The Evolution of Transformative Leadership

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"The next step in human evolution is not inevitable, but for the first time in the history of our planet, it can be a conscious choice."

Eckhart Tolle
A New Earth

At the dawn of the Fifth Industrial Revolution, we are being called upon to get our collective act together. We must collaborate to take the heroic measures that will collectively guide our civilization to the new world.

Transformative Leadership calls us to shift our mindsets and skillsets so that we can evolve consciously by applying our collective intelligence and our highest shared values toward a future where our human capacities are augmented by technology for the common good.

Today's grand problems and opportunities are complex and interconnected. No single individual can possibly see enough of the big picture to comprehend all the issues and opportunities facing humanity, much less be able to save the day. Rather, it will be through our collective insights, perceptions, ideas and wisdom that we will co-develop maps of the emerging territory. Transformative Leaders use those maps to navigate the passage into a new era.

We are in a race for our very survival as a species. We will need to evolve as individuals, organizations and society to continue to be present on the planet. In fact, our ability to be fully present - completely conscious in the moment regardless of the circumstances - may be one of our most fundamental abilities for fully engaging in an historic evolutionary shift.

Human history is a grand story filled with juicy plots, dramatic tension, seemingly insurmountable obstacles, and interesting characters. We are living inside that grand story and the plot has thickened.

The most thrilling chapters in the human story describe those times when the old form is dissolving so that a new form can emerge. The cycle of perpetual renewal involves a passage into darkness as deep cultural patterns are being unearthed so they can be examined in the light of day. As we dig into our deeply rooted assumptions and worldviews, we will dig up toxic soil and sever the roots that are strangling healthy growth. We might encounter buried treasure. Along the way, we will discover the seeds of the new era.

Heroes and Villains

Many of our grand stories focus on a hero's journey. Heroes tend to be charismatic individualists who single handedly slay the dragon, lead the army to victory or kiss the princess awake. In the traditional story, he (it's almost always he) may call on his friends to help, but ultimately, the rugged individual saves the day.

This deeply held story also includes archetypal villains upon whom we project our worst human qualities, such as those who portray evil incarnate and have no redeeming qualities, those who are masterminds with a diabolical plan and those who are fanatics, driven by an extreme ideology. In modern stories, the villain is often a machine, which is a technological construct and is therefore incapable of pain, fear or emotion.

From our early childhood days, we're taught to love the hero and hate the villain. Through myths, fairy tales, art, theater and advertising these universal archetypes are deeply embedded in our collective consciousness. Perhaps that explains why much of modern leadership theory is still focused on the individual who will save the day.

Transformative Leadership, however, understands the collective, interdependent nature of systems change, which will call upon anyone who is leading change to understand the inside out nature of leadership. Systems change begins with individuals changing their own mental models and ways of being, is amplified by groups and teams that tackle their relationships and power dynamics, spreads to affect whole organizations that begin the hard work of structural change that eventually ripples out to change policy and the flow of resources within communities and eventually society.

> *"More than a position, being a true leader calls us to practice a way of being that catalyzes collective action toward a shared vision."*
>
> Rev. Angel Kyoto Williams
> Founder Center for Transformative Change

History of Leadership Theory and the Industrial Revolutions

To understand the emerging model of Transformative Leadership, we begin by examining the evolution of leadership through five Industrial Revolutions.

Figure 1 below, shows the progression of the industrial revolutions along with the types of leadership styles that arose during different eras. Each type of leadership includes and transcends previous forms of leadership, which means that Transformative Leaders embody Transactional and Transformational Leadership qualities as well as Transformative Leadership capacities. A conscious Transformative Leader can draw upon the strengths of each form when necessary. Because this type of leadership is developmental, the more practice a person has being a Transformative Leader the more likely they are to be able to come from that stance under any circumstance.

IPI Southwest

Industrial Revolutions & Transformative Leadership

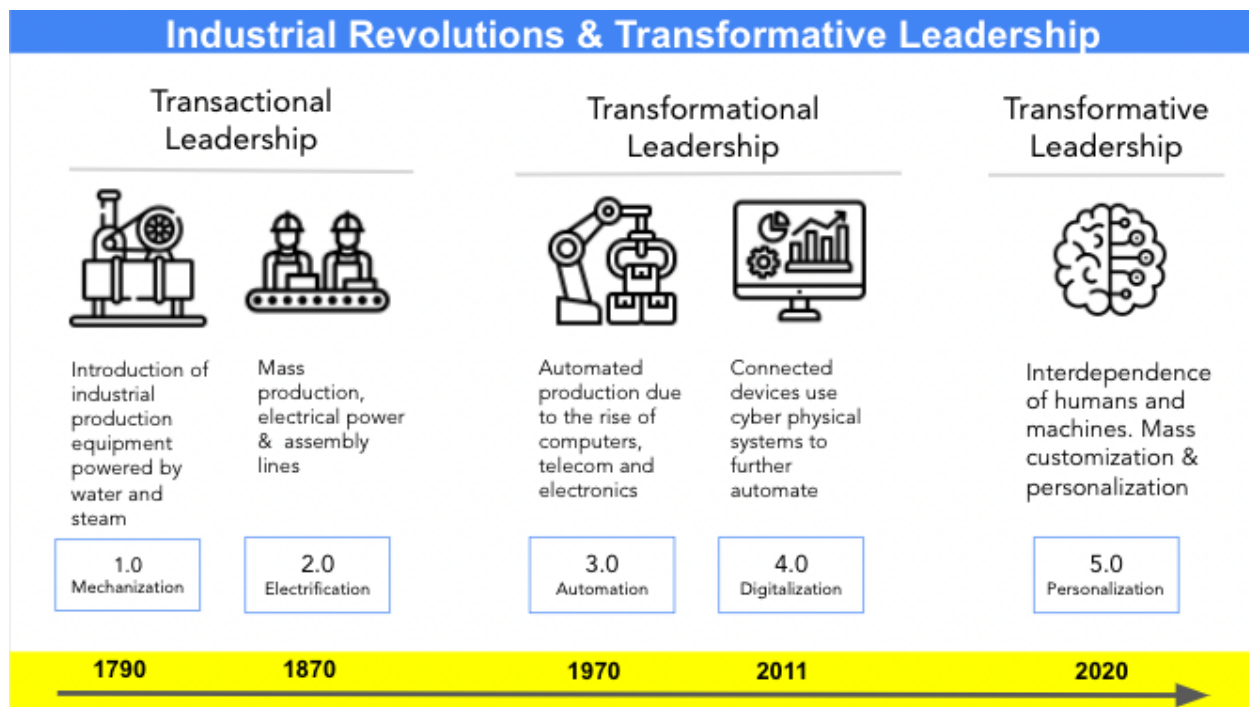| Transactional Leadership		Transformational Leadership		Transformative Leadership
Introduction of industrial production equipment powered by water and steam	Mass production, electrical power & assembly lines	Automated production due to the rise of computers, telecom and electronics	Connected devices use cyber physical systems to further automate	Interdependence of humans and machines. Mass customization & personalization
1.0 Mechanization	2.0 Electrification	3.0 Automation	4.0 Digitalization	5.0 Personalization
1790	1870	1970	2011	2020

Figure 1

Figure 2 below, represents all three forms of leadership discussed here and how they relate to one another. As the most recent evolutionary form of leadership, Transformative Leadership includes the qualities of all three forms of TRANS leadership.
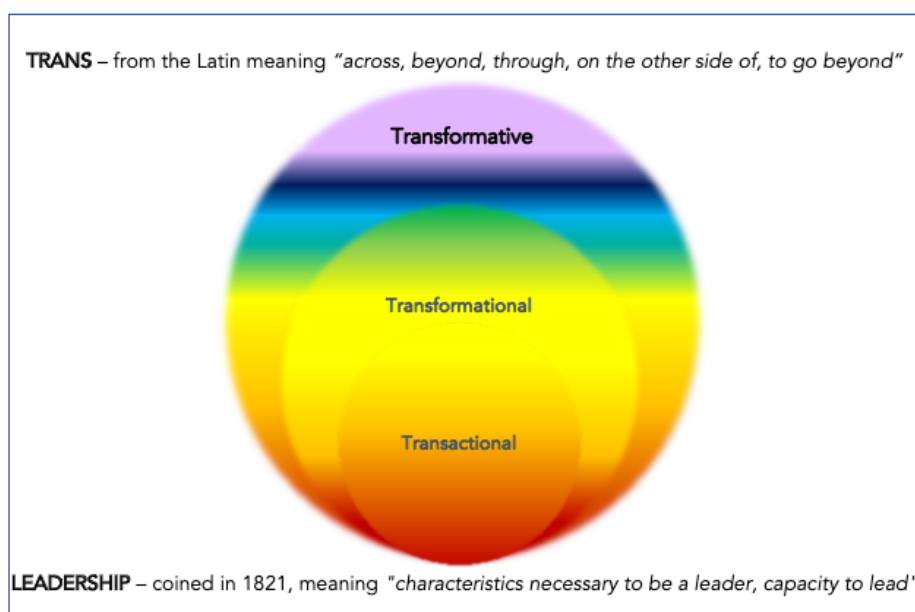

TRANS – from the Latin meaning *"across, beyond, through, on the other side of, to go beyond"*

Transformative

Transformational

Transactional

LEADERSHIP – coined in 1821, meaning *"characteristics necessary to be a leader, capacity to lead"*

Figure 2

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To put the evolution of these leadership forms into context, we will look at Transactional Leadership as it spans the first and second industrial revolutions, with its emphasis on competitive advantage, strategy, efficiency and individual performance leading to a robust financial bottom line. Next, we will explore Transformational Leadership which arose during the third and fourth revolutions and began to measure not only the fiscal bottom line but also the wellbeing of employees. Finally, Transformative Leadership, which is emerging right now, targets a prosperous organization and healthy people who ultimately focus on societal benefit.

Transactional Leadership - First Industrial Revolution

Five hundred years before the Common Era (sometimes known as B.C.) Sun Tzu was credited as the author of *The Art of War,* one of the early accountings of military leadership, which continues to inspire businesses, athletes, and of course generals to beat their opponents and competitors.

Centuries later, the First Industrial Revolution (1760-1870), continued that leadership theme, marking a period of development in the latter half of the 18th century that transformed largely rural, agrarian societies in Europe and America into industrialized, urban ones. This time introduced industrial production equipment driven by water and steam, powering everything from agriculture to textile manufacturing. This was also the era of Descartes, whose mechanistic model of physics led to human beings and organizations being perceived as machines rather than as living organisms.

Transactional leadership, emphasizing competitive advantage, with an emphasis on managing the performance of the individual, was born during this era. Based on the idea that managers give employees something they want in exchange for getting something they want, the focus is on outputs from an efficient machine. It posits that workers are not self-motivated and require structure, instruction and monitoring to complete tasks correctly and on time. Workers are merely cogs in the machine.

"A transactional leader is someone who values order and structure. They are likely to command military operations, manage large corporations, or lead international projects that require rules and regulations to complete objectives on time or move people and supplies in an organized way. Transactional leaders are not a good fit for places where creativity and innovative ideas are valued."[1]

Transactional Leadership persisted as the primary model through the second industrial revolution (1870-1969) when Henry Ford introduced the moving assembly line and ushered in the age of mass production. What would later be called "working at speed and scale" was the prime directive in the factories.

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1 https://online.stu.edu/articles/education/what-is-transactional-leadership.aspx

Transformational Leadership - Third and Fourth Industrial Revolutions

At the end of this era, a new humanitarian sensibility was growing, which coincided with the third industrial revolution (1970-2011). Manufacturing went digital, automating production through electronics, telecommunications and computers. The confluence of civil rights, the anti-war movement and humanistic psychology influenced leaders to think beyond the financial bottom line. Corporations began to get serious about making the workplace a more hospitable place. Wellness programs, diversity initiatives, employee training and development and employee assistance programs were born. Transformational leaders, especially in the corporate sector, began measuring two bottom lines - profit and people.

Transformational Leadership was the primary leadership model during the third and fourth industrial revolutions. In 2016, the World Economic Forum proclaimed that a "Fourth Industrial Revolution is building on the Third, the digital revolution that has been occurring since the middle of the last century. It is characterized by a fusion of technologies that is blurring the lines between the physical, digital, and biological spheres."[2]

Transformative Leadership – Emerging Now – Fifth Revolution – Society 5.0

While we may agree that it's time to abandon the notion of a single individual saving humanity, it will take a conscious shift to Transformative Leadership and a concentrated effort to own up our own contributions to the state of the world to tap the power of collective intelligence.

Transformative leaders understand that when something has been disowned a cleansing is required. Therefore, they lead through inquiry, asking questions about justice, collective wellbeing and democracy. They actively work to remain curious and open to ambiguity, challenge old paradigms and instigate structural changes to create the conditions for not only greater individual and organizational achievement but also for greater societal benefit.

There are transformative leaders throughout the world who are dedicated to making the world a better place while keeping the lights burning brightly in the organization. They have dedicated themselves to mindful growth and understand that organizations, like human beings, don't grow in a linear fashion but through developmental stages that "include and transcend" earlier stages of maturity.

The focus on increasing individual, organizational and societal wellbeing has led them to focus on wholeness and creating the conditions where people feel free to bring their authentic selves to their creative endeavors. Understanding that the era of the hero leader has passed, they have adopted management practices that distribute power and authority and create the conditions for collective intelligence, collaboration and agility.

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2 https://www.weforum.org/agenda/2016/01/the-fourth-industrial-revolution-what-it-means-and-how-to-respond/

Transformative technology leaders imagine a future where technology enables security, dignity and empowerment for all. They are part of an ethical technology movement that radically disrupts the ecosystem of tools and fosters the next generation of leaders, for whom diversity, equity, inclusion and belonging are core tenets that transform the face of innovation.

This calls for a conscious coupling of high tech with social technologies, such as Appreciative Inquiry, Strategic Collaboration, Open Space Technology, World Café, Breakthrough Conversations and other frameworks and methods that tap collective intelligence and uncover unconscious mental models, change relational power dynamics, decentralize power, increase trust and generate a shared vision that provides a generative way forward.
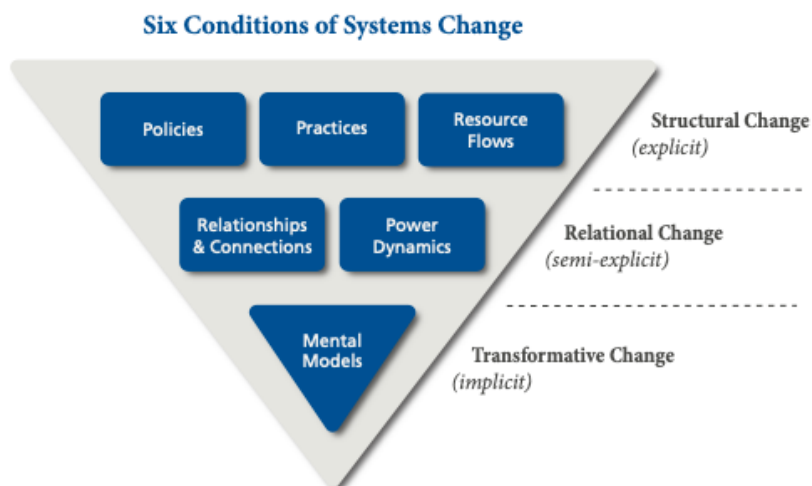
Transformative Leaders measure collective success through the "triple bottom line" of people, prosperity and planet. By focusing on social equity, economic vitality and environmental health, they are attuned to the first law of ecology: everything is connected to everything else, which reflects the existence of the elaborate network of interconnections in the ecosphere: among different living organisms, and between populations, species, and individual organisms and their surroundings.[3]

It's Up to Us to Change Our Systems

We are shifting to a new era, sometimes referred to as Society 5.0, in which innovation, driven by enabling technologies such as IoT, AI and robotics are generating significant changes to our personal lives as well as the economy, society and our planet. Transformative Leadership has emerged as a way of linking personal, organizational and societal transformation through an emphasis on systems change.

If we want to shift the conditions that are holding our most intractable problems in place, we must work at all three levels of systems change, which will change the culture that contains these conditions.

On the personal level, transformative change requires that we look deeply into our implicit mental models, those habits of thought that "contain our deeply held beliefs and assumptions and taken-for granted ways of

John Kania, Mark Kramer, Peter Senge
The Water of Systems Change

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[3] https://fs.blog/four-laws-of-ecology/

operating that influence how we think, what we do and how we talk."[4] When we question our mental models and habitual behaviors, we begin the journey toward transformative change

Transforming a system is about transforming the semi-explicit relationships between people, including power dynamics and the "quality of connections and communication occurring between the actors in the systems, especially those with differing histories and viewpoints."[5] Looking through the lenses of diversity, equity, inclusion and belonging, power dynamics must be explicitly surfaced and addressed.

Finally, transformative systems change requires three dimensions of explicit structural change. Transformative Leaders are actively attuned to the way money, people, information, knowledge, infrastructure and other assets are distributed and act to share power and wealth more equitably. Explicit activities that cultivate collaboration targeted to improve social and environmental progress and shared practices that activate shared vision are also part of structural change. On the most observable level, government and institutional policy changes can signal measurable changes in the system.

Call for Transformative Leaders

Leading in a way that is transformative begins with you. Regardless of your formal position in the organization, transformative leadership aims to literally change the form of relationships, group dynamics, team performance, organizational success and collaborative opportunities for broad social impact. This often begins with changing the constituency of the organization itself. As educational thought leader Carolyn M. Shields writes, "Transformative leadership begins with questions of justice and democracy; it critiques inequitable practices and offers the promise not only of greater individual achievement but of a better life lived in common with others."[6]

Transformative Change from the Inside Out

Change agents are individuals at all levels of the organization who promote, support and model new ways of operating. Sometimes called change leaders or agents of change, Transformative Leaders lead from where they are. They often cross the threshold to transformation before others have even taken a step into the future and have therefore seen what is possible on the other side. They frequently perceive what steps are called for long before others recognize a path forward. Transformative Leaders on the leading edge are

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[4] http://efc.issuelab.org/resources/30855/30855.pdf

[5] John Kania, Mark Kramer, Peter Senge, *The Water of Systems Change*

[6] Shields, C. M. (2010). Transformative leadership: Working for equity in diverse contexts. Educational Administration Quarterly, 46(4), 558–589. doi:10.1177/0013161X10375609

challenged to codify and articulate what they can see and gain the support of fellow change agents who are also able to see this vision.

Transformative Leaders are humble enough to step back and follow others when they recognize that someone else is better equipped to lead. Ultimately, they help their followers become leaders and support those leaders to become change agents.

Positional leaders, those who have a title indicating their rung on the hierarchical ladder, are literally in a different position to affect change. They frequently see ahead from a broader perspective and have the institutional platform to share their images of the future with a wider audience. The proverbial "walk their talk" is at play here. The most important move they can make is to model the behaviors that will help the organization manifest the types of positive change they can see on the other side of the threshold. That shift in mindset may lead to a total change in the playing field so that it doesn't take a hierarchical ladder to get in the game.

When formal positional leaders and informal grassroots leaders team up, they can design the steps that are informed by intelligence from within the current system and pair it up with the intelligence of the emerging future. Mapping those steps provides a framework for change, which others can see and invest in.

Transformative Leaders rise above the habits of hierarchy, even when they are operating in systems that are hierarchical. By practicing inquiry, engaging with what is emerging and remaining open to outcome, they soften the boundaries of the old systems so that the new form can emerge.

Take a Step

The first step in becoming a transformative leader is to change the relationship you have with yourself. Your ego or personality would have you think that's who you are. And while it's true that our personalities are often out in front and become what we are known for, they are most useful when they are supporting a more expanded sense of identity. Egos are important to our survival and help us to navigate the complexities of the world. They make sure that we get our survival level needs met. But they are just one aspect of who we are.

The primary shift for the Transformative Leader is to be able to identify beyond the focus of the ego. Throughout our lives, that shift occurs each time we become a witness of what the ego is up to.

If you are committed to creating the conditions that benefit the people within your organization, that inspire teams and work groups to collaborate, that hold the wellbeing of the organization as a whole as you seek to positively impact society, the chances are you are on a journey to becoming a Transformative Leader. Consider the following action steps as some of the first you might take on Transformative Leadership Path:

- Discover ways that your day-to-day leadership can be informed by higher purpose.
- Engage in practices that support you and others to behave in alignment with a set of principles that are deep and meaningful to you.
- Put structures in place to keep the issues and opportunities for increasing diversity, equity, inclusion and belonging in the foreground of your awareness.
- Cultivate practices that support you to stay grounded, to nurture connections, to share power, to keep an open heart, to communicate sensitively and clearly, and to remain open to intuition and visions of the emerging future.

The Transformative Leadership Path can sometimes be walked in solitude as you deepen your understanding of yourself and open to personal transformation. Ultimately, this path is a collaborative one filled with as many questions as there are answers. You are walking into the unknown, accompanied by kindred spirits who hold a vision for a future that nurtures people, grows prosperity and serves the planet.

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