TRANSFORMATIONAL LEADERSHIP IN BUSINESS ORGANISATIONS ASCENDING TO WORLD-CLASS STATUS: A CASE STUDY IN THE PETROCHEMICAL INDUSTRY

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ABSTRACT

One of the most important prerequisites for economic competitiveness in the global economy, is the delivery of a unique product or service. In order to achieve this level of competitiveness, transformational rather than transactional leadership should be a core element in organisation's ascent to 'world-class' status. Inline with other researching results, the most important finding of this study which was conducted in a petrochemical industry, is that transformational leadership is not up to standard.

OPSOMMING

Een van die belangrikste voorvereistes vir ekonomiese kompetering in die globale ekonomie, is die lewering van 'n unieke produk of diens. 'n Voorvereiste wat slegs kan realiseer indien transformasionele leierskap eerder as transaksionele leierskap 'n kernboublok in organisasies se strewe na 'wêreldklas' status vorm. Inlyn met die bevindinge van verskeie ander studies, is die vernaamste bevinding van ook die studie wat in 'n petrochemiese bedryf gedoen is, dat transformasionele leierskap nog nie op standaard is nie.

The emergence of a new global economy

Castells (1999:66), states that a new economy has emerged during the past two decades. The distinctive characteristics of this economy are as follows:

- it is global, because the activities of production, consumption and circulation (as well as their component parts – labour and capital) are organised on a global scale; and
- it is informational, because the productivity and competitiveness of the role players in this economy depend on their capacity to access and supply knowledge rich information.

These characteristics (global and informational) drive the need for modern business organisations to become world-class. While the link between globalisation and world-class is generally acknowledged, business organisations are increasingly waking up to the role of information technology in reinforcing globalisation and its competitive nature. Castells (1999:67) argues as follows *"information itself becomes a product in the production process"* – thereby accelerating globalisation, competitiveness and the rate of change in business organisations.

While the socio-economic merit of globalisation, with all its ramifications is a '*hotly*' debated subject for pressure groups, academics and politicians, ascending to world-class status still seems to be the most viable option to survive and thrive in the new economy. This puts the issue of world-class, and attaining world-class status on the research agenda for a variety of disciplines, notably the management sciences.

South African competitiveness in the global economy

Against the background of the need to be a global player and being globally competitive, Prinsloo, Moropodi, Slabbert & Parker (2000), point out that the competitiveness of South African companies is dismal. This is confirmed by Sowinski (2001), who shows that (in terms of the World Economic Forum, Global Competitiveness Report for 2000), South Africa is still ranked 33 out of a total of 50 countries in terms of competitiveness. Bendix (2001: 675), points out that while South African businesses realise that change is required, they often approach it in an ad hoc fashion. The research of the World Economic Forum further highlighted the following shortcomings.

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- The South African workforce is consistently rated poorly on aspects such as training and development.
- The capacity of management to identify and implement competitive labour practices is similarly unsatisfactory (World Competitiveness Reports of 1994; 1995; 1996; 1997 and 2000).

The picture that emerges is one that challenges South African business organisations to transform fundamentally, according to a coherent framework, in order to be competitive and attain world-class status.

Towards a perspective of a world-class organisation

An overview of relevant literature shows that the following questions require clarification to derive a comprehensive view of a world-class business organisation.

- What constitutes world-class?
- What are the characteristics of a world-class organisation?
- From a process perspective, how can business organisations ascend to world-class?

In terms of the above, Grates (1998) advances the notion that world-class refers to a specific status of the best organisations in the world. While status is indeed an indicator, this view seems to reduce world-class to a select few business organisations that achieve only the highest levels of performance worldwide, while it effectively excludes those who successfully compete and make profit in the global market place. The view of Owusu (1999) as well as Kasul & Motwani (1995), that world-class refers to the ability of a business organisation to compete effectively in global markets and make profit, seem to be more realistic. Slabbert, Theron & Roodt (2000) also support this view and argue that world-class essentially refers to the ability of a business organisation to compete effectively in the global economy.

In terms of the characteristics of world-class business organisations, Kasul & Motwani (1995) highlight the following as factors that ensure ascendance to world-class:

- management commitment;
- quality;
- customer focus;
- advanced technology; and
- organisational flexibility.

Thorne & Smith (2000), expand on this by indicating the following characteristics:
- global presence, which also implies electronic presence in the globally linked economy;
- integrated supply chain network;
- team based organisation structure;
- strong people focus;
- technological innovation; and
- clearly communicated vision and objectives.

Kasul & Motwani (1995), show how business organisations should typically develop towards world-class. They propose the following stages in this development process.
- **Stage one** typically focuses on upgrading aspects such as quality, operational flexibility, improved customer orientation as well as technological innovation.
- **Stage two** focuses on improving facilities control, vendor management and achieving price-cost leadership.
- **Stage three** focuses on achieving global presence, growth and competitiveness.

These authors further argue that management commitment is a key requirement for successful ascendance to world-class status.

While the work of Kasul & Motwani (1995) and Thorne & Smith (2000) provide insight into the characteristics of a world-class business organisation and the development process in becoming world-class, there is a need for a comprehensive and coherent framework of these organisations. Such a framework should ideally highlight the various components of a world-class business organisation, emphasise special characteristics and show interdependencies as well as how various elements of the organisation interact to become world-class. Slabbert, et al., (2000), provide a model of world-class business organisations that clarify the core systems of these enterprises. In terms of this model, the guidance system of such business organisations resides with its leadership. It is the leadership system that crafts the vision, mission and customer-centred strategies that inform the business and organisation architecture. The following aspects are regarded as key drivers in attaining world-class performance and status:
- lean management;
- partnering; and
- world-class information architecture.

These aspects are guided and supported by a core value system and joint governance system in the organisation, while it is also underpinned by sound employment relations. Given the guidance of the leadership and effective functioning of the business and organisational system, world-class organisations are then enabled, and aim to produce outputs (products and services) to the satisfaction of customers, employees and stakeholders in general. While the emphasis of Slabbert, et al., (2000) on aspects such as leadership, lean management, as well as partnering and information architecture (world-class information systems) is meaningful, many business organisations tend to prioritise the upgrading of manufacturing processes in an attempt to become world-class (Yamashina 2000:132; Voss & Blackmon in Harrison 1998: 397). Owusu (1999), however shows that communication and employee participation create organisational agility and support the quest for becoming globally competitive. While Wright, Szeto & Geory (2000), is of the opinion that traditional, authoritarian, relationship based management practices derogate efforts to becoming world-class. Prabhu & Robson (2000), conclude by stating that not one or only a few key factors drive ascendance to world-class. They show that world-class business organisations consistently perform well on all important factors (leadership, employment relations management as well as operational performance) required to become globally competitive.

The role of leadership in world-class organisations
Jesitus (2000), quotes John Husher, Vice President of Micrel-Synergy Semiconductors in San Jose, who states that leadership is one of the key drivers in the quest for achieving world-class status. Although the importance of leadership is acknowledged, it is necessary to clarify the focus of the leadership task in world-class business organisations. In this regard the research of Prabhu & Robson (2000), points to the following key tasks of leaders in world-class business organisations:
- Commitment to, and inculcating a customer orientation, quality mindset as well as innovation.
- Creating a shared vision and goals as well as facilitating the establishment of sound and flexible employment relations practices.
- Ensuring optimal operational performance.

Roodt (2001), furthermore refers to research that confirms the importance of leadership in the process of ascending to world-class status, and emphasises the need for leadership to establish a high performance culture, high performance delivery processes and service in support of this, thereby creating and exceeding customer satisfaction requirements. Against the background of the above, the question that remains to be clarified is what the core tasks of the leader should be in transforming the organisation to become world-class. Graetz (2000) argues that these tasks entail the following:
- creating readiness for change;
- inspiring shared vision and communicating the future direction of the business organisation;
- empowering and energising individuals and groups by providing resources and developing capabilities to support the transition;
- utilising stakeholders in communicating and embedding the vision and change message on an ongoing basis; and
- utilising reward and recognition to reinforce the new direction of the business organisation.

Morden (1997), supports the view that one of the central tasks of the business leader is the crafting of vision, and argues that leadership is in essence a visionary concept. Nicholls (1994) delineates between inspirational, strategic and supervisory leadership, and argues that the creation of vision and facilitating support and buy in for the vision, relates to inspirational leadership. In a more classical sense Grobler (1996), distinguishes between transactional and transformational leadership and supports the notion that, to become world-class, leaders should focus on transformational leadership. Wright & Thompsen (1997), Drew & Smith (1995) as well as McLachlin (1999), acknowledge the need for leadership to ensure readiness of the business organisation for change, but frame it as a capacity issue (the capacity for change). In this respect, capacity refers to:
- personal psychological and emotional readiness (specifically a commitment to change and willingness to experiment); and
- capability (competence to function optimally within a changing environment).

Dufficy (1998) also acknowledges the issue of change readiness and the role of leadership in this process, but relates it to empowerment (the freedom to participate in, and influence the transformation and change effort).

Considering the above and the work of Morakul & Wu (2001:149), Johnson (1995), Jansen (2000) and Lim (1997), it is possible to identify the following transformational tasks of the leader.
- Development of a shared vision and clarifying strategic direction (Lim 1997).
- Development of capacity for change (Jansen 2000; Drew & Smith 1995; Wright & Thompsen 1997).
- Empowerment (Morakul & Wu 2001:149; Johnson 1995; Dufficy 1998:145).
- Creating a world-class quality and service delivery mindset (Prabhu & Robson 2000).

From the above it is clear that the task focus of leadership in the process of moving to world-class status is essentially transformational in nature. Figure 1, provides an overview of the main tasks of the leader in the process of ascending to world-class status.
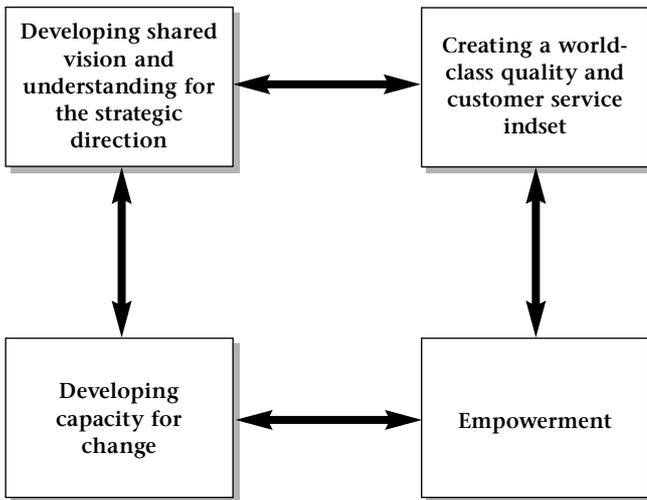

| Developing shared vision and understanding for the strategic direction | ←→ | Creating a world-class quality and customer service indset |
| Developing capacity for change | ←→ | Empowerment |

Figure 1: The tasks of leadership in the transition to world-class

Clarification of the need for business organisations to become world-class, the nature of world-class organisations and the role of leadership in ascending to world-class, provided the context of the research study. The problem, objectives and research design are outlined in more detail in the paragraphs that follow.

EXPOSITION OF THE PROBLEM

Wray (2001) quotes a leading economist, criticising South African leaders for not attaining the economic growth levels that will prevent the country from becoming marginalised in the global economy. Grobler (1996) argues that, for South African business organisations to become globally competitive, leadership should not only play a transactional but also a transformational role. Grobler is also of the opinion that leadership practices in South Africa are far from satisfactory. April and Hill (2000:49), observe a tremendous divergence of views under South African business leaders of what the role of leaders should be, while Visagie (1997), argues that, given the dramatic change in South African society, strong transformational leadership in specifically small and medium enterprises (SMEs) is a requirement. The picture that emerges is one that confirms the need for South African business leaders to be competent in playing their transformational role, specifically in the process of moving their organisations to global competitiveness. It also confirms that the performance of South African business leaders in respect of their transformational role is less than satisfactory.

The business organisation selected for the study is in the midst of such a transformation to become globally competitive. As a key role player in the South African economy and leader in the local petrochemical industry, the business organisation has successfully positioned itself to be a leader in the local economy, capable to operate profitably in a non-regulated environment (in respect of fuel pricing).

The business organisation is currently in the process of positioning itself to become a world-class producer of petrochemical products and aims to achieve this status by deploying the following broad strategies:
- implementation of world-class business and production information systems;

- winning through people; and
- ensuring operational excellence.

The design, development and implementation of the business and production information systems are expected to be the first major change affecting the organisation. Although the aim of the project and its relationship to becoming world-class, has been communicated to staff, there is a need to ensure that leaders at all levels play their transformational role effectively. It is argued that creating shared vision and clarifying strategic direction, developing capacity for change and empowerment are the core drivers that will ensure successful transformation to world-class. The study therefore, aims to determine the perceptions and opinions of the target population by answering the following questions.
- Whether there is a shared vision, and sufficient clarity about the strategic direction (the '*dream*' and '*roadmap*' to become a world-class business)?
- Whether there is clarity about the capacity required to transform the business organisation, and interventions to enable employees to deal effectively with the changes that lie ahead?
- Whether the empowerment climate supports the ongoing transformation of the business organisation in its quest to become world-class?
- Whether a quality and service delivery mindset exists in the business organisation, which supports the drive towards world-class status?

RESEARCH METHODOLOGY

Qualitative research
Swanson & Holton (1997) argues that qualitative research is appropriate when the researcher needs to study a phenomenon in its natural setting and interpret it in terms of the meanings people attach to such a situation. This argument supports the design of the study for the following reasons:
- the research is aimed at studying an unfolding reality;
- it is related to a specific organisational issue; and
- it is necessary to obtain detailed information about the meanings people attach to the issues under consideration, given the emotive nature of change.

Target population
The business organisation, from which the sample was drawn, is part of a group of companies employing approximately 30,000 people. The permanent staff complement of the business organisation in question is 6,500 employees. The study was directed at senior, middle and junior level leadership as well as specialists and operational level staff who have been exposed to one or more of the transformation initiatives aimed at moving the business to world-class status. The composition of the sample was as follows:
- executive level management (two individuals);
- business unit level leadership, including senior support staff, for example human resource practitioners (four individuals);
- specialists involved in transformation projects (two individuals); and
- operational level staff members, including support staff, for example administrative, at the relevant levels (11 individuals).

The underlying consideration with the composition of the sample was to identify respondents who had exposure to relevant communication about world-class as well as one or more of the transformation interventions aimed at attaining world-class. In this regard only business units were targeted where it could reasonably be verified that the following communication was received.
- Monthly newsletter about progress with the implementation of the new information technology systems that support the drive to become world-class.

- A change readiness survey was conducted.
- Other organisation development interventions aimed at moving towards world-class were implemented (for example role mapping and value clarification).

A total of three business units were consequently identified, from which the sample was drawn. Although respondents from management, leadership and specialist levels were targeted, a significant number of individuals at the operational levels were included as they are essentially the population affected by the behaviour of leaders in the business organisation.

Measurement

To determine the perceptions of the target population, and obtain their opinions of the extent to which leaders in the business organisation play their transformational role, semi structured interviews were conducted.

The interview schedule covered the following topics.

- **Shared vision and strategic direction** (Lim 1997)
  - content and meaning of the strategic vision;
  - inspirational value of the vision; and
  - clarity of strategic direction.
- **Empowerment climate** (Morakul & Wu 2001:149; Johnson 1995; Dufficy 1998:145)
  - authority to take decisions;
  - ability to influence decision making;
  - reward for innovation and risk taking;
  - reward for supporting positive changes;
  - involvement in important change initiatives; and
  - access to and relevance of information pertaining to the transformation of the organisation.
- **Capacity for change** (Jansen 2000; Drew & Smith 1995; Wright & Thompsen 1997)
  - readiness assessment and relevant interventions to address issues;
  - clarity and planning regarding core competencies to function in world-class organisations; and
  - interventions to assist employees to deal effectively with the emotional effects of change.
- **World-class quality and service delivery mindset** (Prabhu & Robson 2000)
  - quality product, environmental orientation, cost price leadership; and
  - exceeding customer expectations and building value adding partnerships.

PROCEDURE

Formal approval was sought at executive management level, before proceeding with the study. Prior to the interviews, a limited document study was conducted to confirm aspects that needed to be evaluated during the interviews, notably:

- the content of the vision, and overall strategy of the business organisation;
- the content of the balanced scorecard, outlining the strategic thrusts and priorities in acceding to world-class;
- the competencies outlined for the group of companies, that are regarded essential for attaining world-class status (with specific reference to leadership competencies); and
- a scan of relevant interventions, for example the change readiness survey conducted in the business organisation, subsequent interventions, etc.

Respondents were subsequently selected according to the parameters outlined for the target population, and invited telephonically to attend the interviews (attendance was voluntary). During the interview, the aims of the study were outlined and an overview of the conceptual model provided. The use of a semi structured interview made it possible to solicit categorical answers. Provision was however made for respondents to qualify answers and provide additional information. Responses were captured on audiocassette and coded during the interviews, using an analysis matrix. Subsequent to the completion of the interviews, the audio records were analysed a second time and coded with the aid of the analysis matrix. The audio records were further validated by an independent practitioner who utilised the audio records, and coded responses according to the analysis matrix. The second analysis and the cross-validation ensured an acceptable level of consistency in terms of the interpretation of the responses.

The role of the researcher in the study can consequently be described as interviewer, observer, analyst and interpreter. In this role, the researcher identified himself as such and interacted with the respondents according to the procedure outlined above.

ANALYSIS AND DISCUSSION

Analysis

The results of the interviews were analysed in terms of the interview questions, as in the interview schedule. The paragraphs that follow provide an overview of the analysis, and are supported by specific motivations and quotable phrases, where appropriate.

Question 1: The vision of the organisation
Exact knowledge of the content of the vision of the business organisation is relatively high (79 percent of the respondents were able to cite the vision).

Question 2: The inspirational value of the vision
As in the case of the vision, a significant number of respondents (74 percent) indicated that the vision has inspirational value. Most respondents cited the winning motive, as well as the competitive nature of the vision, as their inspiration in their quest to become world-class.

Question 3, 4, and 5: Clarity regarding strategic direction
In terms of strategic direction, awareness and understanding of the following aspects were tested:

- basic understanding of what constitutes world-class;
- perceptions about the clarity of key milestones and priorities (the '*roadmap*') in attaining world-class status; and
- the contribution of large scale interventions (notably the implementation of the integrated business and production information system) in ascending to world-class.

In terms of what constitutes world-class (**question 3**), a significant number of respondents (79 percent), were unable to articulate that world-class in essence refers to the business organisation's ability to operate successfully, and make profit in a global market. Responses further seemed to indicate that respondents emphasise an internal organisational focus (world-class systems, procedures and processes) rather than a focus of successful performance and profitability in the global market place.

While 26 percent of the respondents indicated that the '*roadmap*' to achieve world-class status (**question 4**), is not clear, a further 53 percent qualified their response by indicating that the strategic priorities and milestones are too general and not understandable at the lower levels of the organisation. Those who responded positively in terms of the question have referred consistently to the content of the balanced scorecard as their guide to the strategic direction of the business organisation.

A relatively high number of respondents (79 percent) showed an acceptable level of awareness and understanding for the potential benefits of implementing an integrated business and production information system (**question 5**). In this regard, aspects such as efficiencies due to standardisation, cross-functional cooperation, real time information and the utilisation of shared databases were cited as enablers in the move to world-class performance and status.

Questions 6 to 9: Creating capacity for change
In terms of capacity for change, responses pertaining to the following aspects were solicited:

- awareness of surveys to test the change readiness of the business organisation;
- awareness of initiatives aimed at improving the readiness of the business organisation for change (interventions emanating from the change readiness survey);
- interventions aimed at dealing with the emotional effects of change; and
- the development of future competencies, required to function in a world-class organisation.

A significant number of respondents (89 percent) were aware of a change readiness survey that was conducted recently (**question 6**). While only 37 percent of the respondents indicated that they were not aware of any interventions emanating from the change readiness survey (**question 7**), a further 37 percent qualified their response by stating that interventions, aimed at addressing issues from the survey, are ad hoc and not integrated as part of a general strategy to develop the readiness of the business organisation. Although 47 percent of respondents indicated that they were not aware of any initiatives aimed at supporting staff to deal with the emotional aspects of change (**question 8**), a further 37 percent qualified their answer by indicating that such support could be available but they could not confirm this as a fact (they are unsure about the existence and nature of support available). Although a significant number of respondents (84 percent) were unsure about what the business organisation regards as the core capabilities of a world-class organisation (**question 9**), there is a significant level of awareness (84 percent), for the planning and actions taken to ensure that they will have the necessary skills and knowledge to operate in the changing work environment, brought about by the implementation of the integrated business and production information systems.

Questions 10 to 15: Empowerment climate
Considering the empowerment climate of the business organisation the respondents reported as follows.

Authority to perform in their current job (question 10): A high number of respondents (79 percent) indicated that they believe they have the required authority to perform in their current jobs.
Access to and content of information regarding the change process (question 11): While 74 percent of respondents indicated that they received information about the change process (rationale, progress etc), 63 percent of the respondents indicated that the information was too general, and did not differentiate according to the relevant target population. In this regard, there was a general perception that the lower levels of the business organisation were mostly disadvantaged because of this situation.
Opportunity to influence decision making pertaining to change (question 12): While 68 percent of respondents stated categorically that they did not have the opportunity to influence decision making pertaining to change, a further 11 percent qualified their answer by stating that, although consultation takes place, they have reservations about the extent to which their inputs are taken into account in decision making.
Risk taking and innovation (question 13): In terms of risk taking and innovation 53 percent of respondents indicated that in their opinion the business organisation does not reward and reinforce innovation and risk taking. A further 26 percent of the respondents qualified their response by indicating that there are business units where risk taking and innovation are reinforced and rewarded, but that this is not the norm.
Question 14 and 15: World-class quality and service mindset
In terms of a world-class quality and service mindset, respondents were asked whether the organisation delivers a world-class quality product and has a world-class service delivery mindset. A high number of respondents indicated that

the business organisation currently delivers a world-class quality product, due to the institutionalisation of research and internal quality standards. Contrary to this, 42 percent of respondents stated categorically that the business organisation does not have a world-class service orientation. A further 47 percent qualified their negative perception of the service orientation of the company by stating that it is due to the fact that the business organisation, (as part of a group of companies), does not have direct contact with the customer. A small number of respondents acknowledged that a world-class service mindset has an internal (cross-functional), as well as external focus.

Discussion of results
From the responses a picture emerges of a leadership cadre that needs to improve significantly on their role as transformational leaders, to enable the business organisation to attain world-class status. In terms of creating shared vision, the responses show that there is a high level of clarity and emotional support for the vision. The framework for making this practical however, seem to be unclear. As such, there is not a clear context for implementation. It is believed that business unit leaders as well as group leaders play a crucial role in creating and communicating such a framework.

In terms of creating capacity for change, it is apparent that capacity development efforts focus mainly on the task related aspects of interventions (for example, developing the required skills and knowledge to perform according to the new requirements of the production information system). There is however, also a need to attend to the people issues pertaining to these interventions. An overemphasis on the task aspects of interventions creates risk due to a lack of commitment and ownership of employees in the business organisation. There is also a tendency by leaders to abdicate their responsibilities for people issues, related to such interventions, transferring it to the so-called human resource specialists. Related to this, is the perceived lack of a coordinated response to issues raised in the change readiness survey, which reinforces a climate of focusing on the task aspects of the transformation to world-class.

Considering the empowerment climate of the business organisation it becomes clear that, although the current task environment allows for independent decision making (most respondents indicate they have the authority to perform their tasks), the climate does not support innovation and risk taking, essential for breakthrough transformation.

For employees and stakeholders in general, to position themselves effectively in the transformation of the business organisation to world-class, information about the change process, its rationale, progress and implications is critical. In this regard, the responses show that leadership should consider revising their communication strategy to differentiate according to the target population receiving the message. A revision of modus operandi for incorporating inputs of employees into decision making, as well as communicating the rationale for decisions more clearly, needs to be considered. The perception that employees and stakeholders cannot influence decision making regarding changes, could lead to a feeling of being disempowered and marginalised and puts the whole drive to ascend to world-class at risk, due to a lack of commitment and ownership of the envisaged changes. It is further contrary to one of the key characteristics of world-class organisations, namely that of joint governance.

In terms of quality and service, there is a need to inculcate a world-class service delivery mindset. In this regard, service internal (cross-functional) and external to the business organisation, needs to be emphasised. A service delivery mindset across the total stakeholder spectrum needs to be developed.

The responses show that the transformational role of the leadership cadre could be developed and entrenched to the

benefit of the business organisation, in the quest to attain world-class status. A pertinent question in this regard is how the leaders could be developed and their roles be entrenched for optimal results. It is proposed that leadership development in business organisations, striving to become world-class, should focus less on the development of classical transactional leadership skills. Transactional leadership focuses inward, towards optimising processes, procedures, team leadership as well as compliance in terms of these aspects. It is doubtful whether breakthrough transformation is possible through this kind of leadership, specifically for organisations that aspire to become world-class. Transformational leadership is visionary, strategic and inspirational in nature and aims to enable, rather than coerce people to perform. The specific tasks of the leader in the transformation of business organisations to become world-class have been motivated in this article. It is however also necessary to reflect on the way in which such a leadership culture can be entrenched in the business organisation. In this regard, the performance management and reward system should be explicit in recognising and reinforcing the correct leadership behaviour. When leaders realise that the performance culture support transformational leadership, a momentum is created that will ensure that the leadership plays their rightful role in the quest to become world-class.

An important aspect emanating from the study is the evidence that building the capacity of leaders to lead the transition to world-class is indeed one of the key focal points of building capacity for change. In this regard it will be necessary to address implement a systematic process of developing strategy, build leader understanding and commitment for change and then to enable leadership to take the lead with change management. The emphasis would therefore be on transformational rather than transactional leadership. The following framework is proposed for achieving this.

- The development of a strategy for addressing leadership style, mindset and behaviour.
- The building of leader commitment for and alignment to change.
- The education of leaders in respect of change as a phenomenon.
- The development of leadership teams in taking responsibility for leading change.
- The embeddedness of required leadership behaviour through performance management and individual development planning.

In summary, the positive aspects related to shared vision and emotional support for the vision, seem to be derogated by a lack of a framework for implementation, a need to build capacity for change and the fostering of a climate that will support breakthrough thinking, action and results.

Conclusion

Although the limitations, specifically in terms of generalisation, of this study are acknowledged, it should also be noted that the relevant organisation is still in the initial phases of the transformation process (the broader intervention to attain world-class status, is currently entering the end of its first year of implementation). It could therefore be expected that the business organisation is still in an exploratory phase, specifically in respect of change management and the entrenchment of the new roles of their leadership cadre. This study however, provides a useful diagnostic departure point, and highlights areas that could be researched further by embarking on a more comprehensive study. Specific areas that could be researched include the following.

- Testing models of the transformational role of leaders in different stages of large scale transformation projects aimed at attaining world-class status.
- Testing the relationship between the empowerment climate and levels of commitment and ownership for large scale change projects.

- Testing the effectiveness of differentiating key messages about change, according to the target population it is addressed to.
- Testing the influence of interventions aimed at assisting employees to deal with the emotional impact of change in relation to motivation, organisational climate, commitment to and ownership for change.

While becoming world-class is the only choice for business organisations wanting to survive and thrive in the global economy, the issue of transformational leadership is similarly not an option for these business organisations – it is a strategic imperative. Leadership is the system that determines direction and steers the business. Without transformational leadership business organisations aspiring to attain world-class are (in a proverbial sense) trying to '*fire a canon from a canoe*'.

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