

Literature Review of Public Sector Transformational Leadership

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Abstract

This article describes the need for transformational leadership in government. This is caused by the occurrence of moral degradation of the nation which undermines the joints of the life of the nation and state. The development of corruption, collusion, and nepotism as evidence of the severity of the moral degradation of the Indonesian nation, which almost plunged the Unitary State of the Republic of Indonesia (NKRI) into the brink of collapse. The presence of several reformist leaders who characterize transformational leadership in this reformation era, especially in the public sector, provides fresh air for the leadership crisis and public distrust of their leaders. These transformational leaders have a high spirit of altruism and philanthropy. They are able to show their concern for the people they lead, even though they face challenges and threats from various parties that are contrary to their political direction. In this study, the researcher used the library research method. The material used in compiling this article uses reading materials and secondary data. The collected material, data and information are then compiled and analyzed, so as to produce conclusions that can be accounted for. This article concludes that transformational leadership in the public sector is very much needed in Indonesia, especially in the regions.

Keywords

transformational leadership;
ideas; change; reformers



I. Introduction

Strong belief in the need for reform of the service bureaucracy at this time, the researchers tried to test whether transformational leadership theory is suitable for use in government. As Northouse (2016) defines it, transformational leadership theory “involves an extraordinary form of influence that moves followers to achieve more than what is normally expected of them” (p. 61). Transformational leadership mainly focuses on human nature and differences, which researchers believe is the reason for integrating theory into government bureaucracy, which is a vital and dynamic environment filled with competing needs and goals. As Trmal, Bustamam, & Mohamed (2015) state, “transformational influence behaviors are related to leadership effectiveness in driving change and transforming organizations toward success” (p. 89). Northouse (2016) explains that leaders who have the ability to engage and influence others will be able to apply transformational leadership theory. Organization must have a goal to be achieved by the organizational members (Niati et al., 2021). The success of leadership is partly determined by the ability of leaders to develop their organizational culture. (Arif, 2019).

The dynamics of social change and technological developments are currently very high, forcing every organization to continue to make major changes in order to adapt to the changes that occur. However, making these changes is not an easy thing for organizations, especially if the changes involve changes in mindset, habits, and culture within the

organization. To oversee the process of organizational change, leadership is one of the main keys that determine whether an organization is able to carry out major changes/innovations properly (Carreiro & Oliveira, 2019). Several studies have concluded that transformational leadership is positively related to employee performance (eg, Lowe, Kroeck and Sivasubramaniam, 1996; Dvirddk, 2002; Kark, Shamir and Chen, 2003; Piccolo and Colquitt, 2006; Parrlberg and Lavigna, 2010; Wright and Pandey, 2010).

Law No. 22/1999 was then refined with amendments that gave birth to Law No. 32/2004 on regional government, providing a new perspective on the implementation of regional autonomy. The law provides full and wider authority for regional governments to regulate their regions so as to open up opportunities for competition between regions. This policy has implications for local governments who are required to have performance both organizationally and in terms of resources within the state civil apparatus within it. In an effort to improve the performance of the public sector and the quality of services to the community, in the Decree of the Minister for Empowerment of State Apparatus No. 25/KEP/M.PAN/04/2002, several current conditions are described, such as the public's dissatisfaction with the services provided by the state apparatus, lack of integrity, the role of a leader who cannot be an example and tends to ask his subordinates to always obey him, and a lack of discipline and strict sanctions for mistakes made.

Correspondingly, existing research confirms that transformational leadership has a positive impact on employee performance (eg, MacKenzi, Podsakoff and Rich, 2001; Dubinskyet *al.*, 1995; yammarino et *al.*, 1997). Although transformational leadership has been studied cross-culturally and in different contexts and in many countries as a new paradigm for understanding leadership (Jung, Bass and Sosik, 1995; Chin, 2007). This study reviews the existing literature on transformational leadership, its use and limitations in government services.

II. Review of Literature

2.1 Organizational Leadership

Leaders and Leadership are a strategic part of the organization. In organizations, a leader is responsible for ensuring that changes are implemented properly, (Drucker, 1964). Leaders and leadership can also be explained as a relationship between a trait inherent in a person (Moeljono, 2003). Leadership is seen as a process of influencing through organized group activities to achieve shared goals (Yukl et al., 2019). A statement that is very easy to understand from the meaning of leadership is the process of influencing someone called a leader to an organization or group so that every element in the organization wants to work together in order to achieve the goals set by the organization. It can be said that a leader is someone who is able to create a positive organizational culture to respond to a change.

2.2 Transformational Leadership and Performance Transformational

Leadership is briefly defined as a way to influence others in such a way that they experience change and growth and are ready to become the next leader, which is preceded by readiness for change and a work environment that has an innovative climate (Chaubey et al. al., 2019, Zuraik and Kelly, 2019). Transformational leadership has four components that influence its formation: idealized influence, inspirational motivation, intellectual stimulation, and individual consideration (Getachew and Zhou, 2018). Transformational leadership is defined as having four sub-dimensions, such as Ideal Influence, Inspirational Motivation, Intellectual Stimulation, and Individualized Consideration.

Many studies have confirmed that transformational leadership is directly or indirectly positively related to employee performance (eg, Bass and Riggio, 2006; Bellé, 2014; Kovjanic, Schuh and Jonas, 2013; Grant, 2012; Walumbwa, Avolio and Zhu, 2008; Walumbwa and Hartnell, 2011). For a direct relationship, Bass *et al.* (2003) found that transformational leadership in military organizations was positively related to soldier performance. In line with that, Thamrin (2012) emphasized that transformational leadership has a positive and significant influence on employee performance in Indonesia. Piccolo and Colquitt (2006) and Tsai, Chen and Cheng (2009) found that transformational leadership is directly related to employee task performance. Caillier (2014) suggests that transformational leadership has a direct influence on employee evaluation. Wang *et al.* (2011) concluded that transformational leadership is positively related to followers' general work performance and overall team performance, as well as followers' task-related and creative performance.

For indirect relationships, mission valence (Callier, 2014), beneficiary contact, and self-persuasion (Belle, 2014) strengthen the relationship between transformational leaders and employee performance. The quality of the relationship between leaders and followers (Carter *et al.*, 2013); relational identification (Walumbwa and Hartnell, 2011); interaction of identification and efficacy of the means (Walumbwa, Avolilo and Zhu, 2008); and competence and relatedness need satisfaction (Kovjanic, Schuh and Jonas, 2013) mediate the relationship between transformational leadership and employee performance.

III. Research Method

This systematic literature review analyzes both nationally published as well as English peer-reviewed published articles that examine empirical transformational leadership. It investigates areas of academic research that describe key publication trends from 2015 to 2019.

IV. Results and Discussion

4.1 Transformational Leadership in Public Organizations

The implementation of transformational leadership in the public sector has been studied by Maora and Ticiu (2012) which describes several obstacles and opportunities in an empirical context when applied in the public sector.

First, that there are fundamental problems for the implementation of the transformational leadership style in the public sector which is deemed less effective. This is due to the still strong control mechanism by the bureaucracy which is centralized, formalized, and routinized. However, in line with developments in public administration theory that uses the concept of *New Public Management* (NPM) which emphasizes creativity, innovation, flexibility, responsiveness of public organizations at the same time as reducing costs, increasing effectiveness and sensitivity to the needs of citizens. In this scenario often the leaders are the people who are seen as initiators and catalysts for reform. In such a context it is clearly suitable for this type of transformational leadership.

Second, the apparently less responsive public sector is changing. The gap between the goals proposed by public institutions and the results obtained was never so great. Meanwhile the government cannot ignore reform. However, reform is actually ambiguous and incremental because it lacks a coherent vision of what needs to be done to produce measurable results. The stimulus for transformation is to a large extent generated by factors outside of the national government.

Third, ethical issues and public values do not conflict with the transformational model. Because transformational leaders will use their charisma in a socially constructive way to serve others. Therefore, transformational leaders can be very effective in the public sector.

The results of research conducted by Zuhriyati, et al (2012) with the theme "Transformative Leadership in Government Innovation in Yogyakarta City Government in the Herry Zudianto Era". Shows that transformational leadership can be implemented well by Mayor Herry Zuhdianto by analyzing the four components of transformational leadership theory, namely:

First, Idealist Influence. Based on the research that has been done, the researcher analyzes that Herry Zudianto has a character that describes the first dimension of a transformative leader called *idealized influence*. The first dimension is described as a leader's behavior that makes his followers admire, respect and trust him at the same time. Based on the perception of the people of Yogyakarta City, Herry Zudianto is a leader who has good character, so that his staff admire, respect and trust him. He provides a concrete example of the implementation of the principles of transparency, accountability, and fairness. He is consistent with what he says and is committed to realizing what he has said. He does not distinguish between status and class, one word and deed, and does not consider himself a ruler, but he considers that he is the head of a public servant who must perform public services as well as possible. He wants to open the faucet of democracy, open public communication and dialogue with his staff and the community. The implication is that public participation has the effect of increasing economic opportunities that benefit the community and the government.

Second, as inspirational motivation (inspirational motivation). In this dimension, transformational leaders are described as leaders who are able to articulate clear expectations for subordinates' achievements, demonstrate their commitment to all organizational goals, and are able to inspire team spirit within the organization through growing enthusiasm and optimism. Herry Zudianto is a mayor where when he has decided something, he will try his best to implement it, even though sometimes it seems impossible. He is always enthusiastic in doing anything so that his staff are also enthusiastic in carrying out their duties. For example, regarding its committees in implementing the planning products of the RPJPD, RPJMD and APBD which must be carried out consistently so that they do not violate existing regional regulations. He shows his commitment and tries to motivate his staff to commit to what has been planned. If a plan has been agreed upon or a program has been written, then he will surely charge his staff with promises to realize it. he will ask the next day, asking how the implementation, or if it has not been realized, what the obstacles are. He also often carries out sudden instructions to check the readiness of his staff so that they must always be ready to answer the questions he asks. Thus, it becomes a motivation to always be ready to work with full professionalism.

Third, intellectual stimulation (intellectual stimulation). Transformational leaders must be able to grow new ideas, provide creative solutions to problems faced by their subordinates, and motivate subordinates to seek new approaches in carrying out organizational tasks. In essence, new ideas always emerge because Herry Zudianto is a person who is thirsty for innovation. He also appreciated the input of new ideas from his staff, which was appreciated, listened to carefully which was then followed up with programs funded by the APBD. He provides a stimulus to grow new creative ideas to his staff, greets and asks for input from his staff either directly or in writing, even through social networks, either BBM or Facebook.

Fourth, the Dimension of Individualized Consideration (individual considerations). In this dimension, a transformational leader is described as a leader who is willing to listen attentively to input from above and specifically wants to pay attention to the needs of subordinates and specifically. He makes policies that benefit the community, for example by establishing a Smart Park. With the establishment of the park, the surrounding traders increased their income. In addition, there are no more thugs who withdraw money from traders because they are monitored directly by the Yogyakarta City government. The wagons that were previously not uniform are now uniform with the government-given carts. They are also required to save in PPAY as a provision for old age. Herry Zudianto also often directly checks the state of the Smart park and has a dialogue with the community, asking the community about what the community needs, especially those who trade in the area.

Every member of the organization must be open to change to be able to respond well to every policy made by transformational leaders. This openness to change can be achieved by implementing transparent open communication by transformational leaders. When these two things are achieved, there is an element of employee trust which will ultimately facilitate organizational change (Yue et al., 2019) regardless of the model used by transformational leaders.

4.2 Behavior and Preparedness

In order to successfully implement transformational leadership, it is important for bureaucratic leaders to adopt certain behaviors and characteristics to facilitate collaboration with their employees. Al Saeedi and Male (2013) are hesitant to see personality itself as important for transformational leadership, but they view the first step of team building as a willingness to put self-interest aside and recognize that there is a need for change. Sun and Leithwood (2012) examine the characteristics needed to influence transformational leadership: inspiration, motivation, and charisma. The author emphasizes the need to build a shared vision, which gives individual leaders and team members room for creativity, and leaders must recognize the need for support and encouragement before processing change. According to Lewis, Boston, and Peterson (2017), the vision and ultimate goal must work together through transformational leadership, and global leadership requires practice in problem solving and the development of new knowledge using human and social capital. Transformational leadership is about reform and new ideas, which require building new knowledge from different perspectives and points of view. Therefore, it is very important to link individual needs with ultimate goals (Lewis, Boston, & Peterson, 2017).

Leaders' preparedness and expertise can help them make the most significant and effective decisions that will deliver the most impactful results. As discussed by Boberg and Bourgeois (2016), the behavior of followers will be influenced by the behavior of the leader, and they can be motivated, encouraged, and inspired by the examples set by their leaders. Collaboration and participation are essential, but students must be part of this process as well (Boberg & Bourgeois, 2016), and Leithwood and Sun (2012) argue that a shared vision inspires all members of the organization. Some scholars argue that transformational leadership can have a positive impact on job performance. Sun and Leithwood (2012) concluded that transformational leadership has a positive impact on work performance

4.3 Innovation in Public Organizations

There are times when transformational leaders must apply an authoritarian model to ensure change occurs quickly to respond to sudden environmental movements in the midst of organizational confusion in acting where there are many different views within the organization about the change, but there are also times when transformational leaders can become minded open and democratic while exploring innovation and creativity further when organizations are in a position to lead environmental change. The same thing can happen when an organization defines new rules of the game.

Transformational leaders can be very democratic in the discussion stage, determining the rules of the game by involving many parties and listening to many opinions before making a decision. Then the transformational leader will become very authoritarian when the rules of the game that have been decided together are then violated by members of the organization so that the transformational leader must take firm decisions as a consequence. This is where the ability of transformational leaders is tested, whether they are able to make the right decisions to apply an authoritarian or democratic model to respond to any changes that arise. There is also an opinion which states that in the end each leader also has a different personality (Antonakis et al., 2012). This study sees that there is at least a significant difference between leaders who come from the personal side of the leader himself. These differences ultimately add to the multi-dimensional aspect of transformational leadership.

4.4 Bureaucracy in Good Service

Creating employee trust is not an easy process. This is due to the lack of openness and transparency of information and communication from the leadership. While technological advances have helped a lot in this regard, there are still many leaders who have not been able to accept rapid change. This is very unfortunate, because in fact leaders must have the ability to prepare management and actors so as not to struggle with technological challenges. Because in principle, the technology and innovation created will be very helpful in planning and implementing company or government goals. So for that the success or failure of an organization will be achieved because it lies in the existence of very close cooperation between professionals in the organization or institution. With the right leadership, organizations can ensure that every stage of change that occurs can be managed appropriately will be able to motivate its members to think and move creatively in the stages of change so as to produce an innovation (Carreiro & Oliveira, 2019). This will all be reflected in the leader's ability to create a good corporate culture.

There are also studies that argue that the sense of belonging to organizational members actually affects the overall work performance of the organization. There are also aspects of work engagement that need to be considered by the organization. Work engagement includes positive feelings that make organizational members feel mentally fulfilled so that they are able to work with dedication and enthusiasm (Buil et al., 2019). So from the results of this study it can be said that although transformational leadership applies a democratic and non-elitist system, this does not guarantee that the organization can remain relevant and encourage adaptive organizations. The factor of organizational members is actually much more important in ensuring the organization moves into an adaptive organization.

4.5 Limitations

While scholars acknowledge the weaknesses and limitations of transformational leadership, they also argue that its advantages outweigh its drawbacks. Berkovich (2016) proves the fact that the linkage of transformational leadership with other leadership styles can be both strengths and limitations. Berkovich's critique examines whether transformational leadership works in schools and aims to correct misconceptions about the usefulness and falsehood of transformational leadership. Berkovich responds to the criticism of others that transformational leadership does not offer a useful framework or model that can be generalized but focused by arguing that transformational leadership bridges the gap between theories, which should be seen as an asset. It should also be noted that individual and organizational needs vary so much that it would be difficult for transformational leadership to provide a comprehensive model. Furthermore, transformational leadership offers room for interpretation and flexibility in its implementation.

Berkovich (2016) talks about the value of transformational leadership in a multicultural context, as it allows a varied understanding of how to identify needs and problems in many school environments. However, as Lewis, Boston, and Peterson (2017) point out, a lack of cultural awareness and understanding makes it difficult to implement change. Without an understanding of the perspectives, cultures, and backgrounds of others, it will be difficult to resolve conflicts between groups to initiate the transformational leadership process (Lewis, Boston, & Peterson, 2017). Taking these scholars together, culture should shape the shared vision of the school and motivate leaders to adopt positive behaviors to work towards equality.

While it is clear that scholars dispute this theory, these criticisms do not negate the value and effectiveness of transformational leadership. Rather, its limitations should be seen as opportunities to integrate additional leadership theories to enhance the utility of transformational leadership. In the future, it is clear that transformational leadership can be refined to provide the theory with more structure while still allowing flexibility in its application. Transformational leadership can provide opportunities for engagement with stakeholders who have diverse goals and interests in terms of increasing the success of public services by enacting changes in the system.

V. Conclusion

Organizations led by high transformational leaders manage organizations that carry out culture building activities to manage change, achieve goals, coordinate teamwork, and direct customers to a higher level than organizations led by low transformational leaders. Although there is no evidence showing that there is a significant difference in the level of job satisfaction of employees in organizations led by high-level transformational leaders when compared to organizations led by low-level transformational leaders.

For this reason, if it is concluded from all the opinions and research results collected, with the existence of transformational leadership that is applied appropriately and continuously in organizations, both private organizations and government institutions, it is believed that it will produce a positive organization. culture and so on in line with the emergence of trust from members of the organization which will also increase in the organization. So, if there is criticism that transformational leadership is often elitist, even if it is suspected of being anti-democratic, it is a sign that employees' trust in the organization has not been achieved. If employee trust has been achieved, any model applied by

transformational leaders should no longer be considered important so that it needs to be criticized.

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