first days in the villages we realized, a change would be possible, but it would be neither swift nor radical.” D_16: 1128-1259. D_16: 1128-1259.

The data suggests that the students are concerned with finding the right mode and level of promoting ideas. They see a danger in a potential rejection of their ideas. It is important that the villagers find a positive attitude towards the new ideas.

D_8 describes this challenge and gives insight into how they address it.

“Especially I had to be entrepreneurial in the sense that I had to think about the very best that could be reached with the skills and resources available, but not to exaggerate. Because if the businessplan provided, exceeded what was actually possible, then nothing would have changed at all. I think that the businessplan we finally suggested holds this balance. It adds on existing resources and skills but also challenges the villagers to give their

best. In addition, it enhances their skills by providing some additional knowledge but at the same time it makes sure that, if help is needed, the villagers know where to turn to.” D_8: 1569-2213

The students achieve a balance between responding to limiting factors of the context and bringing in new ideas.

D_17 and D_8 note that they strive for finding context sensitive solutions that practically help the villagers. This might make it necessary to discard own expectations.

“We learned that we do not have to look too far for a viable business idea. Instead, a simpler and more realistic solution might have a far greater impact on the villager’s economic situation than an idea that could even satisfy our requirements.” D_17: 767-1168. (second part of it)

“For me this meant to acknowledge the interest of the villager in Ciaul. What I learned is that the perfect businessplan for me did not necessarily need to be the one that best suited the villagers.” D_8: 771-1758 (first part of it)

The students bring in their contextual knowledge in order to decide which of the ideas are feasible and likely to be accepted by the villagers.

For instance, D_8 notes her observation on low specialization degrees in the village. In her first reaction she sees potential in influencing the villagers towards a reorganization of labor.

“(…) it struck me from the beginning that Ciaul showed a very low degree of specialisation. Therefore I personally would have suggested that they simply build groups specialising in a field, organizing themselves in Koperasis in order to also have specialists for research, who can gain new know-how and after share it in their group.” D_8: 771-1758

She doubts that the villagers would accept this fundamental shift. The students resolve the situation through suggesting a business idea that builds on existing knowledge, practice and organizational form of the village.

“(…) But that is just not compatible with the way the village works at the moment. The families are used to be almost self-sufficient. They are not used to depend on others. Therefore when choosing a business plan we paid attention to not force the villagers to give up what they are doing. In fact by producing yogurt they can continue producing milk. They just produce it differently or better speaking they further process it.” D_8: 771-1758.

The students incorporate the perspectives of the villagers within the idea generation process.

D_4 specifies, how they find context sensitive ideas.

“I would never go in another country and tell the people how to do their business. So I was looking forward to go in another country and find out together with this people, through their own ideas what might be the best way to help them do their business and so empower them.” D_4: 349-627.

In the example of yogurt the students build on an existing milk-production.

They suggest introducing flavors and a larger scale marketing. Their main focus for transformation in this example is to elaborate and enhance existing business. They foster the motivation of the villagers and help to build crucial knowledge:

“By supporting and further pursuing an idea, flavoured milk and yogurt, that some of them already had been thinking about, we tried to foster that process.” D_8: 43-856

In the process of generating ideas the students are in close contact with the villagers. In this process the mindsets of the villagers are stimulated.

4.5.3. Stimulating Mindsets

The students point out that it is important to finding a shared vision.

“As people in the villages, although always expressing a wish for greater prosperity, rather often showed some kind of indifference concerning their current situation and, as explained, did not seem to be very persistent, it was fundamental that we succeeded in sharing one vision with the villagers. Therefore, we tried to communicate with them as much as possible. Cheering them to be self-confident and to believe that they actually can build something new.” D_8: 43-856

The comment of D_8 gives importance to the process of stimulating the villager's mindsets. In specific the self-concept is addressed. The students try to increase the self-confidence of the villagers with regard to their ideas and capabilities.

They motivate the villagers to improve their situation D_8 note the need for providing additional information to the villagers in this regard.

“(…) I learned that it was crucial for motivation, to show them with figures and examples, that their dream could actually come true and that we could suggest a way that, if it was actually followed, could lead them to the goal they all wanted to achieve.” D_8: 43-856.

By providing additional information the students increase the motivation of the villager to reconsider their perspectives. On the basis of their analysis the students calculate the potential of flavoured milk and thereby solidify the business idea of the villagers.

This alters the way of thinking of the villagers. They display greater openness and interest in terms searching for entrepreneurial ideas.

The students not only introduce ideas but specify the potential form of implementation. In the aforementioned case of flavoured milk, they demonstrate the positive potential of doing business in the cooperative form. Therewith they stimulate the mindsets of the villagers.

“We tackled the competing views by proposing collaboration in a Koperasi, but only for one specific project with evident benefits. By making the benefits tangible for the villagers, there was a change in mindset and the people in Ciaul started to believe in the Koperasi themselves. D_8: 1939-2475.

The example of D_8 shows how the students establish new ideas by addressing villager’s mindsets.

“Additionally, we solved the conflict between the business perspective and the villager’s perspective by offering a compromise. As mentioned, the inhabitants of Ciaul were neither used to specialisation nor to collaborate in an organized way. We tackled the competing views by proposing collaboration in a Koperasi, but only for one specific project with evident benefits. By making the benefits tangible for the villagers, there was a change in mindset and the people in Ciaul started to believe in the Koperasi themselves.” D_8: 1939-2475.

In the process the students respect the perspective of the villagers. At the same time they introduce their ideas and address the mindsets of the villagers.

Firstly, they demonstrate the benefit of the project. They introduced a new idea by building on existing. Secondly, they stimulated the villagers to rethink cooperative forms as they demonstrate the benefit within this specific project.

They respect the perspectives of the villagers but demonstrated positive sides of an adaptation in the specific example of producing yoghurt.

They stimulate the mindsets in a context sensitive way. They establish a positive point of reference as they exemplify the potential. This might have a longer lasting effect on the mindsets of the villagers.

Another example shows how the students address the mindset of the villagers by choosing reference points. The students identified a positive example of transformation in the village context and link this to new business ideas.

They take the successful construction of an Islamic school (Madrash) which the village managed to bring forward recently as positive example. In their conversation with the villagers they refer to this project and motivate the villagers. The “Madrash” becomes a reference point for transformation in the village context.

“We used this as an intrinsic motivation for our business plan proposal. Turning the construction of the Madrasah into a symbolic goal for their efforts, we found a good reason, why new business could benefit the villagers. Because if there was one restraint we found in the village, it was their reluctance to adopt new and especially unknown practices.” D_16: 962-1324.

As described in the chapter of generating ideas, the students build on existing ideas and concepts. This can be considered a form of addressing mindsets. They combine existing concepts and new approaches and “bridge” the way to more openness.

It is easier to follow something new when the path is built on existing. In the example of D_12 and D_7 the students “bridge” their new idea of enhancing mushroom production by building on “community” and the concept of community activity (Gotong Royong) for the implementation of the business idea.

“Because our project really intended on involving as many villagers as possible, we built it upon the idea of Gotong Royong. Why not enhancing the competences of it by adding business aspects? That was exactly the reason why we came up with the idea of the mushroom plantation: Gotong Royong (of course women would be allowed in this task as well) would be responsible for the establishment of the mushroom-hut as well as for the operational part of the production.” D_7: 7-274

“Both parties agreed on the potential of gotong royong. This was at the same time our key word and our motivation of developing our second business idea to trigger economic development in Cisonhari. We used the expression gotong royong to introduce our business idea to the ten participants. It was crucial to establish a relationship between the business idea and the villagers to ensure the viability of the project. Only through this connection were we able to begin to empower.” D_12: 1810-2776.

They stimulate mindsets through demonstrating in specific positive examples, how things can be developed further.

D_12 gives insight in the process of stimulating mindsets and underlines the importance of participation.

“Before getting started, we introduced ourselves to the villagers and explained the reason for us being in Cisonhari. Then, we tried to win their participation and attention by asking them to write down what they see as potentials the village possesses and challenges that it faces. In order to show them that we were familiar with the village and that we actually understood what was happening, we wrote down what we thought were the potentials and challenges as well.” D_12: 1810-2776.

The students involve the villagers in the process. As C_6 notes this is important in order to connect various points of view.

“This is to have a meet of thoughts on our plan and her expectations.” C_6: 209.

The records of D_17 and D_11 go beyond this. They state examples of finding business ideas in a process of exchanging and combining perspectives as well as ideas and knowledge.

“The villagers who were attending the meeting took our suggestions very seriously and seemed to approve them. The approval was surely due to the fact that we involved the villagers so much. In our final suggestions for the project we combined their ideas and needs with our ideas and knowledge on how to do it. This turned out to be an excellent way in order to endow the project with the highest chance for success.” D_17; 3012-3437.

“Our group brought up the idea of production improvement and the villagers had the idea to differentiate the packaging.” D_11:462-582. (on caramel candy production)

“During the last three days we gathered enough information so that we were now able to discuss different possible ideas in detail with the villagers. They have started to think independently about possible projects, their problems and solutions. When we arrived at the village that day, Mr. A. and the other villagers were clearly happy to present us their solution they have come up with.” D_17: 123-521.

The next statements illustrate again, the relevance of stimulating mindsets within the transformational task.

“When one villager stated that we had wakened them up I was overwhelmed with joy. Given the case we could show only one villager that they themselves are the key for a more prosperous future the whole project was already worth it.” D_7: 460-856.

“What people like Mr. Alit needed was people like us who had authority and credibility and who managed to coordinate the important people and who were able to bring knowledge and skills into the village. We were like the necessary ignition, which has been missing until now, to start this process. It was impressive what a huge dynamic we could start in this village.” D_17: 3435-3809.

4.5.4. Empowering

C_3 points out that it is important become aware of potential obstacles.

“Always ask why things are not happening, theres always a reason, its our job to find out why and tweak it to meet our objectives. Jumping straight into a suggestion would probably end up with negative results.” C_3: 227.

D_16 summarizes the importance to help the villagers to cope with new challenges and overcome existing obstacles, in other words to empower the people.

“It’s not about telling people what’s the right thing to do – it’s about guiding them along new challenges and enabling them to discover new solutions by themselves.” D_16: 1825-2092.

In the example of D_8 which builds on a balanced business plan of new and existing elements empowering is also described. In the course of introducing their business plan the students foster as well a knowledge increase. Next to that empowering means here making sure there is someone to “to turn to” in case help is needed.

“(…) I think that the businessplan we finally suggested holds this balance. It adds on existing resources and skills but also challenges the villagers to give their best. In addition, it enhances their skills by providing some additional knowledge but at the same time it makes sure that, if help is needed, the villagers know where to turn to.” D_8: 1569-2213

In the following comment, D_8 sees her role in the transformational process as being a mentor. Throughout the learning reports there are various examples which deal shortfalls in education, limited entrepreneurial spirit, limited accountancy knowledge etc which can be found in the village. The students consider these lacks hindering development. They find approaches towards addressing these lacks. For instance they think out a “cascading system” as D_8 describes.

“About being a mentor I think the most important was to make sure that, when we are gone there will still be people who are there ready to help if there is problem. I learned that we had to share as much of our knowledge as possible as well as even providing some new knowledge. We also had to make sure that we shared it with people who truly understood, so that following a cascading system they could continue spreading it, after we were gone. That way we could influence the development of the village in a sustainable and long lasting way. By implementing clear responsibility structures in our business we could delegate our mission of supporting the village on their way to greater prosperity by empowering the future leaders to share our vision and to be able to keep development proceeding.” D_8: 2237-3052.

In the “cascading system” they identified key persons and equip those with crucial knowledge. The idea is that from there the key persons would either pass their knowledge on to further villagers or serve as positive example which motivates others to search for improvements. In the example of D_15 it is the religious leader who seems to be the key person in order to bring in new knowledge to the village.

“Further we realised that imam Had is playing a very important role in Ciaul. Since he is an entrepreneur he has the capacity to empower the villagers to start a home industry”. D_15: 2573-2751.

Following their comments it is a challenging step to identify the right person for empowering. D_4 describes this process and the positive experience that comes with it.

“It took some more visits until we met a young and such ambitious man that was literally just waiting to be empowered. We saw so much potential in him, I think he also felt that until our stay in the RW09 the developed plenty new ideas and confidence in his product. It was so interesting to see how a person quickly adopts some input, and that it didn’t take a lot of all to generate big output. We really could give him advice and helpful information, even that we didn’t know a lot about producing flip-flop.” D_4: 2660-2840ff.

D_4 experiences that the knowledge of the group and help they are giving is welcomed and valuable for the person they choose to empower. Passing on knowledge and helping others gives them a joyful experience of being able to make a difference which enriches the act of transforming.

In the comment of D_6 the stimulating character of empowering is highlighted. Through enhancing knowledge the students strive to address as well the mindsets of the villagers. D_6 demonstrates the connection of empowering, changing mindsets and transformation.

“He is the main actor as he is the one who will steadily be active because he has a social and an economical incentive. So he has to understand the procedure and implement it. By transforming him he can help himself and doesn’t need help from outside. We therefore wanted to change him through understanding. So we tried to give him a mission and a vision that he changes his mind.” D_6: 2460-2849

4.5.5. Summary Influencing

In summary, the evidence in the learning reports suggests that students are exerting influence on the villagers. Moreover, it can be derived that the students consciously deal with the influence they are exerting.

Firstly, they develop context sensitive ideas. Therefore they build on existing ideas and products and combine these with their new perspectives. Overall they strive to balance the degree of new and existing elements they suggest to the villagers. They evaluate the views of the villagers in the process of finding ideas. They match the level of knowledge of the villagers with the challenges of the new ideas.

Secondly, the students strive to close identified gaps in knowledge by empowering key people. In the process of empowering they are combining new knowledge that they bring in, with the knowledge of the villagers.

Thirdly, they stimulate the villagers by bringing in new ideas, knowledge and perspectives. Fundamentally, they analyze and address the mind-sets of the villagers. Most importantly the students exert influence on the motivation and self-perception of the villagers.

Overall, the influence process is characterized by mutual interaction. Vision, ideas, perspectives and knowledge are combined in the process of influencing. Exchange and interactions take place on various levels. Various elements “flow” into the process of changing behaviors and mindsets. This relates well to the Latin origins of the word influence as “*influere* flow into, from *fluere* to flow”³

³ (<http://dictionary.reference.com/browse/influence>)

4.6. Summary Results SEED Analysis

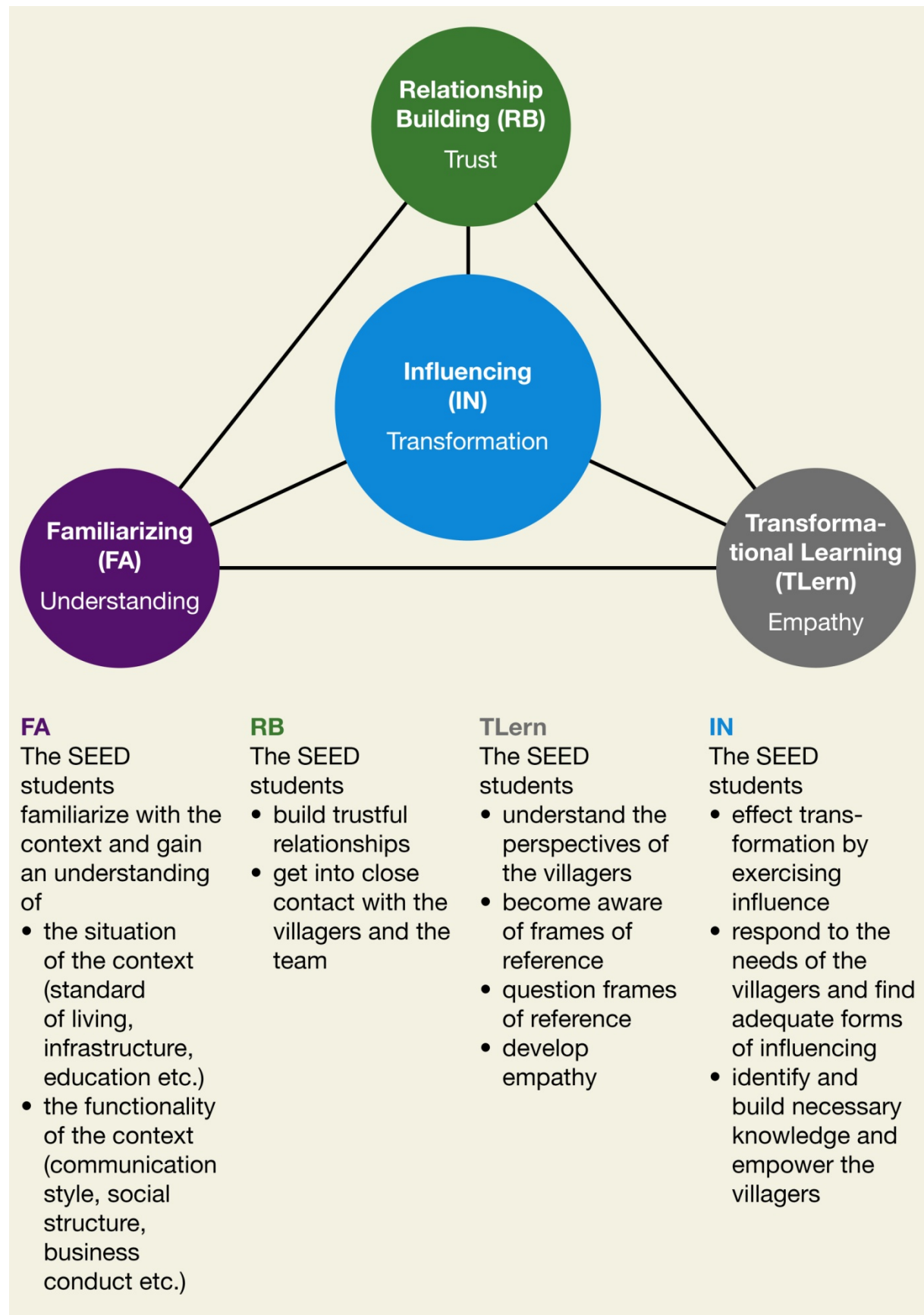


Figure 9: *The Delta Concept* within the SEED Context

In the previous chapters I established the categories (1) familiarizing, (2) relationship building (3) transformational learning and the core category (4) influencing. These categories subsume various concepts and emerge out of the line by line data analysis of the SEED data. With these categories I reduce the data in a sensitive way. The analysis shows that these categories and the therein related concepts are part of a transformational leadership process within the SEED context.

Firstly, through familiarization the SEED students develop a deep understanding of the context. This understanding relates to various topics such infrastructure, standard of living etc.). Further, they gain an understanding of the implicit rules and functionality of the society. Here, understanding the communication forms and specifics in the time conception as well as within the business conduct are of vital importance for the students.

Secondly, the students and the villagers build a trustful relationship. The sharing of positive experience and occasions for informal talks fosters the mutual openness as driver for relationship building.

Thirdly, the students experience a transformational learning process. In this learning process they become aware of underlying frames of reference which lead to distinctness in points of view. The transformational learning process enables the students to positively deal with various perspectives. For instance, they value the perspective of the villagers and thereby develop empathy. This helps the students to finding out about the needs of the villagers as well as which frames of reference need to be addressed in order to allow transformation.

Fifthly, the students influence the villagers towards transformation. This comprises the elements of generating ideas, stimulating thinking, and empowering. In these processes are realized through the interaction between the students and villagers. The perspectives, ideas, mindsets, motivation and knowledge of both students and villagers are important in these processes. In summary in the SEED Program a mutual character of the influence process is observed. Through influencing the envisaged transformation is ultimately achieved. It is the core category to which all other categories relate in an overall process of transformational leadership.

In the next step I analyze the connections and interplay of the categories. Building thereupon I exemplify transformational leadership process based upon the interactions taking place during the SEED Program.

4.7. Analyzing Connections between the Categories

4.7.1. Between the outer Categories

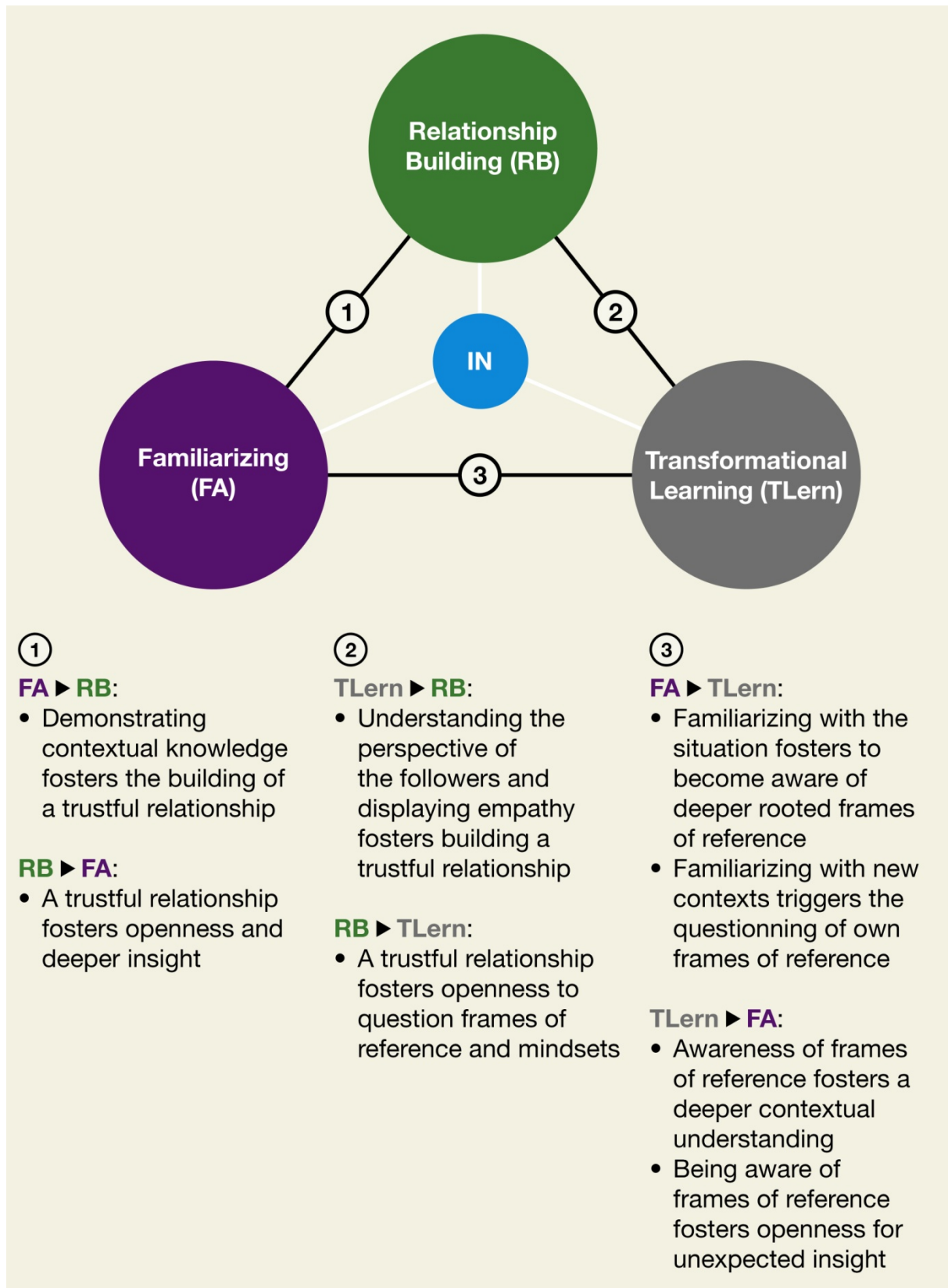


Figure 10: *The Delta Concept* and its outer Connections

4.7.1.1. *Relationship Building and Familiarizing*

In the course of the program the students build trustful relationships within the team and the villagers. This relationship is fostered by familiarizing with the context.

The students display contextual knowledge and sensitivity. Thereby they demonstrate interest which positive received by the villagers. Familiarizing with the village context simultaneously fosters relationship with the villagers. And, trustful relationships support deeper insight. Therefore, relationship building and familiarizing are positively interlinked.

4.7.1.2. *Familiarizing and Transformational Learning*

In the course of the program the students accumulate contextual insight. This insight enables the students to explore the deeper rooted frames of reference.

They become aware of frames of reference and question these. They flexibly deal with differing points of views and perspectives. Therefore, contextual knowledge fosters the process of transformational learning.

Furthermore, transformational learning supports the process of familiarizing. Transformational learning enables the students to better understand villagers' perspectives. The students can explain contextual difference. Transformational learning fosters familiarizing by enhancing the quality and profoundness of understanding. Both processes are positively related.

4.7.1.3. *Transformational Learning and Relationship Building*

The students develop empathy by sharing the perspectives of the villagers. This fosters the process of building trustful relationships.

In trustful relationships the perspectives of others are respected. In such atmosphere greater openness is found. This fosters the transformational learning process in which frames of reference are questioned in an open and trustful exchange.

The evidence from the SEED data suggests that there are close links between all the categories. They positively relate to each other. Through the interplay of these processes momentum for transformation emerges. This is based on understanding, trust, and empathy. In the next step, I will analyze the connections between the aforementioned categories with the core category influencing.

4.7.2. Connections to the Category Influencing

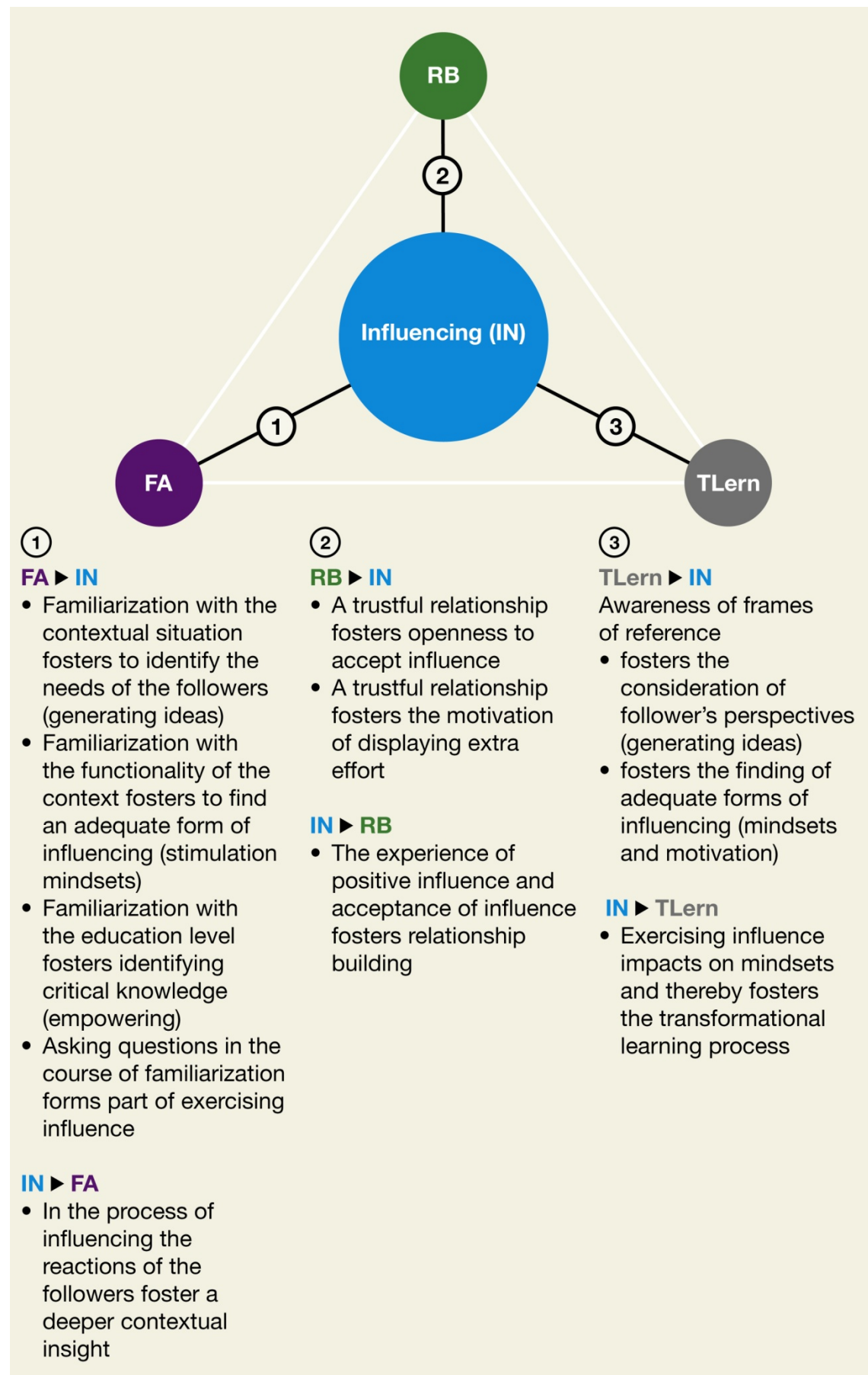


Figure 11: The Delta Concept its inner Connections

4.7.2.1. *Familiarizing and Influencing*

Familiarizing with a context affects all elements of influencing, idea generation, stimulating mindsets and empowering.

Only from deeper understanding do the students, fall into a position of finding context related business ideas, finding the right mode of stimulating villagers' mindsets and knowing what the knowledge gaps are for empowering the villagers.

The business ideas are related to the observation of the context and direct experience of the students. For instance, the ideas of cookie and mushroom production emerge from the direct contact with the villagers. The idea of yoghurt production originates from the knowledge that milk is produced in the villages and that there is experience with producing yoghurt etc. Furthermore, the students evaluate their ideas from their observations of needs of the villagers and gain further deeper understandings of the context. For instance, the idea of specialization is balanced with the insight on relevant villager's mindsets in this regard. Overall the aim of the students in their transformational task is to find out, what the villagers need and which business ideas are likely to be successful within context.

To solidify their ideas the students collect relevant information. Here again, familiarization with village context matters, as they need to know from whom they can obtain relevant and trustful information. The contextual knowledge supports the process of generating ideas as well as solidifying them.

In the process of stimulating mindsets, familiarization with the village context is of vital importance. The students need to adapt to adequate forms of communicating. Familiarizing themselves with differences is a prerequisite. In the learning reports there are multiple examples found in which the students reflect upon differences in communication forms. Traits regarding to how the students try to adapt to this, are identified. For instance, the students seek to respect the pace of talking, the rituals of politeness and identify opportunities for informal contact and exchange. These are examples for how being familiar with the village context impacts on the form of influencing.

A further interesting example of how stimulating occurs in the context is when the students choose positive reference points in the process of discussing new ideas with the villagers. For example, they use the construction of the Islamic school as a positive example and herewith stimulate the motivation of the villagers to try out something new. In such respect familiarizing with the context builds ground for necessary adaptations and forms of stimulating the students choose in order to "reach" villagers and instigate transformation.

In order to empower the villagers, contextual knowledge is crucial. The insight the students gain from the standard of living, the educational level and the business conduct are all relevant in judging the feasibility of business ideas on one hand, and

on activities for empowering the villagers on the other hand. It is obvious that only through the fact that the students know what is missing they are able to provide relevant knowledge to the villagers.

I conclude that familiarizing within a context has great impact on influencing. I see it as a prerequisite for the activities of generating ideas, stimulating mindsets and empowering.

4.7.2.2. *Building Relationship and Influencing*

Relationship type impacts greatly on the influence process. Many comments in the learning reports describe the openness of the villagers. In the course of the SEED Program the villagers give deep insight into the realities of daily life, including the positive and negative, as well as openly sharing their ideas and perspectives with the students.

There is a basis of trust in the relationship which fosters the transformational task of the students. The students are perceived by the villagers as people who want to provide help. With such expectations and trust, the motivation of the villagers to embrace the ideas and perspectives of the students as well as incorporate their knowledge seems to be high. Therefore, with the trustful attitude of the villagers towards the students, the processes of idea generation, the stimulating mindsets and empowering are positively impacted.

From the student's perspective, the fact that they can trust the villagers, gives them a greater motivation to do something good for them. There are many comments found in the reports in which the students are impressed by the friendliness and positive welcome the villagers give to them. The word *trust* is used by the students when they talk about villagers. This fosters the openness of the students and the motivation of the students to do something helpful for the villagers.

The trustful relationship has a positive effect on the whole process of influencing. Starting with the positive motivation of searching for business ideas, the openness in exchanging views in the stimulating process as well as the effort put into building critical knowledge is supported by trust.

4.7.2.3. *Transformational Learning and Influencing*

The students gain awareness of the perspectives and the frames of reference of the villagers. They also question their own positions and even experience a shift in their own frames of reference and perspectives. Therefore transformational learning occurs. This has implications on the fulfillment of the transformational task.

While generating ideas the students analyze to which respect the idea fits to existing frames of reference. For instance, when the students observe the low degree of

specialization in the village, they analyze the frame of reference leading to this work organization. They note that the villagers have a strong inclination to be self-sufficient and enjoy being self-employed. Any business idea affecting the current state of the division of labor needs to be evaluated against the deeper rooted frame of valuing self-sufficiency.

The students incorporate the deeper rooted frames of reference in their judging of the feasibility of the business ideas. Herewith the awareness of frames of reference has a direct influence on the idea generating process. It leads to a deeper understanding of what is suitable for the specific context regarding its current situation.

At the same time this helps to detect to the mindsets that need to be addressed and potentially changed for the setting off of transformation in the longer perspective. The frames of reference or mindsets are of great importance. There is evidence in the learning report that suggests that the students strive to address these frames of reference either by changing them or directly using these for implementing their ideas. There are examples in which the students strive to set off entrepreneurial thinking and creativity, foster the openness of the villagers for new ideas. They use existing mindset e.g. on the importance of *community*, for implementing their ideas. Awareness of frames of reference builds ground for a differentiated form of stimulation mindsets.

Most important is the awareness of the self-perception of the villagers:

“We learned that –different from us – they don’t think that they’re poor. They know that their life is simple but they don’t consider themselves as poor.” D_2: 1906-2072.

This vital example clarifies the importance of frames of reference. Without being aware of the villager’s self-perception, all influencing activities might mislead. Their influence would most likely be rejected by the villagers if the students fail to see the fact that the villagers are not seeing themselves as being poor.

The students comment extensively on the fact that the villagers are not open per se for any change. In general, the villagers are satisfied with their lives and consciously deal with the effects of change of life quality.

Evidence shows that the students incorporate this perspective in their transformational task. They do so by judging critically the business ideas, by sensitively choose the form in which they address mindsets, and by selecting relevant knowledge.

Moreover, through transformational learning a mutual perspective of growing comes into the influence process.

Both sides learn to respect the perspectives of others and positively stimulate each others’ thinking. An example in which the students stimulate the thinking of the villagers is the business idea candy production and its related stimulation and empowering processes. In the course of the interaction, the villager’s creativity is stimulated and they come up with further ideas and forms of processing. On the other hand, the students develop their ideas based on the input the villagers are giving. Upon exposure to the new context the students, experience *transformational learning*

during which they question their own positions and frames of reference. In such the students experience themselves, what they expect from the villagers. For instance, not only the villagers, but the students are also exposed to a feeling of uncertainty which arises out of such stimulating process.

In the activity of empowering, it is central to analyze if the things that are subject to learning suit to the mindsets of a person. What is questioned here is whether the person is able to incorporate new knowledge and apply and implement it within the business idea.

Throughout the influencing process the students deal with the perspectives and frames of references of the villagers. At the same time they develop an awareness of their own frames of reference and mindsets. The whole process of influencing from generating ideas, stimulation mindsets and empowering is impacted by the ability of the students to be aware, to analyze, respect and consciously deal with perspectives and frames of reference. In other words the students develop empathy for the villagers. On this basis they strive to influence the villagers towards transformation.

4.7.3. Analyzing the Transformational Leadership Process

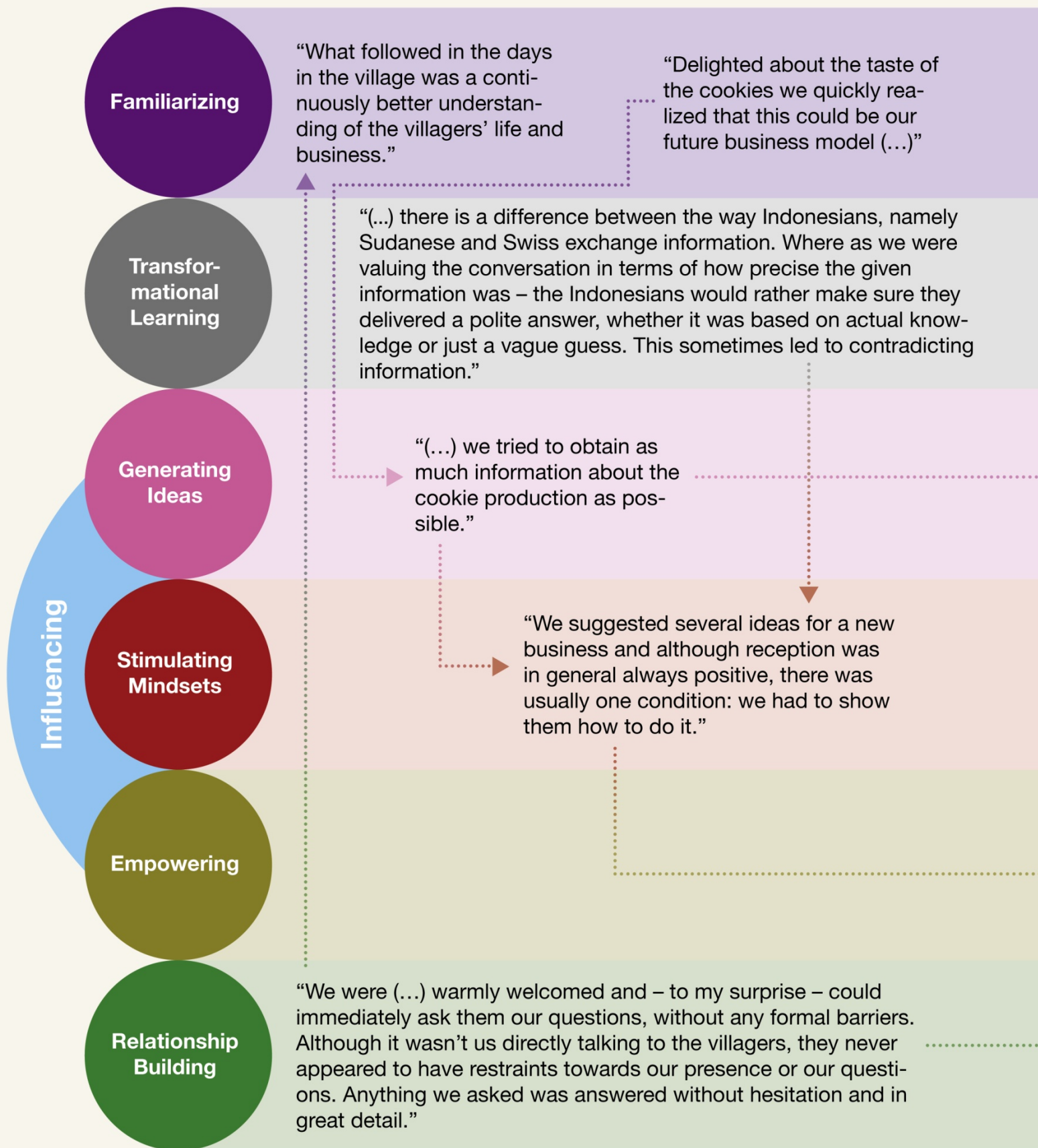
I am using the display of a flowchart to analyze the transformational leadership process. I analyze the report of D_16 and the business idea of *cookie production* to detect the sequences of activities within the task fulfillment. In the analysis I relate the comments of D_16 to the categories and analyze the flow and relatedness of activities and comments.

The comments of D_16 are not strictly chronological. Nevertheless, a meaningful sequence of activities can be depicted.

The comments relate to all categories, *familiarizing*, *building relationship*, *transformational learning* and the *influencing* with *idea generation*, *stimulating mindsets* and *empowering*.

The flowchart reveals that the transformational leadership process emerges out of the interplay of all categories. The processes of influencing (generating ideas, stimulating mindsets, empowering) are supported by the processes of the other categories.

This flowchart analysis gives further support for the interplay and connected character of all categories. Furthermore, the process perspective is validated as the comments of D_16 exemplify the dynamic of transformational leadership in practice.



“We thus made further inquiries about their activities, pointing out any potential business ideas.”

“(...) we run through a series of questions to get to know their motivation and we were happy to see that baking cookies was one of their favorite occupations.”

“It was ultimately up to them to produce the cookies and if they didn’t like the idea there was no hope this was ever going to work.”

“It’s not about telling people what’s the right thing to do – it’s about guiding them along new challenges and enabling them to discover new solutions by themselves.”

▶ (...)

“(...) We looked at the cookies as a great product and a real opportunity for the villagers (...) But even if they would never sell the cookies in the market and instead opt for the Imams idea of a catfish krupuk production – we would still count that as a success.”

“(...) we set ourselves the goal, to merely kick start the entrepreneurial spirit of the villagers.”

“(...) we had to build on a skill they already knew.”

“After all the Imam was more than just a spiritual leader, he also was in charge of overlooking the development of the whole village, which made him our most important contact.”

“Another (...) finding was that our village planned to build an islamic school (called a Madrasah). (...)”

Familiarizing

**Transfor-
mational
Learning**

**Generating
Ideas**

“We used this as an intrinsic motivation for our business plan proposal. Turning the construction of the Madrasah into a symbolic goal for their efforts, we found a good reason, why new business could benefit the villagers. Because if there was one restraint we found in the village, it was their reluctance to adopt new and especially unknown practices.”

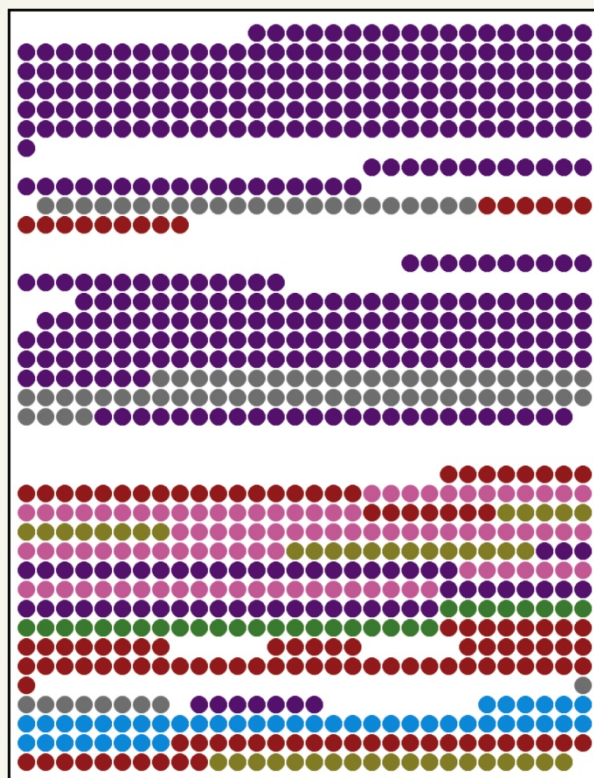
**Stimulating
Mindsets**

Influencing

Empowering

**Relationship
Building**

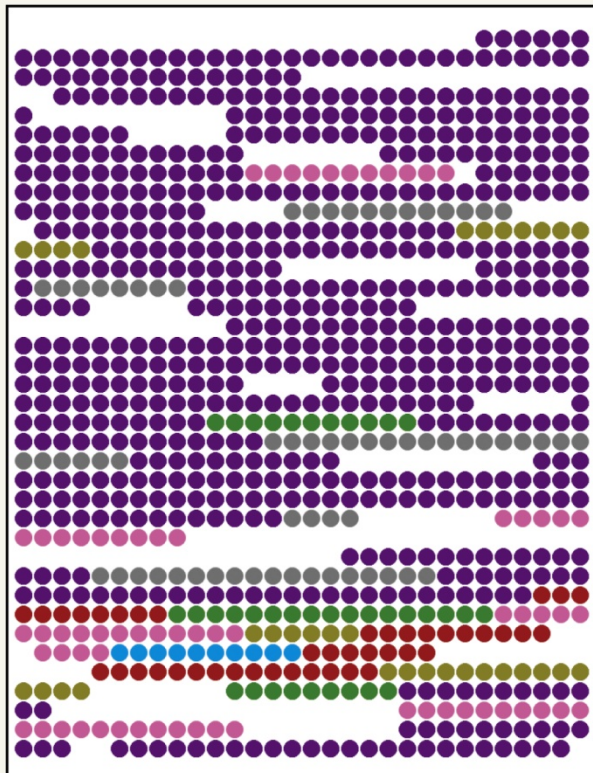
4.7.4. Analyzing the Category Distribution



Legend



D_ 16



D_ 17

Figure 13: Category Distribution

In the following I use the visualization tool of “document portrait” of *Maxqdata*. This leads to a chart which depicts the appearance of the coded categories within the reports.

This form of analysis gives an interesting overview of how the categories and related activities come into practice during the transformational leadership process. I exemplify this with the learning reports of D_16 and D_17.

The chart of D_16 demonstrates that first the category *familiarizing* is the most important activity. It covers most of the description of D_16. Within the block of *familiarizing*, the category of *transformational learning* appears. The reason might be a fundamental connection between creating a deeper understanding and becoming aware of underlying frames of reference.

In the final third of the description, *influencing* dominates the representation. The processes of *generating ideas*, *stimulating mindsets* and *empowering* are present in this section. First *generating ideas* then, *stimulating mindsets* gains important attention in this part. Episodes of *familiarizing* and *transformational learning* and relationship building activities flow into the *influencing* part. The final part of the sequence of *influencing*, are activities with regard to *empowering*.

Overall this chart gives an interesting insight into the transformational task. A picture of the transformational process emerges in which the influencing process is preceded by a considerable display of *familiarizing* activities. Based on these preceding processes the in the following, influence is exerted by applying generating ideas, stimulating mindsets and empowering. However, activities of *familiarizing*, *relationship building* and *transformational learning* are interwoven in the influencing activities.

The analysis of D_17 reveals a similar fundamental pattern. Also in his representation of the transformational leadership process, *familiarizing* is the most important process in the beginning. The processes of building relationship and transformational leadership are interwoven in this section. In this early phase activities, of (first) idea generation are found. However, in analogy to the description of D_16, most influencing activities are found in the final third of the representation. This part involves activities of all elements of influencing. A balanced distribution of generating ideas, stimulating mindsets and empowering is found in the example of D_17. Similar to the description of D_16, further familiarizing and relationship building activities are found in the influencing section.

The analysis of these two examples depicts a potential general pattern of transformational leadership activity. This comprise of a combination of antecedent processes (familiarizing, relationship building and transformational learning) which are followed by influencing processes (generating ideas, stimulating mindsets and empowering) effecting the transformation.

4.8. Summary Results

In summary the SEED analysis gives the following relevant insight into the understanding of transformational functionality of transformational leadership.

Firstly, effecting transformational leadership involves the interplay of various processes. In the coding process I used the term “category”. In their conceptualization, these categories are processes as their names suggest: familiarizing, relationship building, transformational learning and influencing.

Secondly, the analysis provides evidence that for exercising transformational influence, antecedent processes are necessary.

I conceptualize the categories into antecedent and core processes. Familiarizing, relationship building and transformational learning are of antecedent and process character. Influencing is the core process of transforming and includes the further processes of idea generating, influencing mindsets and empowering. The *antecedent processes* support the *core process of influencing* comprising of idea generation, stimulating mindsets and empowering. The antecedent processes enable transformational leaders to contextualize their transformational influence.

Thirdly, all of these processes are positively related to each other. Not only the antecedent processes support the influencing process, but also the antecedent processes foster each other as the previous analyses revealed.

Fourthly, throughout these processes both, leaders and followers are interacting. Hence, the transformation is achieved through effort and mutual influence of both followers and leaders.

4.9. Introducing *The Delta Concept*

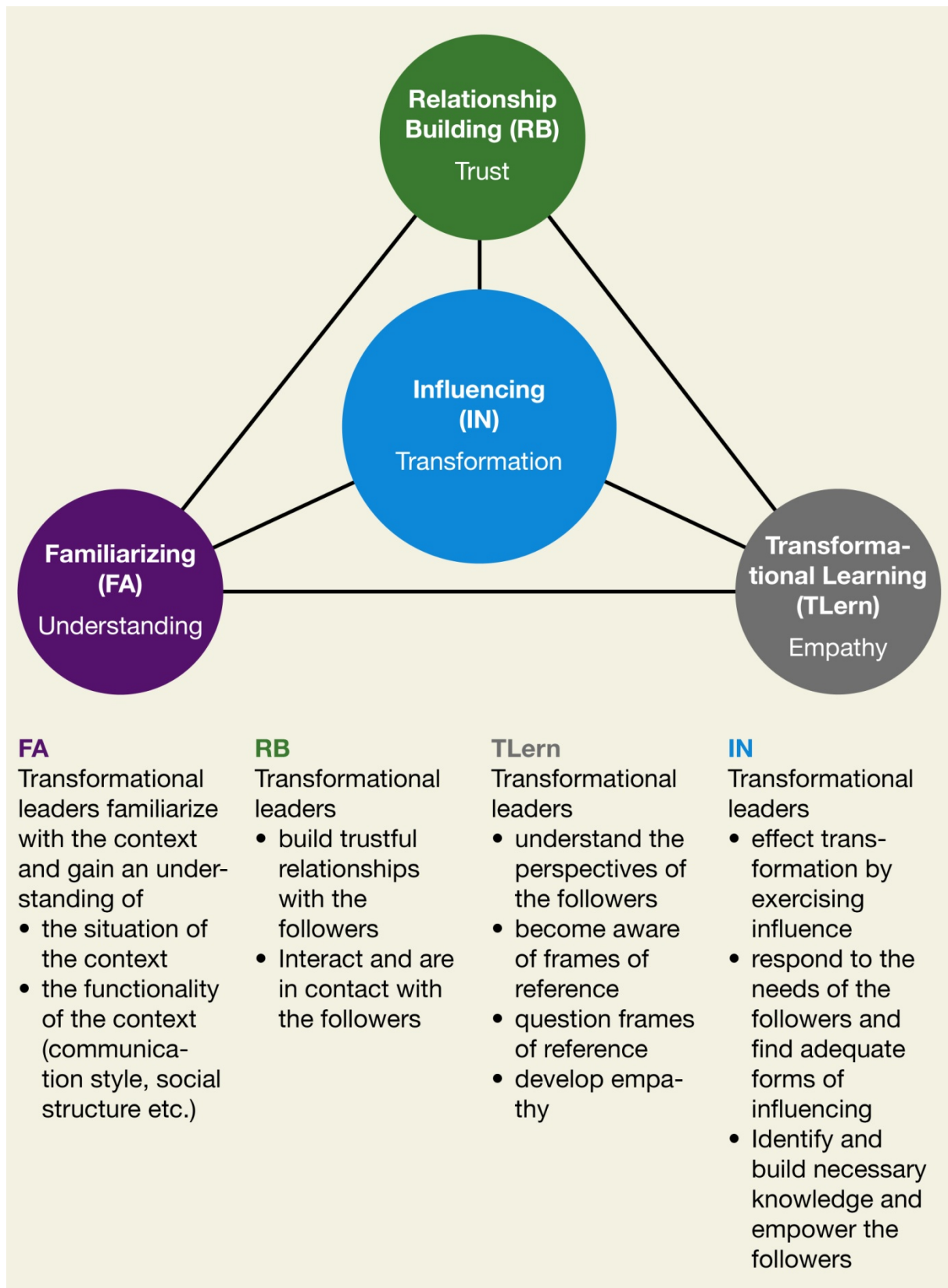


Figure 14: *The Delta Concept: General Application*

For further theorizing I display the results of the SEED analysis in the form of an explanatory concept, *The Delta Concept*.

In its application *The Delta Concept* provides explanation of the functionality of transformational leadership as theorized from the SEED data analysis.

I term it *The Delta Concept* as the delta symbolizes dynamic. Dynamics are found in the conceptualizing of its elements in processes and as well in dynamic interplay of all the elements. Further dynamic is found in its purpose to explain transformation. In other words, going beyond an existing situation, “making a difference” or a achieving a delta in comparison to the initial situation.

With term delta the concept relates to the augmentation effect of transformational leadership. *The Delta Concept* provides insight into the transformational leadership functionality and therewith gives indications for the missing link between transformational leadership behavior and the “performance beyond expectation”.

In its graphical display, the symbol of the delta is underlying. All elements are connected to each other. The core process of influencing is in the center of the graphic. It is connected to all other processes, symbolizing that these processes foster the core process of influencing and transformation. The graphical display illustrates important components of the underlying theory.

Applying *The Delta Concept* leads to the following understanding of the transformational leadership process:

In antecedent processes the leaders familiarize themselves with the context, build relationships, and become aware of frames of reference.

Through familiarizing the deep contextual understanding is established. Transformational learning as an antecedent process generates awareness of specific frames of reference and perspectives. In the influencing process these frames of reference are addressed and supportive mindsets are stimulated. Through relationship building the influence processes are based on a positive personal dimension.

In the specific influencing process the leaders generate an idea of transformation, stimulate mindsets and create critical knowledge through empowering processes. Through the aforementioned antecedent processes the influence process is contextualized. This means that the idea reflects the needs of the followers, context-sensitive forms of influencing mindsets is found and the empowering process relates to the knowledge relevant for the context.

In the antecedent and core processes the leaders and followers interact. Transformation is achieved through mutual efforts of leaders and followers.

The SEED data findings offer meaningful insight into the functionality of transformational leadership. The results are displayed in *The Delta Concept* of transformational leadership. In the following research steps I investigate the functionality and content of *The Delta Concept* further.

5. The Delta Concept - Integration and Discussion

5.1. Approach

In the previous chapter I displayed the SEED analysis and the theory building process. I introduced *The Delta Concept* of transformational leadership as display and result of the research.

In this chapter I enter into the discussion of the findings.

Firstly, I evaluate the plausibility of my findings with the help of insight gained in previous SEED studies and participatory observations.

Secondly, I strive to integrate the concept into the research domain of transformational leadership. Therefore I investigate its relation to the transformational leadership behaviors (MLQ) and review relevant transformational leadership research. Thereby I concentrate on the central elements of *The Delta Concept*, the antecedent processes and the role of influence.

Thirdly, I address the potential general meaning of the concept by discussing its transferability into other contexts.

Fourthly, I derive from *The Delta Concept* further interesting topics of investigation.

Fifthly, I conclude the conceptual and practical contribution of this research. In this part I strive to answer the research questions by applying my findings on the general understanding of transformational leadership.

5.2. Plausibility

In a previous research unit, participatory observations were conducted on two SEED Programs (SEED Program 2007 and SEED Program 2008, both in Indonesia).

Two studies originate from this research approach. The interactions within the SEED Program were analyzed with regard to creativity within the idea generating processes (Beck & Chong, 2008). Furthermore, dealing with uncertainty was explored (Beck & Chong, 2009).

The findings of both studies are of interest for the present research. For instance, it was found that important interactions take place on various levels throughout the SEED Program. In these interactions various themes are relevant for instance, exchanging of points of view and perceptions, the challenge of being exposed to a new context, the striving for gaining a deeper understanding and ultimately setting up direct contacts with the context. These themes were found in both research units.

The previous research underlines, these elements are generally important in SEED Programs.

To some extent the prior experience of the participatory observation might have influenced the category building in this present research. However, there are arguments for the independent explanatory potential of both research unities.

Firstly, there is a time slot between the two research units. This increases the potential that data is approached with lesser predisposition. Secondly, the two research units are slightly differing in the focus of investigation. The first research unit has its focal point on the creative potential of the interaction and of dealing with uncertainty, the second research unit specifies on the transformational potential of these interactions.

The lens at which the interaction was looked differs. This increases the likelihood of openly approaching the data.

Both research units relate to the SEED Program and thereby have the same overall setting and similar interactions as research focus. It seems adequate to triangulate the findings of the present SEED analysis with the prior findings of the participatory observations.

The result of this triangulation is a support for the relevance of present findings.

5.3. Integration with Transformational Leadership Behaviors

For initial analyzing step I will investigate on the correlation of the findings with respect to the transformational leadership behaviors as defined in the MLQ (Avolio & Bass, 2004).

In order to reach performance “beyond expectations” transformational leaders display certain transformational leadership behaviors (Bass, 1985). In the set up of the Multifactor Leadership Questionnaire, Avolio & Bass (2004) summarize and display these behaviors in four groups. Thereafter transformational leaders exercise idealized influence, provide inspirational motivation, intellectual stimulation and individual consideration to their followers. As results Avolio and Bass (2004) describe extra effort, effectiveness and satisfaction with the leadership. These results characterize the outcome of transformational leadership as going beyond the fulfillment of expectation.

In the following I will analyze to what extent the findings of my research correlated to these detailed behaviors.

5.3.1. Idealized Influence

According to Avolio and Bass (2004) leaders who exercise *idealized influence* receive positive reactions from the followers. The leaders give a positive example of conduct.

“These leaders are admired, respected, and trusted. Followers identify with and want to emulate their leaders. Among the things the leader does to earn credit with followers is to consider followers' needs

over his or her own needs. The leader shares risks with followers and is consistent in conduct with underlying ethics, principles, and values.” (Avolio & Bass, 2004: 94)

With regard to the SEED participants *idealized influence* can be seen in the fact that the villagers accept the students on a personal level and their input is overall valued by the villagers. Moreover, the villagers acknowledge the positive intent of the students and appreciate their help. However, it is unclear if the villagers admire the students and if identification occurs. Nevertheless the villagers display trust and respect towards the students. Even though, the contact between the villagers and the students is only for a limited time period, a close relationship emerges. In this sense the observations in the SEED data correlate to *idealized influence*.

Avolio and Bass (2004: 94) detail exercising *idealized influence* into attributes and behaviors. The attributes (IA 1-4) are that leaders:

- IA 1 “Instill pride in others for being associated with me”
- IA 2 “Go beyond self-interest for the good of the group”
- IA 3 “Act in ways that build others' respect for me”
- IA 4 “Display a sense of power and confidence”

In the SEED data analysis I am unable to find evidence that the villagers take pride in being associated with the students (see IA 1). Neither, can I find evidence that the students display a sense of power (see IA 4). Only indirectly, do the villagers perceive the students and the SEED Program in general as being able to provide financial resources. Therewith a potential sense of “power” might arise. Nevertheless, in the exploration these themes did not emerge and was not specifically researched.

Instead, it can be derived from the data that the students go beyond self-interest for the good of the group (see IA 2), build respect amongst the villagers and display a sense of confidence (see IA 3 and IA 4).

Avolio and Bass (2004: 94) describe what a transformational leaders does (IB 1-4):

- IB 1 “Talk about my most important values and beliefs”
- IB 2 “Specify the importance of having a strong sense of purpose”
- IB 3 “Consider the moral and ethical consequences of decisions”
- IB 4 “Emphasize the importance of having a collective sense of mission”

With respect to values and beliefs, the students deal consciously with perceptions and frames of reference (see IB1). I demonstrate this in the category of transformational learning. Of great importance in the SEED data are values, beliefs, perceptions, points of view, attitudes and mindsets as part of the interactions between students and

villagers. Moreover, the SEED data illustrates that values and beliefs are not only talked about (see IB 1) but also acted upon. In the process of influencing, the underlying frames of reference and mindsets are addressed. The appropriateness of generated ideas towards underlying values and belief of the villages is considered. Further, the students stimulate the thinking of the villagers and thereby address their mindsets.

Also in the process of selecting people to empower, their attitudes and beliefs are incorporated in the approach of the students. Further, the other stated behaviors relate well to the influencing process the students exercise. For instance, it is found in the data that the students carefully evaluate the consequences of their ideas on the village community (see IB 3). And, in introducing their ideas the students underline the importance of establishing a common vision for development (see IB 4).

Overall, the behaviors are related to the SEED observations. Moreover the SEED data provides further detailed insight into the manifestation of these behaviors. I contend that the SEED students exercised *idealized influence* on the villagers mainly by building a trustful relationship and by consciously dealing with what I named as underlying “frames of reference”. This trustful relationship allows the students to exercise transformational influence. In the influence process the students address basic values, beliefs, ethics, and a collective sense. Therefore, I contend that building relationship and transformational learning is a prerequisite for exercising *idealized influence* (Avolio & Bass, 2004).

5.3.2. Inspirational Motivation

“These leaders behave in ways that motivate those around them by providing meaning and challenge to their followers' work. Individual and team spirit is aroused. Enthusiasm and optimism are displayed. The leader encourages followers to envision attractive future states, which they can ultimately envision for themselves.” (Avolio & Bass, 2004: 94)

In the SEED data it can be found that the students motivate the villagers towards transformation and openness for new developments. They challenge the villagers with the introduction of new ideas and by questioning the status quo of the economic situation in the village.

Avolio and Bass (2004: 94) detail *inspirational motivation* into the following behaviors of transformational leaders:

- IM 1 “Talk optimistically about the future”
- IM 2 “Talk enthusiastically about what needs to be accomplished”
- IM 3 “Articulate a compelling vision of the future”
- IM 4 “Express confidence that goals will be achieved”

Overall the students display these behaviors and provide inspirational motivation to the villagers by introducing business ideas, stimulating the thinking of the villagers, and empowering them (IM 1-4). However, the students develop a differentiated view on what is likely to be accomplished in the village context. This is based on a deep understanding of the village context such as the educational level, society structure and entrepreneurial spirit.

Moreover, they do not only talk optimistically, enthusiastically, visionary or confidentially (see IM 1-4) but develop tactics for motivating the villagers. For instance they “bridge” the introduction of new development to existing ideas; or they use positive examples of development to motivate the villagers towards greater openness. They balance the integration of new developments and existing elements. Thereto the students bring in their contextual knowledge and address underlying frames of reference.

Familiarizing and transformational learning is fundamental for providing *inspirational motivation* within the SEED context. The students are respected and taken seriously by the villagers because of their acquaintance with their context; their ability to integrate the views of the villagers; and by addressing their mindsets. Without such fundamental elements, *inspirational motivation* might not reach its followers. Therefore I contend that familiarizing and transformational learning are important antecedent processes for exercising *inspirational motivation*.

5.3.3. Intellectual Stimulation

"These leaders stimulate their followers' effort to be innovative and creative by questioning assumptions, reframing problems, and approaching old situations in new ways. There is no ridicule or public criticism of individual members' mistakes. New ideas and creative solutions to problems are solicited from followers, who are included in the process of addressing problems and finding solutions." (Avolio & Bass, 2004: 95)

Throughout the SEED Program the students undergo a transformational learning process which facilitates the providing of *intellectual stimulation* to the villagers. As specified by Avolio and Bass (2004) *intellectual stimulation* refers to the underlying interpretational schemes or as I have named it frames of reference.

Avolio and Bass (2004: 95) detail the involved behaviors to:

- IS 1 “Re-examine critical assumptions to question whether they are appropriate”
- IS 2 “Seek differing perspectives when solving problems”
- IS 3 “Get others to look at problems from many different angles”
- IS 4 “Suggest new ways of looking at how to complete assignments”

The students display these behaviors throughout the influencing process in which they stimulate the thinking of the villagers. For instance, the students question the assumption that the villagers cannot escape the current state of development (see IS 1); question the role of middlemen (IS 3); suggest the solving of transportation problems by a joint effort (IS 2); demonstrate benefit in the production of cookies and stimulate creativity and entrepreneurial thinking (IS 4).

In a preceding transformational learning process the students develop the capability to consciously deal with what Avolio and Bass (2004) name assumptions and perspectives. The students reach a state in which they deal consciously with perspectives and underlying frames of reference. Throughout the SEED Program the students develop from interpreting issues “within their own frame” and “questioning existing frames”, to ultimately “reframing” and “shifting frames for interpretation”. Therefore, I contend that for *intellectual inspiration* transformational learning is a prerequisite for transformational leaders. Furthermore, the detected process of transformational learning helps to explain the functionality of intellectual stimulation in the area of transformational leadership.

5.3.4. Individual Consideration

“These leaders pay attention to each individual's need for achievement and growth by acting as a coach or mentor. Followers are developed to successively higher levels of potential. New learning opportunities are created along with a supportive climate in which to grow. Individual differences in terms of needs and desires are recognized.” (Avolio & Bass, 2004: 95)

Individual consideration is an integrative part of the influence process I observed in the SEED data. The students offer their support and knowledge to the villagers in the process of empowering. Thereby, they display the behaviors as described by Avolio and Bass (2004: 95).

- IC 1 “Spend time teaching and coaching others”
- IC 2 “Treat others as individuals rather than just as a member of the group”
- IC 3 “Consider each individual as having different needs, abilities and aspirations from others”
- IC 4 “Help others to develop their strengths”

Furthermore, the students develop tactics for distributing their knowledge. They select specific people for empowering and strive to establish a cascading diffusion of knowledge. They do not address all villagers directly. The students transfer the task of empowering to a certain extent to the villagers who themselves are responsible for spreading the knowledge within the village community. Thereby they adjust the form of empowerment to the specific village context. Also they use their knowledge about the context when they select individuals for specific empowering activities. Further, they sensitively deal with the level of knowledge available and evaluate new knowledge in the perspective of the villagers.

Concluding the SEED data shows that familiarization is a prerequisite for empowerment and *individual consideration* (Avolio & Bass 2004).

5.3.5. Discussion

Overall, the transformational leadership behaviors, as detailed by Avolio and Bass (2004), are part of the activities and interactions observed in the SEED context.

Furthermore, the insight gained in the SEED investigation helps to amend the understanding of the functionality of transformational leadership with regard to the practice of these transformational leadership behaviors.

Firstly, the transformational leadership behaviors do not explicitly refer to influence (with exception is idealized influence). However, the elements of influencing as found in the SEED data with *generating ideas*, *stimulating thinking* and *empowering* are found in the transformational leadership behaviors. A separate investigation of the influence process as the findings of the SEED data suggested might help to amend the understanding of the functionality of the transformational leadership behaviors in practice.

Secondly, familiarizing with the context, relationship building and transformational learning are shown to be important antecedent processes for the display and practice of the transformational leadership behaviors. I contend, that transformational leadership behaviors of *idealized influence*, *inspirational motivation*, *intellectual stimulation*, and *individual consideration* are more likely to have an effect on the followers when exercised on the basis of a deep contextual understanding, a trustful relationship and equipped with the awareness of frames of reference of the followers. Since these antecedent processes help the students to connect to the village context, their subsequent influence is of greater potential. In other words the antecedent processes allow a contextualization of the transformational leadership behaviors and the respective influence. In the SEED context it is apparent that exercising transformational behaviors without contextualization will lead to rejection or misunderstanding of the exercised transformational leadership influence.

Thirdly, next to this general connection of the antecedent processes to the transformational leadership behaviors, *transformational learning* has a vital explanatory potential for the behavior of *intellectual stimulation*. Here, the awareness

of frames of reference as established through *transformational learning* lays fundament for exercising *intellectual stimulation* and influencing mindsets in a context-sensitive way.

Fourthly, the comparison of the SEED findings with the transformational leadership behaviors reveals a variation in perspective. In the SEED data it becomes clear that the transformational leadership process resides to high extent on mutuality. For instance, all antecedent processes are involving leaders as well as the followers. Leaders learn from the followers when they familiarize with the context, and when they achieve awareness of frames of reference in transformational learning. Further, relationship building is characterized per se by mutuality. Also the influence process involves mutuality with regard to the observed contextualization. Instead, the transformational leadership behaviors as conceptualized the MLQ (Bass & Avolio, 2004) do not reflect any mutuality. All behaviors relate to the leaders as the only actor in the display of behaviors. The contribution or reaction of the follower is not considered. Further, the potential learning process of the leader is not conceptualized. Here, the findings of the SEED data with the evidenced interactions and learning processes lays important foundation for amending the conceptualization of transformational leadership functionality with a mutual perspective.

Fifthly, the transformational leadership behaviors do not relate to any contextualization of the activities of the transformational leader. Instead, the SEED findings demonstrate the importance of the contextualization of the influence activities. The SEED findings lay foundation for amending the behavioral aspects of transformational leaders with regard to their contextualization.

Sixthly, in the SEED findings the process character of the antecedents is emphasized whereas the behaviors as described by the MLQ do not incorporate any dynamic perspective. The SEED data evidenced that the transformational leadership influence depends on antecedent processes and can be conceptualized as evolving throughout a sequence of interactions with the followers

I summarize that (1) the findings of the SEED analysis relate to the transformational leadership behaviors, (2) the influence process enhances the understanding of the transformational leadership behaviors, (3) familiarizing, relationship building and transformational learning are facilitating antecedent processes for the transformational leadership behaviors, and (4) the antecedent process of transformational learning explains the functionality of *intellectual stimulation*.

The SEED finding provide important initiation for a better understanding of the functionality of transformational leadership and a respective amending of its conceptualization by (1) introducing antecedent processes, (2) detailing and conceptualizing the influencing process (3) offering and understanding for intellectual stimulation by the process of transformational learning (4) establishing a mutuality perspective on the transformational leadership activities, (5) incorporating

contextualization as important transformational leadership activity, (6) enlighten the dynamic perspective of transformational leadership.

The analysis shows that the findings of the SEED analysis are plausible and that *The Delta Concept* and its elements are yielding insight with regard to the functionality of transformational leadership. The antecedent *processes* and the influence processes are related to transformational leadership behaviors. *The Delta Concept* complements the transformational leadership behaviors with a situational and dynamic perspective.

In my further analysis I will review existing research on transformational leadership with regard to the aforementioned topics. My aim is to link comprehensively the findings of the SEED analysis with existing knowledge in transformational leadership.

I will focus my literature review on antecedent factors (processes) and transformational influence.

5.4. Integration to Previous Research

5.4.1. Antecedents of Transformational Leadership

Bass (1985) introduces antecedent factors in the light of emergence of transformational versus transactional leadership styles within organizations. He sees transformational leadership style correlated to antecedents in the organizational outer (e.g. crisis and times of trouble, turbulent marketplaces) and inner environment (e.g. atmosphere of trust, organic structure, creative teams, affection to task) and within personal traits (e.g. idealistic, ambitious socially bold)

The topic of antecedents and factor analysis is noted in current research. This is in line with a increasing awareness of the complexity of transformational leadership and the notion that it cannot be captured holistically by exclusively focusing on behavior-performance relations (Yukl, 1999). Multiple possible antecedent factors have been investigated mainly in doctoral theses. These include, emotional intelligence (Piel, 2008), open-mindedness (Tse & Mitchell, 2010), social skills (Carson, 2011), follower self-concepts (Lippstreu, 2010; Rahn, 2010), follower development orientation, motivation and activity (Lippstreu, 2010), feedback seeking behavior of leaders (Wang, 2011), cognitive and affective antecedents (Zhang, 2008), trust and behavioral integrity (Childers, 2009), intra- and interpersonal intelligence (Bullock, 2008), critical thinking (not supported) (Piel, 2008), communication competence of transformational leaders (Macik-Frey, 2007).

Bass and Riggio (2006) review relevant predictors of transformational leadership, with a focus on personal traits of leaders and their transformational leadership performance. These elements relate to the personality of leaders (e.g. extraversion and sociability, ascendancy and dominance, Self-confidence, Self-Esteem Self-Efficacy, openness to experience/risk taking, Locus of control and hardiness) and multiple forms of intelligence (e.g. cognitive intelligence, social intelligence and

emotional intelligence, practical intelligence). In summary the traits of self-acceptance, ascendancy, sociability, and internal locus of control is found to be associated with the emergence of transformational leadership styles. In the further review Bass and Riggio (2006), call for analyzing personal traits in combination and in relation to specific (group) contexts (Bass & Riggio, 2006: 167ff).

Robin (2003) researches antecedent factors for the emergence of transformational leadership behaviors. His study underlines the importance of analysing transformational leadership in the larger context. He finds out that variances in transformational leadership behaviors can be related to antecedent factors. Robin (2003) uses a survey approach and a variance analysis to find out how various antecedents factors influence the display of transformational leadership behaviors of leaders. He chooses factors which relate to control, leader, situation and follower focused antecedents. His main findings are that leader-focused antecedents accounted for 33%; follower-focused antecedents account for 24%; and situation-focused variables accounted for 18% of the variance in transformational leadership behaviors. What is remarkable is that the study incorporates and combines the perspectives of follower, situational and leader perspective. Importantly, his overall findings show, that the variance in transformational leadership cannot be explained by solely examining the leaders' personal attributes. Nevertheless, his study is limited in regard to the situational perspective. Only specific variables are considered (the display of transformational leadership by higher level and peer leaders). Detailed explanation on how these antecedent factors interact and impact on transformational leadership behaviors are not generated, as this was a quantitative study.

Most studies are concerned with the question of how antecedent factors influence the potential for leaders to demonstrate transformational leadership behaviors. The exemplified studies fall short in clarifying *how* these predictors or correlations influence transformational leadership task fulfillment, or in other words how the interplay between transformational leaders and followers takes place in a specific contextual setting.

Overall, the literature referring to the above mentioned does not shed light on the functionality of transformational leadership with factors.

In conclusion, I contend that whilst prior research underlines the importance of antecedent factors, their influence is not clearly understood to date. While the variety of antecedent factors, leads to the assumption that various factors simultaneously influence transformational leadership, these dynamics have not yet been investigated.

Previous research uses a static perspective of antecedent *factors*. The SEED analysis suggests that various dynamic processes are interplaying in the process of transformational leadership. It is found that *familiarizing* with the context, *building relationship* and *transformational learning* flow into the process of *influencing* in the course of transformational leadership activities.

In contrast to the majority of static research on antecedent factors, an exception is provided by Gregory et al. (2011).

Gregory et al. (2011) investigates *perspective taking* as an antecedent of transformational leadership behavior amongst supervisor and subordinates in a healthcare organization in the US. They find that the perspective taking activity of leaders leads the followers to view the leader as being transformational. Alternatively, they offer the conceptualization of perspective taking as a skill, which fosters the exercise of transformational leadership behaviors.

Gregory et al. (2011: 810) define perspective taking as “partial merging of self and other” in a “change in mental representation”. Following Parker and Axtell (2001 cited in Gregory), Gregory et al. detail *perspective taking* into the mental behaviors of empathy and positive attributions. He defines empathy as “feeling emotional response for another in a way similar to how one feels emotions about themselves” and positive attribution as “the tendency to evaluate other’s behavior in a positive, understanding light.” (Gregory et al. 2011: 810). Gregory et al. note that understanding the perspective of the followers and their worldview can be perceived as a factor of exercising transformational influence on the followers. These finding directly support the findings of the analysis of the SEED data. More specifically, in the area of transformational learning, I contend that the SEED participants learn to consciously deal with the perspectives of the followers. This has impact on the transformational influence process as shown in my previous analysis. Also the emerging empathy can be followed in the data analysis and correlates to the findings of Gregory et al. (2011).

The SEED analysis provides a new perspective on antecedent factors.

I conceptualize antecedences as interrelated processes, firstly by providing an analysis of antecedents towards the core influencing process of transformational leadership; secondly, by looking at the antecedent as vital *processes* and therewith introducing a dynamic perspective into the research; and thirdly, by establishing an interrelation between these antecedent processes.

5.4.2. Trust and Relationship Building

Bass et al. (2008) review trust in leadership research. Bass et al (2008) select Fairholm’s (1995: cited in Bass, 2008: 268) definition of trust as “reliance on the...authenticity of a person...in the absence of absolute knowledge or proof of...the truth...Trust represents our best guess that [the person] is as he or she is purported to be” Fairholm (1995: 11) cited in Bass et al. (2008: 258). According to Kouzes and Posner (1998) leaders need to be trusted by the followers. “To be trusted...we [leaders] have to extend ourselves by being available, by sharing...personal experiences, and by making connections with the experiences and aspirations of our constituents.” (Kouzes & Posner (1993: 108) cited in Bass et al. (2008: 259).

Bass et al. (2008) reviews trust as an important element in leadership research in various perspectives e.g. trust, as personal trait, as outcome of a dynamic relationship building process, and as correlation to esteem. In their recent review on trust in transformational leadership Goodwin et al. (2011) divide the perspectives into outcome, moderating and mediating factors of trust in transformational leadership research.

In transformational leadership research it was predominantly the work of Podsakoff et al. (1990) that contributed to the establishing of trust in this area. They found that trust is correlated with the satisfaction level of the followers and that transformational leadership fosters the establishing of trust. Here, trust is conceived as an outcome and moderator of the display of transformational leadership behaviors. This is a common perspective of the majority of research of trust in the transformational leadership literature. Yunus et al. (2012) find trust as being a moderating effect between emotional intelligence and *inspirational motivation*. Trust in this moderating perspective affects the quality and degree of transformational leadership behavior displayed and perceived by the followers.

Moreover, Goodwill et al. (2011) find a significant role of trust in transformational leadership as mediator. In a survey approach they find evidence that the relation between transformational leadership behaviors and performance as well as organizational citizenship and affective commitment are fully mediated by trust. They underpin the explanatory potential of trust for the effect of transformational leadership and call for further research.

Grundersen et al. (2012) analyze the role of trust in international project teams. They find indication that trust is mediating the effectiveness of transformational leadership behaviors on team performance in this specific context.

Prior research falls short in explaining how this mediating effect can be conceptualized by which means and processes trust is established in transformational leadership.

Bass et al. (2008) reviews the work of Hackman and Johnson (1991) and summarize suggestions in the *trust building* activity of leaders with their followers.

Thereafter leaders ought to: “(1) be consistent by knowing [their] own values, (2) Appreciate the followers and what they believe. (3) Affirm shared values, (4) Help followers to develop. (5) Create a sense of direction. (6) Sustain hope.” Bass et al., 2008: 260).

The SEED data analysis revealed that *relationship building* and trust building activities are of importance. The aforementioned elements relate well to the conceptualization of the SEED findings, specifically to *transformational learning* (with awareness and appreciation and sharing of values and beliefs) and to the *influence process* of generating a vision (sense of direction) and stimulation mindsets (sustain hope) and empowering (help followers).

This supports my perspective of relationship building as an inherent part of the transformational leadership task and the interrelatedness of the processes within the *The Delta Concept*.

The conceptualization of the SEED data into relationship building as antecedent process to transformational leadership is new. The word trust is frequently used in learning reports. As shown the trustful relationship supports the other antecedent processes of transformational learning and familiarizing. The trustful relationship is necessary for receiving relevant information, for getting into close contact, sharing daily life experiences and promoting openness in order to familiarize underlined frames of reference. In the influencing process the data analysis has shown that a trustful relationship is crucial. Here they exercise influence through bringing in new ideas, challenging view points and empowering the people. This does not seem feasible without a trustful relationship. I derive from the SEED data that trust and respective relationship building processes are vital for the functionality of transformational leadership. This is in line with the reasoning of trust being an important mediator as forwarded by Goodwin et al. (2011). In analogy I contend that relationship building is an important mediating process for the functionality of transformational leadership and is crucial for understanding the functionality of transformational leadership.

Conceptually, it seems reasonable that there is a two-directional impact of trust and relationship building within the transformational leadership paradigm.

In the first perspective transformational leadership fosters trust as found by Podsakoff et al. (1990). In the second perspective, relationship building fosters the practice of transformational leadership behaviors.

This is in line with Bass (1998) conceptualization of perspectives on trust. Firstly, he sees trust as emerging from charismatic and transformational leadership behaviors especially inspiration and empowerment. Secondly, he discusses on the basis of the findings of Howard and Wellins (1994), trust-building activities and a trustful-relationship as requisite for empowering efforts of the transformational leader. The research of the SEED Program gives indication that relationship building can be considered an antecedent process relating not only to the empowering aspect of transformational leadership but to the complete involved influencing process. Also, Purvanova and Bono's (2009) results give first indication for this research direction as they find that relationship building is important for transformational leadership behaviors. They found out that the activities of leaders to build a relationship helps to put into practice the transformational leadership behaviors in virtual teams.

Further support is found in Jung and Avolio (2000) who investigate in an experimental design on the mediating effects of trust and value congruence in transformational and transactional leadership. They conclude that trust and relationship building is a requisite for transformational leadership and call for further research in this regard.

In summary the SEED analysis contributes in three parts to the research of trust in transformational leadership: (1) supporting the importance of trust in transformational

leadership research, (2) conceptualizing a dynamic perspective on how trust emerges in transformational leadership (3) closing the loop by adding the perspective that trust is an antecedent or mediating factor.

In a more general perspective I contend that relationship building processes is of importance in understanding the functionality of transformational leadership. Firstly, the importance of trust found in prior research is supported by the SEED findings as previously specified; however, *relationship building* as an *antecedent process* gives room for further relationship characteristics that could be subject to further research.

For instance, it is feasible that loyalty plays an important role in transformational leadership in organizational contexts. Whilst, the importance of specific characteristic of relationship might differ between contexts, I contend that the process of relationship building is of general importance for the functionality of transformational leadership.

5.4.3. Influence

5.4.3.1. General Perspective

Whilst the aspect of influence is well established in general leadership research and the importance in transformational leadership can be assumed, to date concentrated research on this aspect is scarce. This is unsatisfying as transformational leadership is inherently proposed to influence followers in regard to reaching higher ends and exceptional performance. The interactive part between leader and followers is stressed in the conceptualization of transformational leadership (Bass, 1985). Also the transformational behaviors lean towards various forms of exercising influence. The conceptual and practical connection between these behaviors and the exercise of influence is not researched well. It remains unclear, by which (social) processes the transformational leadership behaviors become effective in the followers.

In the SEED analysis the influence process emerged as an outstanding core category of all transformational leadership activities and processes observed. With the elements of generating ideas, stimulating mindsets and empowering, the students strive to influence upon the villagers.

Influence is predominately subject to mindsets, attitudes and points of view of the villagers. The SEED influence process is contextual and mutual and depends on the identified antecedent processes.

Subsequent to the observed importance of influencing in the SEED data I choose to focus on this process in a literature review.

In the following I search relevant literature and analysis the status of knowledge with respect to influencing processes in transformational leadership. Thereby I will relate to (1) the mutual character of the relationship between leaders and followers and (2) concentrate on existing conceptualizations of influence processes within the transformational leadership research. (3) Analyze the linkage to the SEED data

findings. Subsequently, I use the gained knowledge for further interpreting the SEED data.

In the large of publications on transformational leadership influence and influence processes are not addressed at all. In some publications the terms influence or influence process can be found but is mainly used as summary or synonym for the transformational leadership behaviors. These publications do not add insight into the conceptualization or detailing of the influence process.

Nevertheless, there are some publications found which set a starting point for conceptualizing and interpreting transformational leadership through the lens of influence (e.g. Grundstein-Amado, 1999).

There is a call for addressing influence in transformational leadership. Yukl (1999) who reviews conceptual weaknesses of the transformational leadership underlines the importance of influence processes as important steps in ameliorating the conceptual framing of transformational leadership. The following literature review suggests that looking at transformational leadership through the lens of social processes displays promising result.

Yukl (1999) builds on the general importance of influence in the concept of leadership.

Stogdill (1974;10) points out that the "...influence concept recognizes the fact that individuals differ in the extent to which their behaviors affect activities of a group." And that it implies a "reciprocal relationship between leaders and followers" (ibid.) Stogdill (ibid.) sees influential leadership as "exercising a determining effect" on the affiliated group of people. As Stogdill (1974) reviews the introduction of the concept of exercise of influence can be traced to back to Nash (1929; cited in Stogdill, 1974) and indicates an important move towards abstraction in defining leadership. This underlines the importance of the concept of influence in the general leadership research. Nash describes "leadership implies influencing change in the conduct of people." (1929 cited in Stogdill, 1974; 9).

Burns (1979) in his seminal work on transforming leadership he sees leadership closely linked to the respective followership. He terms this an "interwoven texture". He notes that *moral leadership* "...emerges from, and always returns to, the fundamental wants and needs, aspirations, and values of the followers" (Burns, 1979: 4). In his conceptualization of "transforming leadership" he builds on moral leadership and specifies that the leaders and followers "...raise one another to higher levels of motivation and morality" during of the leadership process (Burns, 1979: 20). Burns (1979) establishes that leaders and followers exercise a mutual influence on each other. Bass (1985) sees leaders and followers connected together in the quest for reaching higher moral ends. Bass (1998) underlines *idealized influence* as a means of influencing ideals of followers towards higher moral levels.

In Burns' (1979) perspective, leaders essential task is to identify real needs, realign values to effect change. Thereby the leaders exercise their influence (Burns, 1979).

This review of classic works shows that mutual influence is inherently built in the early concept of both, general leadership and transformational leadership.

Furthermore, Avolio and Bass (2004) note that transformational leadership "...is a process of influencing in which leader change their associates' awareness of what is important, and move them to see themselves and the opportunities and challenges of their environment in a new way." And, "They convince their associates to strive for higher levels of potential as well as higher levels of moral and ethical standards." (Avolio & Bass, 2004: 94). Here influence and influence processes are named but not explicitly put into relation to defined transformational leadership behaviors.

The importance of influence within the realm of transformational leadership seems undisputed but surprisingly is not comprehensively elaborated (Yukl, 2010). In the following, I review selected, insight yielding research. These publications are mainly of a conceptual kind.

Most promising is research which applies a social process perspective to enlighten transformational leadership (e.g. Bass, 1998; Grundstein-Amado, 1999; Srithongrung, 2011; Tepper, 1993). This is in line with a general call of introducing social process aspects into leadership research (Parry, 1998).

Another research stream brings in influence tactics to the realm of transformational leadership (Charbonneau, 2004; Tepper, 1993) or builds on the combination of influence tactics and social processes (Tepper, 1993). I could only find one publication dealing with the influence *process* (Wang, 2009) but this publication does not go beyond the transformational leadership behaviors.

The path of combining social processes with transformational leadership behaviors has been identified in publication not directly relating to influence. I reviewed these as they include social processes, predominantly *internalization* in their analysis of transformational leadership (Dvir, et al., 2002; Srithongrung, 2011; Yang et al. 2011).

Dvir et al.'s (2002) hypothesis is that leaders have a positive influence on followers' morality by fostering the internalization of the moral values of the organization. Even though they cannot prove this effect, it is an interesting attempt to explain transformational leadership influence by means of internalization.

Srithongrung (2011) strives to shed light on how transformational leadership behaviors are put into practice. He reasons that follower performance can be influenced by transformational leadership behavior by means of increasing organizational commitment of the follower. The transformational leaders do so by enhancing internalization, identification and exchange. They test the causal linkage empirically and find it supported.

Yang et al. (2011) investigate the linkage of organizational and leader-person identification and internalization to performance. The study is conducted in the area of military services. They find that there is correlation between various transformational

leadership behaviors and the successful internalization and identification of the followers.

Howarth and Rafferty (2009) explore how transformational leaders motivate employees for organizational change. They put value internalization into relationship with change-oriented vision articulation by the leader and affective commitment to change within the follower. The researcher could not find support in their data relating to increasing commitment of followers through internalization.

To date only limited and contradictory results have been generated with respect to the role of social processes in transformational leadership.

Nevertheless, there are publications showing the conceptual strength of social processes in the quest of understanding transformational leadership Parry (2002) as well as with regard to influence in particular (Grundstein-Amado, 1999; G. A. Yukl, 2010). In the following I will investigate Grundstein-Amado's (1999) conceptual paper for a deeper analysis of the explanatory potential of social processes towards transformational influence and subsequently strive to apply the insight in interpreting the SEED data findings.

5.4.3.2. *Internalization and Identification*

Grundstein-Amado (1999) and other researchers (e.g. Tepper, 1993; Yukl, 2010) who investigate influence processes, draw on the basic works of Kelman (1958), who classifies attitudinal changes into compliance, identification, internalization (Grundstein-Amado, 1999). Kelman (1958) points out that these three processes relate to different modes of accepting influence. The *acceptance* of the influence differs with regard to its antecedent factors of the influence exerted and the cognitive and emotional reaction it stimulates. Kelman (1958) notes, that in *compliance* an individual accepts influence in expectance of a reward or favorable reaction instead of conviction. In *identification* the trigger for accepting the influence is a desired relationship towards the person exercising the influence. *Internalization* occurs when an individual sees his own values system reflected in the requested action. Hence, the motivation to accept the influence is intrinsic (Kelman, 1958).

Whereas transactional leadership influence strives for compliance, transformational leadership can be conceptualized as envisaging *identification* and *internalization*. These reactions of followers on exercised influence allows in Bass' words "performance beyond expectations" (Bass, 1985). Interpreting Kelman's (1958) categorizations towards transformational leadership, influence means that followers who respond with identification are performing on the basis of their positive perception of the leader and the established relationship to the leader; those who react with *internalization* upon the influence of the leader are intrinsically motivated and committed to the envisaged task (Yukl, 2010).

With regard to the transformational leadership behaviors (personal) identification can be linked to the origins of charismatic leadership behavior when followers imitate the leaders and take pride in being associated with the leader (Yukl, 2010). It is therefore associated with *idealized motivation*. Yukl (1999) predominantly sees internalization as important for transformational leadership. With internalization, leaders address the fundamental values and beliefs of a person and herewith generate the motivation for transformation and performance (Yukl, 2010). Internalization can be conceptually linked to the transformational leadership behaviors of inspirational motivation by displaying influence towards intrinsic motivation, and by influencing and addressing values and beliefs within *intellectual stimulation* and *individual consideration*.

Grundstein-Amado (1999) defines transformational leadership as process of exercising influence on followers' beliefs, generating acceptance and securing commitment. Following Grundstein-Amado (1999) identification and internalization characterize the relationship between followers and transformational leaders. She underlines that the followers' needs to accept that the transformational leader attempts to exercise influence on them. She names congruence of values and beliefs between leaders and followers as requisite for reaching such acceptance. Also Yukl (1999) sees identification and internalization related to the follower's values. Through internalization the followers attain the task objectives and thereby express their values and social identities (Yukl, 2010). Yukl (2010) summarizes Conger et al. (2000) and points out that the vision for transformation needs to relate to the followers' self-concept, shared values and role identities as established in the identification process.

In summary both Grundstein-Amado (1999) and Yukl (2010) explain transformational influencing process with the underlying social processes of internalization and identification. These processes are linked to the values systems of followers and leaders. In order to reach acceptance for the influence value congruence is necessary.

In explaining how transformational leadership functions Grundstein-Amado (1999) brings forth the concept of a "bilateral transformational leadership process".

She sees transformational leadership process "as systematic shared thought process" between leader and followers with transformation as result. Thereby the ethical codes and values of leaders, followers and the organization come together. In a modification effort the transformational leader addresses the followers' values and beliefs. The leader fosters follower's internalization of organizational values which are in line with the promoted transformation.

"To conclude, the more leaders and followers are self-conscious and clear about their identities and mutual expectations, the better organizational goals and values will be met and internalized. The more leaders and followers appreciate the other's perspective, the more committed they will be to a joint undertaking. The more leaders and followers are able to convey their own unique experience and values, the more trust will prevail within the organization."

(Grundstein-Amado, 1999) notes that the followers' views and values need to be considered and integrated in the goal definition process otherwise the follower might not accept the influence of the leader.

Grundstein-Amado (1999) conceptualizes internalization as a learning process whereby "...leader and follower are both (a) examining, clarifying, and articulating their own values systems and (b) reevaluating and reconsidering their priorities and activities in the light of the other's experience and assumptions" (Grundstein-Amado, 1999: 252). Following the conceptualization of Grundstein-Amado (1999) "Self-discovery process" and "reflection" are components of the transformational leadership internalization process. Thereby the leaders and followers reexamine their values and assumptions and adjust them in the course of a transformational leadership process.

In an empiric study Feinberg et al. (2005) show, that within a group, agreement or similarity in mindsets moderates the effect of transformational leadership styles.

5.4.3.3. Discussion of Internalization within SEED Context

The aforementioned conceptualizations of Grundstein-Amado (1999) relate well to the findings of the SEED analysis and lay the foundation for a further data interpretation. My findings correlate to the concepts found in Grundstein-Amado (1999) with the conception of effecting transformation through internalization which is achieved by value congruence between leaders and followers.

Firstly, the activities of the students in the SEED Program can be interpreted as striving for transformation through *internalization*. The students strive to reach acceptance for the transformation they envisage. They directly address the *mindsets* of the villagers. This correlates to the importance of values and beliefs as expressed by Grundstein-Amado (1999).

On one hand, students build on existing values and beliefs (e.g. when they build on the community concept of the villagers by introduction business solutions) on the other hand they strive to shift mindsets (e.g. engender entrepreneurial thinking and creativity).

Secondly, to some extent the students reach "value congruence" in such that they try to connect to existing values and beliefs and reach accordance on new development perspectives with the villagers. Value congruence as a foundation for acceptance of the follower is of importance in all elements of the influencing process idea generation (acceptance for the content of transformation), stimulating mindsets (acceptance of the mode of influence induced), empowering (acceptance for the new knowledge). This is in line with the reasoning of Grundstein-Amado (1999) that value congruence is an important cornerstone for reaching internalization.

Third, for Grundstein-Amado (1999) value congruence, internalization and ultimately transformation is a result of a bilateral transformational process. This conceptualization

supports my interpretation that the villagers and students are bound in a mutual influencing process. The students are in constant exchange with the villagers during the influencing process with (idea generation, stimulation mindsets, empowering) and throughout the antecedent processes of familiarizing, building relationship, empowering).

The functionality of the transformational leadership process observed in the SEED data can be explained by applying the concept of internalization.

In the antecedent process of *transformational learning* the students become aware of relevant frames of reference, values and beliefs. The villagers and the students are engaged in a mutual transformational learning process whereby the students and villagers familiarize themselves with their differing frames of reference. The students and the villagers compare perspectives and become aware of their own frames of reference in Grundstein-Amado (1999) words, they engage in “self-discovery” through “reflection”.

5.4.3.4. *Discussing Internalization within The Delta Concept*

In summary, the previous analysis showed that within transformational leadership research the influence process is not yet well researched.

However, understanding influence is of vital importance with regard to understanding the transformational leadership functionality.

Firstly, the larger frame of transformational leadership tells us that transformational leadership is designed to bring followers to “perform beyond expectations” (Bass, 1985).

Secondly, the analysis of the transformational leadership behaviors of *idealized influence*, *inspirational motivation*, *intellectual stimulation* and *individual consideration* (Bass & Avolio, 2004) with regard to inherent aspects of *influence* revealed the interrelatedness of the topics of transformational leadership with influence.

Thirdly, this research supports the importance of influence processes within transformational leadership practice. Influencing emerged as core process in the explorative analysis of the SEED data.

In the previous chapters I theoretically derived the importance of internalization for understanding influence. In the following I will bring the ends together and introduce internalization as explanatory process into *The Delta Concept*. It is shown that internalization can explain the interrelatedness and functionality of the antecedent and core processes.

Through the social process of *internalization* acceptance of influence is generated (Kelman, 1958)

In the transformational leadership context followers accept the influence and the envisaged transformation by internalizing the ideas, task, the contribution or performance needed for reaching the vision and ultimately the transformation as such. In other words internalization makes “performance beyond expectation” (Bass, 1985) possible through the means of intrinsic motivation. Internalization of the envisaged transformation can be conceptualized as the underlying aim and explanatory process of transformational influence.

An important requisite for internalization is value congruence (Grundstein-Amado, 1999). Through value congruence between the leader and followers as well as for the envisaged transformation the transformational leadership becomes effective.

The antecedent processes as found through the SEED analysis play an important role in internalization. By *familiarizing*, *building relationship* and *transformational learning* the foundations for internalization are established.

Familiarizing is crucial for contextualizing the influence and *building a (trustful) relationship* increases the potential that the intervention is accepted and the transformation is internalized. *Transformational learning* creates the necessary awareness of frames of reference and lays open the values and beliefs and mindsets relevant for transformation. It is a prerequisite process for achieving “value congruence” and therewith internalization.

Concluding, the concept of internalization contributes to the understanding of the functionality of transformational leadership. Through internalization the antecedent and core processes of *The Delta Concept* can be comprehensively connected.

5.5. Overall Discussion

5.5.1. Transferability to other Contexts

In order to evaluate of the general explanatory potential of *The Delta Concept* I will review the specifics of the SEED context and compare these to the general organizational contexts. Then I reflect on potential effects on the applicability of *The Delta Concept*.

The SEED context is characterized by, an intercultural setting, a transforming task relating to social change, a short-term project character, an intercultural setting, involving teamwork, characterizes the SEED context. Overall these elements are relevant within current business contexts as well.

Driving social change is not the common focus of transformational task within organizational contexts. However, organizational transformations are often reflected and effected through transformations of the organization’s culture. Here the interrelated processes of *The Delta Concept* apply well for instance, with the explanation of effecting influence through stimulating mindsets.

A difference can be seen with regard to formalized power. The students unlike leaders in organizations are not equipped with a formal position of power. However, as well in current business practice interdisciplinary and international project teams drive transformations in organizations. In these contexts formalized power is not of vital importance.

Furthermore, the transformational leadership style does not derive its effectiveness from formalized power but rather from increasing motivation, effecting positive mutual transformation and responding to the needs of the followers. In this regard the processes of *The Delta Concept* are of important value.

In concluding, the functionality of transformational leadership, as derived from the SEED analysis, is considered of potential interest for other contexts as well.

Firstly, the SEED context includes characteristics which respond to the challenges organizations currently face. Secondly, *The Delta Concept* offers a general understanding of how transformational influence is contextualized. The general applicability of the findings across context is subject to further research.

5.6. Further Investigations

5.6.1. Balancing Process

The SEED data showed that *familiarizing*, *relationship building*, and *transformational learning* support the transformational leadership process. In this research the positive effects are evident.

However, limitations may be present. Transformational leaders might need to keep “an outside view” in order to fulfill their transformational leadership task. For instance, they need to bring in new ideas and question existing structures and conducts. Therefore, *familiarizing*, *relationship building* and *transformational learning* might need to be balanced by keeping a critical distance that allows exercising transformational influence. The investigation of this balancing process and the involved competences might be an important step to refining *The Delta Concept*.

5.6.2. Uncertainty

Throughout the investigation I repeatedly noticed the theme of uncertainty. Many students referred to uncertainty and gave a record of involved feelings. In this study I did not follow this theme further. However, it might be an important element of transformational leadership.

In the following I contemplate linking of this theme to *The Delta Concept* and use some general insight from previous literature.

Relying on relationship and social interaction implies that the leader does not know beforehand the result his influence. As Fiedler (1993) notes the “leadership situations” largely depend on the perception of control the leaders feel. Thereafter, in unstructured and unpredictable environments the leader experiences stress and uncertainty and the sense of lack of power.

As this research demonstrates, that transformational leadership functions to a large degree on the basis of complex interactions with the followers, it is likely that uncertainty in the aforementioned way accompanies the transformational leadership process.

Furthermore, transformational leaders promote transformation within followers. The followers need to leave well defined paths and embrace new approaches. An essential element of transformational leadership might be to positively deal with emerging uncertainties.

Here, the findings of antecedent processes can give a first indication. Being familiar with the context, relying on a trustful relationship and to flexibly deal with various perceptions, can help alleviate the consequences of uncertainty. Contextualizing the induced influence generates connectivity which in turn reduces uncertainty.

Chemers (1993) notes, that being “in-match” with the environment is important for raising confidence and bringing the leaders capabilities into fruition. Dealing with uncertainty might be considered an essential element of the transformational leadership functionality. This could form part of further research.

Analysing uncertainties within transformational leadership functionality and the testing of *The Delta Concept* in this regard is an interesting topic of further investigation.

5.7. Discussing of the Research Contribution

5.7.1. Conceptual Contribution

5.7.1.1. Overall

This research is aimed to enlighten the functionality of transformational leadership. The conceptual contribution of this research is the discovery and introduction of *The Delta Concept* as an initial step towards the explanation of the functionality of transformational leadership.

In an explorative approach this research opens channels for new areas of understanding. It was found that transformational leaders effect transformation with the help of antecedent and core processes. It is shown that these processes are interrelated and that transformation occurs through the interplay of these processes.

This concept summarizes the theory built from the SEED data analysis. In its application, *The Delta Concept* provides explanation of the functionality of

transformational leadership as observed in the SEED Program. Transformational leadership theory is amended with vital insight.

The following aspects characterize *The Delta Concept*:

In *The Delta Concept*, transformational leadership is conceptualized as emerging from interactions between leaders and followers. Thereafter both leaders and followers are bound in *mutual interactions* and jointly effect transformation. The process character of transformational leadership receives emphasis with the introduction of antecedent processes (*familiarization, relationship building and transformational learning*) and core processes (*influencing, with idea generating, stimulating mindsets and empowering*).

The conception of transformation as an *emergent* and a *multifaceted* phenomenon is supported.

Previous research on *factors* influencing transformational leadership can be integrated in *The Delta Concept*. For instance, the research of trust as an antecedent factor relates to the process of *relationship building* evidenced by this research. Furthermore, this investigation has shown that previous research of *transformational leadership behaviors* relate to the *transformational leadership processes* discovered in this research. For instance, as shown, with the antecedent process of *transformational learning* the behavior of *intellectual stimulation* can be explained.

The Delta Concept underlines the social complexity of transformational leadership. Explaining transformational leadership functionality implies the consideration of various interrelated processes as the concept suggests. Previous research concentrated mostly on single factors, fell short in capturing transformational leadership functionality. With this concept I introduce a more holistic representation of functionality. The explanatory potential of the concept resides in the established connections and interplay of various processes. Furthermore, integrating social processes, specifically *internalization* provides a vital interpretative link within the concept. As previously analyzed, internalization can be conceived as an aim of the core process of *influencing* on followers. The antecedent processes, in particular the *transformational learning process*, support internalization and the functionality of the core process of *influencing*.

With the *influence* as a core process, this research is linked to general leadership research which emphasizes the role of influence. Also, the other elements and findings of this research are in connection with existing research as shown in the respective chapters. Therewith, the plausibility of the concept is supported. Furthermore, this provides a valid initial structure for future exploring and integrating *The Delta Concept* further.

The Delta Concept incorporates a contextual perspective on transformational leadership. The *antecedent processes* of familiarizing, relationship building and transformational learning lay the foundations for contextualizing the transformational

influence. Through the SEED data analysis it is shown that this is vital for the functionality of transformational leadership.

With the help of the antecedent processes the transformational leaders discover and respond to the needs and perspectives of the followers, find a context-sensitive vision of transformation, stimulate the followers' mindsets, establish context-relevant knowledge and base their influence on trustful relationships to the people. *The Delta Concept* indicates *how* transformational leaders relate to the context in their transformational task.

In summary, *The Delta Concept* applies an integrative and dynamic perspective in an attempt to explain transformational leadership functionality. It provides initial steps for understanding the functionality of transformational leadership.

5.7.1.2. Answering the Research Questions

This research addressed the "functionality gap" of transformational leadership research.

The Delta Concept is the result of this research and provides initial insight into the functionality of transformational leadership. It offers answers for the research questions posed at the beginning of this research.

- (1) How do transformational leaders and followers interact (within context and in sequence of events or time)?

Leaders and followers are interacting in *antecedent* and *core processes* within the transformational leadership task. Transformational leadership occurs in mutual activities effecting transformation. In antecedent processes, leaders and follower interact in the familiarizing, relationship building and transformational learning. These processes establish a contextual perspective on the transformational task and the core process of *influencing*.

- (2) How do transformational leaders effect transformation?

Transformational leaders effect transformation within an influencing process. This influencing process consists of generating ideas, stimulating mindsets and empowering. Antecedent processes enable the transformational leaders to respond to the needs of the followers and finding context-sensitive forms of influencing. Transformational leadership occurs in a dynamic interplay of antecedent and core processes.

- (3) How do transformational leaders adapt and respond to context?

The consideration of context is an inherent part of the transformational leadership task. Transformational leaders contextualize their influence through the antecedent processes of familiarization, relationship building and transformational learning. Through these processes the transformational leaders gain a deeper understanding of

the context, establish a trustful relationship to the people within the context, and comprehensively deal with mindsets and perspectives. In the influencing process, transformational leaders develop ideas which are of value within the context, stimulate crucial mindsets, and bring in knowledge relevant within the specific context.

The Delta Concept yields insight into the functionality of transformational leadership and applies an integrated, dynamic and contextual perspective. The findings of this research provide first steps for enlightening the functionality of transformational leadership.

5.7.2. Practical Contribution

Understanding the functionality of transformational leadership improves its practical application.

Organizations that wish to foster transformational leadership styles might incorporate the insight of the transformational leadership functionality in the selection and development processes of their future leaders.

The Delta Concept looks towards specific competencies important for transformational leaders. Furthermore, it points towards potential strategies for developing these competencies. The elaboration of these topics is subject to further research.

In the following I will initially consider these topics and highlight further research perspectives.

Overall *The Delta Concept* underlines the dynamic and contextual perspective of transformational leadership. The transformational leaders need to exercise influence in a contextualized way. This incorporates inherently an interactive perspective.

As demonstrated in this research, social processes are of relevance in the transformational leadership functionality. It is likely that social skills in general are of great importance for transformational leaders. This is supported by considering the specific processes in more detail. For instance, familiarizing can be linked to a competence related to immersion and analysis of new contexts, relationship building is linked to communication skills and display of interest and respect, and transformational learning is linked to self-reflection and critical thinking.

In *The Delta Concept* the influencing process builds on interaction of leaders and followers. This involves competences relating to channeling creativity, consolidating points of view, and increasing motivation.

With this overall interactive and dynamic perspective, it is likely that uncertainties arise for the transformational leaders. Comprehensively dealing with this uncertainty might be a vital task and competence of transformational leaders.

The SEED data suggests that effecting transformational leadership is linked to learning processes – this has been made explicit in *The Delta Concept* with the

process of transformational learning. It is likely in familiarizing, relationship building and influencing respective learning processes, are also present. It is subject to further analysis to derive learning compounds relevant within the transformational leadership functionality.

With regard to potential strategies of facilitating the learning of transformational leadership skills, the SEED Program suggests that *exposure* to a new context is an efficient and effective approach. This might be an integrative part of respective future designs of transformational leadership learning programs.

6. Concluding Reflections

6.1. Strength of the Investigation

This research reached its overall aim of generating vital insight into the functionality of transformational leadership.

The approach of “looking over the shoulders” of transformational leaders proved to be insight yielding. The SEED Program with the learning reports of the students provided a comprehensive data basis. Using rich descriptions the phenomenon of transformational was explored within its context of emergence. This holistic data basis resulted in multiple areas of theorizing with regard to the functionality of transformational leadership.

The research results are integrated into *The Delta Concept* as an attempt to explain transformational leadership functionality. The concept builds on the interplay of various processes. Familiarizing, building relationship and transformational learning are established as antecedent processes facilitating the contextualization of the core process of influencing.

The research does both, connect to previous research and bringing in new perspectives. It proposes and explains a dynamic and contextual perspective on transformational leadership. The analysis of previous research of transformational leadership behaviors, antecedent factors and influence in specific revealed that the findings relate to areas of interest within transformational leadership.

The Delta Concept provides initial insight into understanding transformational leadership functionality. It might provide structure for further investigating on transformational leadership functionality.

6.2. Limitation and Further Research

In the sampling strategy, the advantage of using rich description and in-depth analysis needed to be balanced with a limitation of the data used. In summary, around 25 learning reports, resulting out of two comparable SEED Programs, were analyzed in detail. The depth of the data proved to be of value in gaining a deep understanding of the functionality of transformational leadership.

The Delta Concept results from this in depth analysis. However, this limits the possibility to generalize the findings. *The Delta Concept* offers primary indications. Further research activities as well as a broader data basis are needed in order to test, evaluate and amend the initial findings of this research unit.

Firstly, *The Delta Concept* could be tested in other SEED Programs and secondly applied to others, for instance organizational contexts.

Furthermore, the internal validity of the concept needs to be enhanced by evaluating and incorporating further related theories into the explanatory logic.

In this regard this research initiated a first step, when the social process of internalization was analyzed with respect to its explanatory potential for *The Delta Concept*.

Furthermore, the SEED data provides additional topics, which could be of interest in enhancing *The Delta Concept* and the understanding of the functionality of transformational leadership. These are, for instance, evaluating the team-level perspective, the impact of emotions and the influence of the intercultural context on the transformational leadership functionality.

Transformational leadership is a multifaceted and social phenomenon. Comprehending its functionality is a complex endeavor. This research introduces *The Delta Concept* and contributes to the understanding of the functionality of transformational leadership with vital insight and initial theorizing. This is simultaneously the result of my research and the starting point for future investigations.

7. Literature

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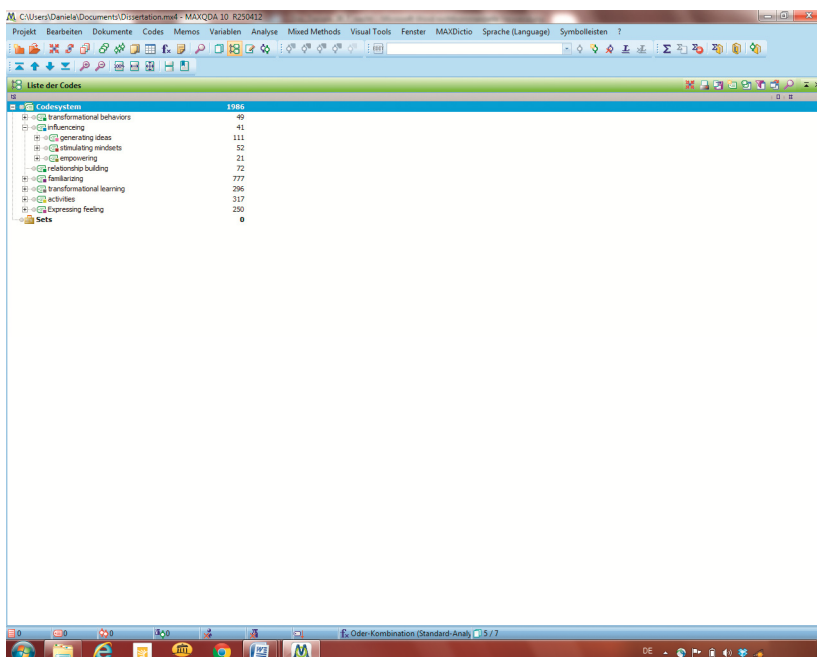
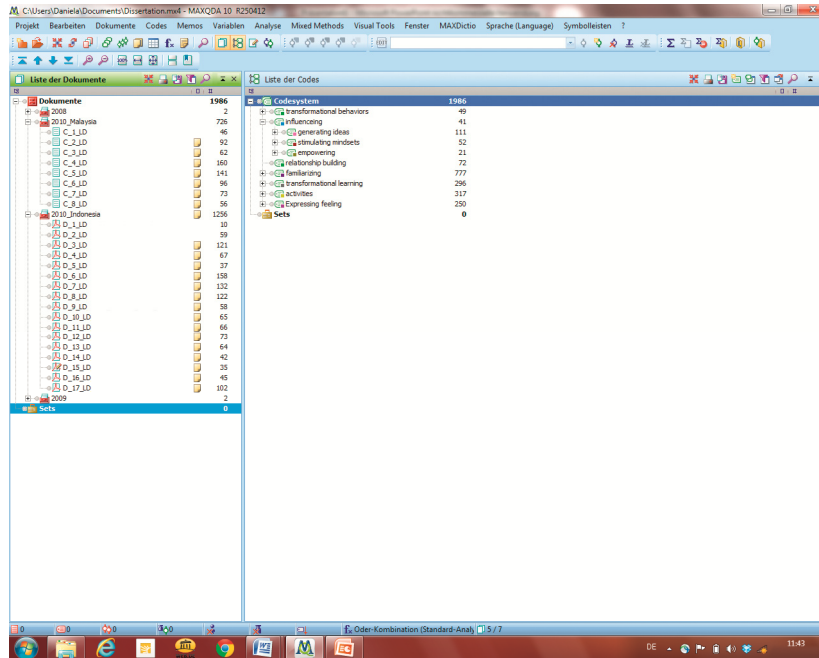
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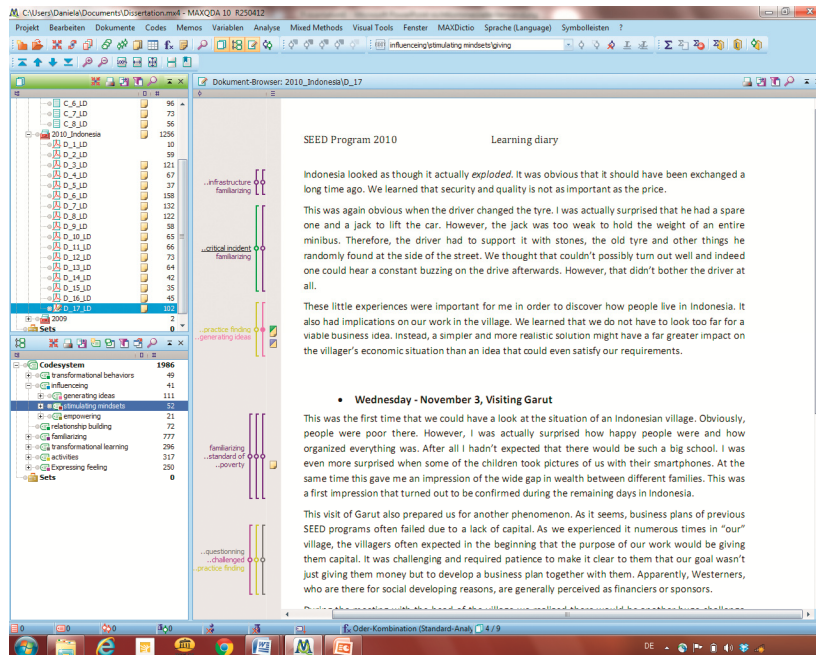
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8. Appendix

8.1. Screenshots Maxqda





Code: familizing

777 Codings aus 27 Dokumenten und 4 Dokumentgruppen

Doc...	Code	Anfang	Ende	Ge...	Vorschau	Autor	Erstellt am	Dokumentgr...
C_4...	familizing	71	71	0	It is nice to see that also all the girls in the scarfs are	Daniela	21.02.2012 15:23	2010_Malaysia
C_5...	familizing	70	70	0	He helped us bargain for the merchandises that we wanted to buy	Daniela	23.02.2012 15:12	2010_Malaysia
D_7...	familizing	722	825	0	A phenomenon, that was apparent to me from the outset was the	Daniela	09.02.2012 14:20	2010_Indonesia
D_16...	familizing	1262	1365	0	Therefore we set ourselves the goal, to merely kick start the	Daniela	04.04.2012 20:49	2010_Indonesia
C_5...	familizing	51	51	0	I was a bit shocked about the dirty bathroom full of insects of	Daniela	14.02.2012 11:50	2010_Malaysia
C_1...	familizing	140	140	0	I got up early and went to beach and swam in the sea. Here,	Daniela	15.02.2012 20:31	2010_Malaysia
C_8...	familizing	60	60	0	Most of the vendors were women entrepreneurs. They seemed to	Daniela	29.02.2012 20:25	2010_Malaysia
D_2...	familizing	458	565	0	First I felt the Indonesian culture and I learned	Daniela	01.03.2012 16:52	2010_Indonesia
C_1...	familizing	126	126	0	Our group executed this work so professional with pre-made	Daniela	15.02.2012 20:24	2010_Malaysia
C_1...	familizing	126	126	0	Our group executed this work so professional with pre-made	Daniela	15.02.2012 20:25	2010_Malaysia
C_4...	familizing	56	56	0	The dinner and show all seemed a little improvised, but	Daniela	21.02.2012 15:13	2010_Malaysia
D_12...	familizing	66	174	0	way and often not taken as precisely as it should be. I	Daniela	04.04.2012 18:00	2010_Indonesia
D_16...	familizing	66	174	0	way and often not taken as precisely as it should be. I	Daniela	04.04.2012 18:00	2010_Indonesia
C_5...	familizing	143	143	0	It was wonderful to see the farmer's smiling face and his pride	Daniela	14.02.2012 13:18	2010_Malaysia
C_5...	familizing	143	143	0	We eventually had a good idea for our project and this was very	Daniela	14.02.2012 13:11	2010_Malaysia
C_5...	familizing	68	68	0	I could see the effort that the local participants and	Daniela	23.02.2012 15:11	2010_Malaysia
D_11...	familizing	302	412	0	They agreed with our idea but they weren't transformed yet.	Daniela	22.03.2012 14:40	2010_Indonesia
C_8...	familizing	194	194	0	In the morning, everything went as usual, but with a little	Daniela	29.02.2012 19:46	2010_Malaysia
C_5...	familizing	194	194	0	In the morning, everything went as usual, but with a little	Daniela	29.02.2012 19:16	2010_Malaysia
D_1...	familizing	1482	1593	0	I must admit that I got surprised from Indonesia because I did	Daniela	01.03.2012 16:17	2010_Indonesia
D_12...	familizing	2330	2441	0	Above all, most of the people we talked to have a vision (not	Daniela	04.04.2012 18:16	2010_Indonesia
C_8...	familizing	60	60	0	We visited the wet market today, which seemed a little	Daniela	29.02.2012 20:25	2010_Malaysia
D_2...	familizing	952	1065	0	to learn directly	Daniela	01.03.2012 16:04	2010_Indonesia
D_3...	familizing	548	661	0	The first phase of team-building, the city rally in Bandung,	Daniela	07.03.2012 20:22	2010_Indonesia
D_4...	familizing	1497	1610	0	Actually I liked the Asian culture from the beginning for	Daniela	08.03.2012 11:23	2010_Indonesia
C_5...	familizing	84	84	0	I think a lot has to be done to educate them and to make them	Daniela	14.02.2012 12:08	2010_Malaysia
C_4...	familizing	47	47	0	Concerns: not much information about the whole program before	Daniela	21.02.2012 15:05	2010_Malaysia
C_8...	familizing	89	89	0	Apparently everyone in the group could speak Malay but I was	Daniela	23.02.2012 15:16	2010_Malaysia
C_3...	familizing	90	90	0	I felt a little worried that my business knowledge was inadequate	Daniela	29.02.2012 20:47	2010_Malaysia
C_2...	familizing	132	132	0	We went around the different schools in Tumpet to ask which of	Daniela	18.02.2012 04:56	2010_Malaysia
C_7...	familizing	95	95	0	Made some shopping (again) at Pengkalan Kubor. The price was	Daniela	29.02.2012 19:59	2010_Malaysia
C_7...	familizing	95	95	0	Made some shopping (again) at Pengkalan Kubor. The price was	Daniela	29.02.2012 19:59	2010_Malaysia

8.2. The SEED Program Brochure (Malaysia, 2010)



Asia Research Centre
University of St. Gallen
Chair for International Management (South East Asia)



**UNIVERSITI
MALAYSIA
KELANTAN**

Sri Tujuh, Tumpat Kelantan



**Social Enterprise for
Economic Development (SEED)
A Cross-Cultural Leadership Program**

**Sri Tujuh, Tumpat, Kelantan, Malaysia
21st July – 3rd August 2010**

Supported by:
ASIA LEARNING
NETWORK
(Singapore)




SEED IV 2010 in Tumpat - A Cross-Cultural Leadership Program

■ ■ ■ ■ Social Enterprise for Economic Development (SEED)

This program in inter-cultural leadership and enterprise development exposes students from different universities in Europe and Asia to the unique contexts of the villages in Pantai Sri Tujuh, Tumpat, Kelantan, through multicultural teamwork and social entrepreneurship.

Participants will work in multicultural teams and in consultation and discussion with villagers, to actively engage in social entrepreneurship by developing viable business plans, each to improve a specific village enterprise and to develop markets for its products. The students will be given the relevant information about the village and the Tumpat region which will allow them to explore and develop different possibilities of assistance for the villagers and changing their established mindsets. The business plans with proposals for Village Enterprise Development will then be presented to the villagers and potential sponsors and financiers, such as venture capitalists and bankers.

This program is co-organized by the Universiti Malaysia Kelantan (UMK) and the Asia Research Centre (ARC) at the Chair for International Management (South East Asia), University of St. Gallen (HSG), in collaboration with the School of Business Management at the Bandung Institute of Technology (SBM-ITB).

■ ■ ■ ■ Objectives

Promoting Economic Development in the Target Village:
Students are encouraged to look for business and other sponsors to invest in appropriate production facilities, provide new markets for these products, new technology, and knowledge to improve agricultural production methods and yields in the target village.

Cross-Cultural Leadership Development and Learning in a Real Life Asian Context:
Through this project, students will gain valuable experience in enterprise development in a unique Asian context and develop intercultural transformational leadership skills in working cross-culturally in a village as change agents and within an international and multicultural team. Students will learn about the unique village contexts, the management approach and development of their conceptualized enterprises, and develop transformational leadership skills.

Continuous Cooperation and Contribution to Social Enterprise:
After the program, students may continue to follow up their work on a voluntary basis to bring about the fulfillment of their projects. The implementation takes place continuously with assistance of UMK students and further SEED and related programs. Students may be involved in future SEED programs or recommend their friends to participate in their place.

■ ■ ■ ■ Participants

Participation is open to students (from outside Malaysia) with any disciplinary background willing to learn cross-culturally. There are only 20 places allocated for students from various universities. Few places are already allocated for students of two Swiss, one German, one Singaporean, one Vietnamese, one Indonesian and one Filipino universities.

International students in the program will be joined by students from UMK to facilitate optimal cross-cultural learning.

SEED IV 2010 in Tumpat - A Cross-Cultural Leadership Program

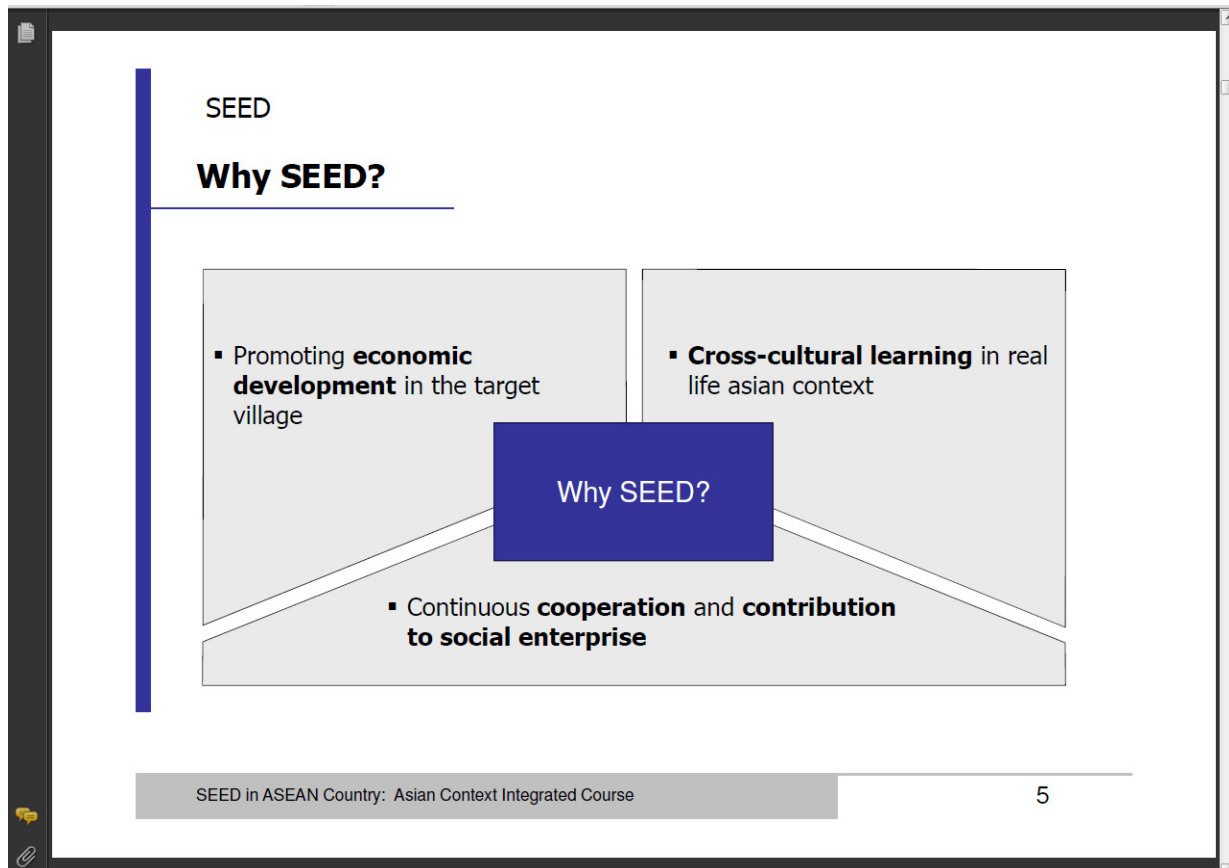
Program

- **Wednesday, July 21 - Arrival:**
The international students arrive at Kota Bharu Airport and are transferred to the chalet at Tumpat. A committee and UMK students will welcome them on arrival. After a short introduction, the international students may take a rest before the opening dinner.
- **Thursday, July 22 - Company and market visits in Kota Bharu:**
Foreign and UMK students will visit the local market as well as one or two local businesses, such as a traditional Batik producer in Kota Bharu, to get an appreciation of the local crafts and business practices in Kelantan.
- **Friday, July 23 - Opening and Seminars:**
The Fourth Social Enterprise for Economic Development Program will be opened by the officials of UMK at UMK campus. Seminar speakers include Prof. Dr. Li-Choy Chong, Dr. Bambang Rudito, Prof. Dr. Farok bin Zakaria and Dr. Nur Amki bin Yusoff. Students will be introduced to the work done at a previous SEED village in Ciwisley, Bandung, Indonesia as well as the village community work done by UMK in Kelantan. UMK students could also share their personal experiences in community work at Kelantan villages to their international group members.
- **Saturday, July 24 – Monday, July 26 - Village Familiarization:**
Transfer to the village to experience village life among the community and discuss potential opportunities for development. An understanding of the context is gained and first ideas developed through this first contact with the village and villagers. Exploratory discussions should be held with villagers during this time.
- **Tuesday, July 27 – Wednesday, July 28 - Data Gathering:**
The students can use these two days to identify the possible distribution paths from the village to markets in the nearby towns and cities and to add the collected information and data from the village as it is needed to build the business plan. Students should also use their free time to explore the Tumpat region, its culture and heritage.
- **Thursday, July 29 – Saturday, July 31 - Building Business Plan Draft through close exchange with villagers:** Students will go back to the village to develop their business plans and discuss all activities in detail with the villagers. Focus groups are set up to discuss and elaborate the business plans and to potentially influence the change of mindsets among villagers. Students will present their proposals to the villagers on Saturday to get feedback about their feasibility and especially in relation to implementation, before being transferred back to Kota Bharu on Sunday morning, to finalize their Business Plans and prepare for final presentation.
- **Sunday, August 1 - Finalization of Business Plans:**
The students finalize the business plans and prepare for presentation in Kota Bharu on Monday afternoon.
- **Monday, August 2 - Presentations of Business Plans and proposals to sponsoring institutions:** Students will report their activities during the program and also the business plans they prepared. In the evening, the closing dinner will be held for all participants and members of the committee.
- **Tuesday, August 3 - Departure:**
International participants are picked up and sent to Kota Bharu Airport.

8.3. SEED Presentation

Extracts of a presentation on the SEED Program Indonesia, by Dr. Agung Wicaksono, School of Business & Management – Institut Teknologi Bandung, 2012

8.3.1. Program Design



What SEED Participants Will Do

- 🌀 Live in a village among the villagers as part of the community and learn their culture
- 🌀 Identify the social and economic capital of the village
- 🌀 Raise ideas to boost the village economic development (can be a business plan)
- 🌀 Facilitate the implementation of the plan

SEED in ASEAN Country: Asian Context Integrated Course

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Anlagen: Dateianlagen anzeigen

8.3.2. Recognition

The president of Indonesia visited a SEED village.

President SBY visited the SEED Village (Gambung, Ciwideuy) on 7 August 2010

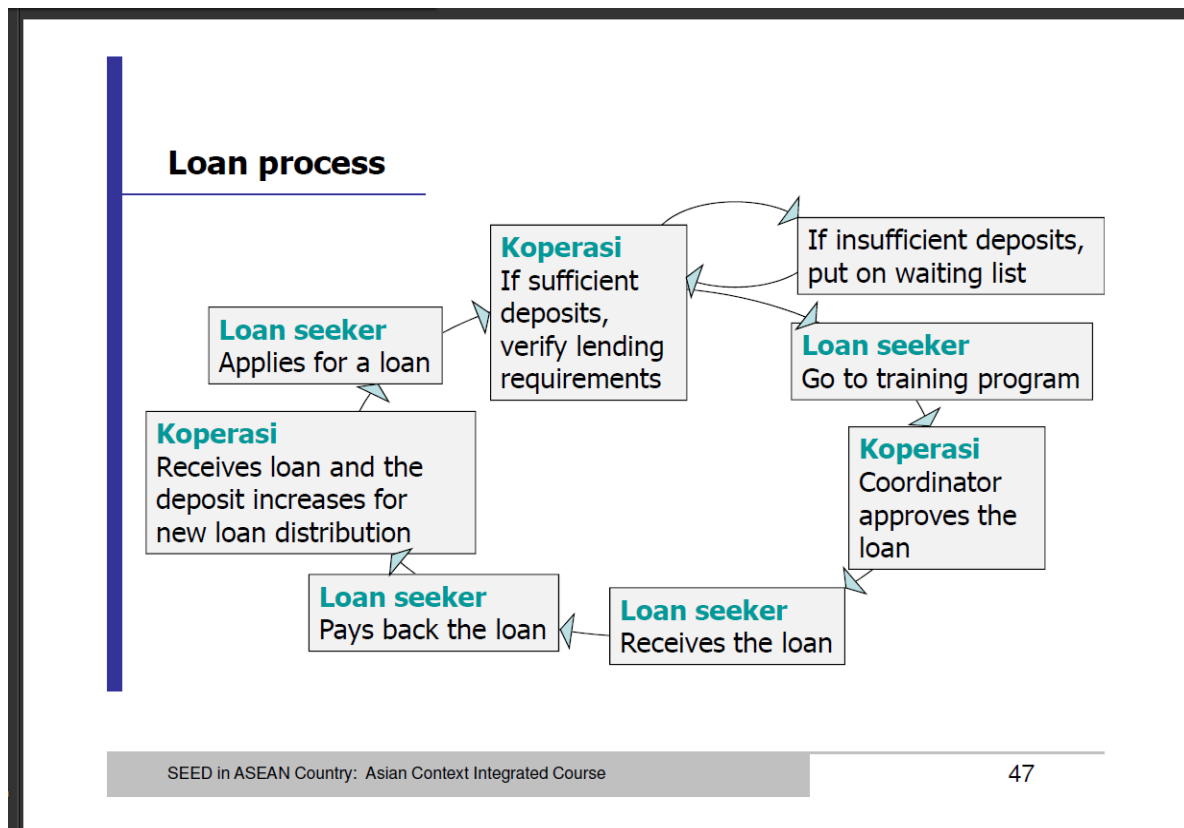
- 🌀 Visited the 'Smart Van' (mobile library) and the 'Smart Hut' (local radio station)
 - Praised 'values creation' for the village: entrepreneurship, self-sustaining, spirit
 - Innovative agriculture products: organic vegetable, green/black/white tea...



6

8.4. Examples for Implemented Business Ideas


8.4.1. Village Owned Enterprise (Koparsi)



8.4.2. Orange Production

Business Solutions I – Garut Orange

General Information and historical facts



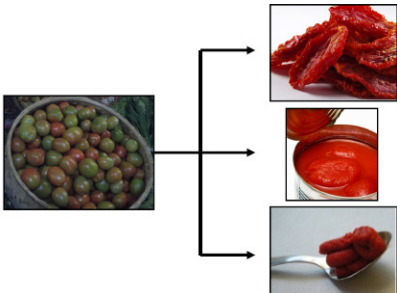
- Garut Oranges were considered one of Indonesia's famous exotic fruits
- A disease attacked Citrus vein phloem degeneration (CVPD) that comes from a bacteria (not viruses) called *lybers bacteri aniatricum*, transmitted via insects
- The Garut Oranges seemed to be extinct
- A governmental campaign (2007) supports the Garut Orange production in order to recover the business (government's target: 1million trees; 42% reached)

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8.4.3. Processed Tomato Products

Processed Tomato Products

Creating Value-Added Products



The diagram illustrates the value-added process of tomatoes. It starts with a bowl of fresh tomatoes on the left. Three arrows point from this bowl to three separate images: sun-dried tomatoes, a jar of canned tomatoes, and a spoonful of tomato paste. These images are then linked to a table on the right that lists the products and their typical uses.

	Processed Tomato Products	Usage
	Sun-dried tomatoes	<ul style="list-style-type: none">▪ Snack▪ Spices▪ Sauces
	Canned tomatoes	<ul style="list-style-type: none">▪ Soups▪ Vegetable and Meat Dishes
	Tomato paste	<ul style="list-style-type: none">▪ Sauces▪ Vegetable and Meat Dishes (more concentrated form)

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8.5. Websites

<http://www.arc.unisg.ch>

<http://www.arc.unisg.ch/en/ARC-HSG/SEED.aspx>

<http://www.arc.unisg.ch/en/ARC-HSG/ASEAN+Learning+Network.aspx>

8.6. Curriculum Vitae

Name: Daniela Beck-Tauber
 Born: 8. July 1970, in Heilbronn, Germany
 Contact: Daniela.Beck@systemic-excellence-group.com

Education:

Since 2012 **University of St. Gallen, Switzerland**
 Research Fellow, Asia Research Center (ARC)
 2004-2012 Doctoral Studies in International Business at the Asia Research Center (ARC), University St. Gallen: Intercultural Management and Leadership Program in South East Asia
 Degree: Doctor Oeconomiae
 1992-1998 **University of Mannheim, Germany**
 Business Administration and Cultural Studies
 Degree: Master in Business Administration (Dipl. Kauffrau)
 1995-1996 **Universitat Autònoma de Barcelona, Spain**
 Business Administration and Cultural Studies
 Grant of the European Union Exchange Program for Regional Development
 1991-1992 **University Sorbonne, Paris, France**
 Degree: Diplôme de langue et civilisation française

Professional Experience:

Since 2008 **Systemic Excellence Group, Think Tank for Leading Practice, Berlin, Germany**
 International consulting for systemic excellence and change
 Consortial Partner and Managing Director of the office Munich, Germany
 2002-2008 **Bosch and Siemens Home Appliances GmbH, Munich, Germany**
 International Project Management and Consulting
 Process Optimization and Business Development
 European Foundation for Quality Management (EFQM) Assessor
 European Key Account Management, Consumer Products
 1998- 2001 **P&O Trans European GmbH, Mannheim, Germany**
 International automotive logistics
 International transport logistics at P&O Trans European, Milan, Italy
 Assistant to the Managing Director of P&O Trans European GmbH, Mannheim, Germany

Languages: German (native speaker), English, French, Spanish, Italian