Transformational and Transactional Leadership in Australian Christian Churches

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Introduction

“Follow my example, as I follow the example of Christ.” (1 Cor. 11:1, NIV)

The words of the apostle Paul to the Corinthian church encapsulate the Christian understanding that leadership should be exemplary. The apostle concluded his appeal to his readers to be committed to the cause of the gospel of Jesus Christ by drawing their attention to his own example as a leader. In effect, he was attempting to motivate unpaid volunteers to contribute enthusiastically and effectively to the mission of the church. The challenge faced by the apostle continues to confront church leaders. How can leaders motivate volunteers to higher levels of commitment and performance when the volunteers have no formal obligations to the church and receive no direct personal tangible benefits such as a salary? Being able to answer this question is important to the ongoing effectiveness of churches in fulfilling their missions.

This study aims at extending our understanding of the impact of leadership behavior on volunteer motivation in churches. It investigates the impact of the transactional and transformational leadership behaviors of senior pastors of 28 different Australian Christian Churches (ACC) congregations on the motivation of volunteers in those congregations, as well as the mediating impact of volunteer trust in and value congruence with the senior pastor. The selection of congregations is designed to provide responses from volunteers within each of five congregational size categories that ACC recognizes. ACC, also known as the Assemblies of God in Australia, is a fellowship of autonomous churches which had 1,087 registered churches throughout Australia as of May 17, 2010. ACC conducts an annual census of all congregations in May. The census collects data on various church activities, including weekend attendance which is measured as the total number of attendees at all
services from Friday evening to Sunday evening on one weekend in May each year. ACC categorizes congregational sizes into five categories: (a) under 100 attendees, (b) 100-199 attendees, (c) 200-499 attendees, (d) 500-999 attendees, and (c) 1000 and more attendees. In 2010, the average size of an ACC congregation was 208 attendees. The majority of congregations had less than 100 attendees. The percentage of ACC congregations in each of the five size categories was: 64.3% had less than 100 attendees, 18.1% had 100-199 attendees, 11.5% had 200-499 attendees, 3.6% had 500-999 attendees, and 2.5% had 1000 and more attendees. A summary of ACC attendance is displayed in the Table.

Table: ACC Churches by Congregational Size

<table>
<thead>
<tr>
<th>Year</th>
<th>Under 100</th>
<th>100-199</th>
<th>200-499</th>
<th>500-999</th>
<th>1000+</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>713</td>
<td>162</td>
<td>126</td>
<td>37</td>
<td>24</td>
<td>1062</td>
</tr>
<tr>
<td>2006</td>
<td>734</td>
<td>167</td>
<td>135</td>
<td>31</td>
<td>26</td>
<td>1093</td>
</tr>
<tr>
<td>2007</td>
<td>728</td>
<td>187</td>
<td>143</td>
<td>33</td>
<td>27</td>
<td>1118</td>
</tr>
<tr>
<td>2008</td>
<td>757</td>
<td>170</td>
<td>144</td>
<td>36</td>
<td>26</td>
<td>1133</td>
</tr>
<tr>
<td>2009</td>
<td>754</td>
<td>168</td>
<td>143</td>
<td>36</td>
<td>20</td>
<td>1121</td>
</tr>
<tr>
<td>2010</td>
<td>699</td>
<td>197</td>
<td>125</td>
<td>39</td>
<td>27</td>
<td>1087</td>
</tr>
</tbody>
</table>


**Volunteer Motivation**

Volunteers are individuals who provide unpaid help in an organized manner to parties with regard to whom the volunteer has no obligations (Millette & Gagné, 2008). Volunteering involves giving away the personal resources of time and effort for the promotion of the well-being of others or for the advancement of organizations (Shye, 2010). Volunteers are eagerly sought after because they add value to organizations and endeavors (Wilson & Musick, 1997). They are typically employed in nonprofit organizations including churches and charities (Phillips & Phillips, 2011). Because volunteers do not receive direct personal tangible gains such as a salary, churches must find other ways to motivate them to work well
and to continue in volunteer activity, and by doing so retain the knowledge and skill resources of the organization (Millette & Gagné, 2008). Maintaining volunteer motivation at levels that result in sustained and productive voluntary service is critical to the effectiveness of churches in fulfilling their stated missions.

The term *motivation* is used in psychology to “designate a state of tension that seeks relief or equilibrium through action” (Shye, 2010, p. 188). The state of tension is typically generated by perceived personal or social deprivation and an idea as to how the deprivation might be alleviated. Volunteers are motivated to give of their time and effort in order to alleviate the perceived personal or social deprivation. They contribute to nonprofit organizations because they believe that their voluntary work will enhance their personal well-being and promote greater social good (Shye, 2010).

Volunteering in order to alleviate perceived personal deprivation and to enhance personal well-being is driven by egoistic motivation. *Egoism* is an urge to promote one’s own interests, needs, and wants, and egoistic behavior is intended to benefit oneself (Phillips & Phillips, 2011). The personal benefits that volunteers can achieve include the experienced meaningfulness of the activity they are engaged in (Millette & Gagné, 2008), enhanced self-esteem (Phillips & Phillips, 2011), goal accomplishment and related feelings of satisfaction (Snyder & Omoto, 2004), and ancillary rewards such as goods, services, and experiences (Phillips & Phillips, 2011). Volunteering in order to alleviate perceived social deprivation and to promote greater social good is driven by altruistic motivation. *Altruism* is concern for the well-being of others and altruistic behavior involves self-sacrifice undertaken to enhance the well-being of others (Phillips & Phillips, 2011). It is an expression of felt humanitarian obligations to help others and of community concern.

Snyder and Omoto (2010) found that engaging in volunteerism for personal benefits predicted longer duration of service, whereas social and community concern motivation was
unrelated to longevity of voluntary service. The strongest motivation for sustained voluntary involvement is egoistic and stems from the drive to satisfy innate psychological needs (Deci & Ryan, 2008). Churches wishing to enhance the motivation of voluntary workers should be aware of the egoistic and altruistic drives within volunteers’ motivation and provide stimuli for both.

Self-determination theory (Deci & Ryan, 2008) is a theory of motivation which posits that people are motivated to satisfy their innate psychological needs for autonomy, competence, and relatedness. Autonomy refers to the desire to control one’s own behavior and activities in order to experience personal integration and freedom. Competence is one’s propensity to be effective in dealing with the environment while attaining valued outcomes within it. Relatedness refers to one’s desire to be connected to others, “to love and care, and to be loved and cared for” (Deci & Ryan, 2000, p. 231). According to Deci and Ryan, the satisfaction of all three of these needs is “essential for ongoing psychological growth, integrity, and well-being” (Deci & Ryan, 2000, p. 229). Within this framework, then, the primary motivation of volunteers is egoistic as they seek to fulfill these needs and alleviate their perceived personal deprivation.

Self-determination theory connects the needs for autonomy, competence, and relatedness to levels of motivation, from extrinsic to intrinsic. Extrinsic motivation refers to engaging in an activity for instrumental reasons, such as acquiring a reward or avoiding a penalty. The primary motivators are external to the volunteer and might include family, peer, and group pressure to conform or contribute, or the attainment of contingent rewards such as personal recognition or standing within an organization. Deci and Ryan (2008) suggested that extrinsic motivation is less likely than intrinsic motivation to satisfy all three needs of autonomy, competence, and relatedness and, therefore, is more likely to produce less volitional and lower quality volunteer motivation. An extrinsically motivated volunteer is to a
greater or lesser extent a conscript and is not autonomously motivated to perform the required task. By contrast, *intrinsic motivation* refers to engaging in an activity for its own sake, because one finds it enjoyable and interesting. The primary motivators are internal to the volunteer as s/he seeks to fulfill the needs for autonomy, competence, and relatedness. An intrinsically motivated volunteer is likely to be more autonomous and to provide higher quality performance (Deci & Ryan, 2008).

Churches, which rely on volunteers to enable them to effectively fulfill their missions, are likely to produce significant organizational benefits if their voluntary workers are intrinsically motivated. Intrinsic motivation has been demonstrated to be associated with positive outcomes such as persistence, performance quality, goal attainment, and positive feelings (Millette & Gagné, 2008). Therefore, churches will benefit from the involvement of intrinsically motivated volunteers whose contribution to the organization is stimulated by the interest they have in the church and its mission, and the personal satisfaction they derive from involvement.

Millette and Gagné (2008) have suggested that supervisory style is likely to be an important factor impacting the level of volunteer motivation and have recommended it as an area for future research. Organizational leaders establish motivational environments that inspire volunteers to achieve objectives. Motivational environments are shaped by job characteristics that leaders introduce and oversee, and also by the leadership behaviors that they exhibit. Transactional and transformational leadership behaviors have been identified as appropriate and effective components of supervisory style within churches (Bae; 2001; Balswick & Wright, 1988; Butler & Herman, 1999; Choi, 2006; Druskat, 1994; Larsson & Ronnmark, 1996; Onnen, 1987; Rowold, 2008; Rowold & Rohmann, 2009; Son, 2003). Using self-determination theory to conceptualize volunteer motivation, this study investigates
whether the transactional and transformational leadership behaviors of church leaders contribute to volunteer extrinsic and intrinsic motivation.

**Transactional and Transformational Leadership Behaviors**

*Leadership* is the process of influencing others to work towards the accomplishment of worthwhile goals (Yukl, 2006). Leaders who are effective in facilitating the achievement of organizational goals are usually enabled to do so by the performance of responsive and supportive followers (Lussier & Achua, 2007). In churches, a majority of followers are typically volunteer workers. Their contribution to the church is motivated by their innate psychological needs for autonomy, competence, and relatedness (Deci & Ryan, 2000, 2008; Millette & Gagné, 2008), as well as their commitment to its espoused ideals and the personal and social rewards that they derive from involvement (Myers, Wolfer, & Garland, 2008; Phillips & Phillips, 2010, 2011). Without the incentives of remuneration and other rewards associated with paid employment, these volunteer workers are more likely to require inspiration and affirmation from church leaders in order to maintain their commitment and motivation for the cause and its associated tasks (Larsson & Ronnmark, 1996; Riggio, Bass, & Orr, 2004). The demonstration of leadership behaviors which contribute to the motivation of volunteer workers is thus a particularly important component of church leadership.

Burns (1978) distinguished between transactional and transforming leadership. He described transactional leadership as occurring “when one person takes the initiative in making contact with others for the purpose of an exchange of valued things” (p. 19). The transactional leader motivates followers by exchanging rewards for services rendered. By contrast, 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” (p. 20). The transforming leader motivates followers to “work for transcendental goals and for aroused higher-level needs for self-actualization rather than for immediate self-
interest” (Bass, 1985, p. 11). He or she engages the emotional involvement of followers to build greater identification with and commitment to the leader and the organization and its mission. The impact of the transforming leader is to “shape and alter and elevate the motives and values and goals of followers” (Burns, 1978, p. 425). The resultant transformation of leaders and followers sees them become intrinsically self-motivated toward the attainment of elevated values and goals. While both transactional and transformational leadership behaviors are appropriate within churches, it is likely that transformational behaviors will augment the effect of transactional behaviors and enhance the leader’s ability to motivate volunteer workers.

Transactional leadership is defined in terms of three inter-related behaviors: (a) contingent reward, (b) active management by exception, and (c) passive management by exception (Yammarino & Bass, 1990). Contingent reward implies the provision of an adequate exchange of valued resources for follower support. The leader appeals to followers’ self-interest by establishing exchange relationships with them. He or she outlines tasks and performance standards and followers agree to complete assignments in exchange for commensurate compensation (Judge & Bono, 2000). Active management by exception involves monitoring performance and taking corrective action. Passive management by exception means intervening only when problems become serious. Both active and passive management by exception involve enforcing rules to avoid mistakes (Judge & Bono, 2000). The impact of transactional leadership behaviors on volunteer workers will be to provide them with a clear understanding of their tasks and the desired outcomes, to create in them an expectation of the rewards for achievement, and to assist them in improving their performance.

Transformational leadership is defined in terms of four interrelated behaviors: (a) idealized influence, (b) inspirational motivation, (c) intellectual stimulation, and (4)
individualized consideration (Riggio et al., 2004; Yammarino & Bass, 1990). Idealized influence involves leaders serving as idealized role models for followers. Transformational leaders “walk the talk” and demonstrate high standards of moral and ethical conduct, as well as commitment to the cause (Riggio et al., 2004, p. 51). The leader demonstrates, by personal example, how to work toward the vision of the organization. The transformational leader inspires respect and higher motivation in followers as they personally identify with his or her idealized qualities and seek to model their own behaviors on those of the leader (Avolio & Bass, 2004; Judge & Bono, 2000; Riggio et al., 2004). Inspirational motivation is that component of transformational leadership that “arouses followers’ enthusiasm and sense of team spirit” (Riggio et al., 2004, p. 51). The transformational leader provides followers with a clear vision of the organization’s future, the value of high standards of operation, and a sense of meaningfulness in their work. S/he articulates a compelling vision of what can be accomplished and speaks optimistically about the achievement of the vision (Avolio & Bass, 2004). Intellectual stimulation involves leaders encouraging followers to be innovators and creative problem solvers. The transformational leader interacts with followers so as to challenge their thinking and methodologies and to encourage within them creativity and innovation (Avolio & Bass, 2004; Yammarino & Bass, 1990). Individualized consideration involves the leader’s attention to the unique gifts and talents of each follower and the leader’s ability to coach or mentor followers with challenges and opportunities that suit each individual (Avolio, Bass, & Jung, 1999; Bass, 1985; Yammarino & Bass, 1990; Yammarino, Spangler, & Bass, 1993).

Overall, transformational leadership theory encapsulates a “sense of moral good and a passionate commitment to the cause” (Riggio et al., 2004, p. 52) that is essential for leadership in churches. Transformational leadership behaviors are important components of leadership in churches which are mission-driven and which rely on the motivation and
performance of volunteers to achieve the organizational mission. The impact of transformational leadership behaviors on volunteer workers will be to augment the effect of transactional leadership behaviors by providing volunteers with vision and values to enhance their motivation to continue in voluntary activity at high levels of volition and quality performance. Organizational leaders, including church leaders, exhibit both transactional and transformational leadership behaviors, differing in the amount and intensity of each that they display (Bass, 1985). The augmentation effect that the exercise of transformational leadership behaviors adds to the impact of transactional leadership behaviors on follower performance has been demonstrated (Bass, 1985; Judge & Piccolo, 2004). This augmentation effect is particularly relevant to churches where the motivation of volunteer workers is critical to organizational performance. The effective exercise of transactional leadership behaviors will result in volunteers producing the expected effort and attaining the agreed desired outcomes as the leader provides with clear task descriptions, designated outcomes, and contingent rewards. Volunteers will perform the tasks, achieve the outcomes, and receive the rewards. The effective exercise of transformational leadership behaviors will augment the outcome of transactional behaviors by stimulating intrinsic motivation within volunteers and raising them to performance beyond expectations (Bass, 1985).

Linking the two literatures of self-determination theory and transactional and transformational leadership theory is the observation that the augmentation effect of transformational leadership on the effectiveness of transactional leadership is likely to be related to volunteers’ extrinsic and intrinsic motivation. Transactional leadership behaviors are likely to produce extrinsic motivation in volunteers as they are motivated to attain contingent rewards such as personal recognition or standing within the organization. The leader instructs and assists volunteers in effectively performing the desired tasks and ensures that expected rewards are bestowed. Although volunteers will be motivated to perform by
external factors, such as group pressure to contribute or the attainment of contingent rewards, over time they are likely to sense that they are not satisfying the needs of autonomy, competence, and relatedness. This extrinsic motivation is likely to be less autonomous and to result in lower quality task performance.

Transformational leadership behaviors are likely to produce intrinsic motivation as volunteers are motivated by identification with and commitment to the mission of the organization. This personal identification and commitment is internally driven and volunteers are likely to sense that they are satisfying the needs of autonomy, competence, and relatedness. This intrinsic motivation is likely to be more autonomous and to result in higher quality task performance. A leader’s exercise of transformational behaviors will augment the impact of his or her use of transactional behaviors by stimulating volunteer intrinsic motivation and producing more sustained and higher quality task performance.

**Trust and Value Congruence**

The effective exercise of leadership is based upon leader–follower relationships that incorporate followers’ trust in and value congruence with the leader (Yukl, 2006). Trust in a leader is “faith in and loyalty to the leader” (Podsakoff et al., 1990, p. 113). It is belief in the integrity of the leader and involves judgment that the leader is committed to the follower’s well-being. Bennis and Nanus (1985) described trust as “the emotional glue that binds leaders and followers together.” Trust “is the basic ingredient of all organization” and “the lubrication that maintains the organization” (p. 153).

*Value congruence* with a leader is belief that the follower’s personal values are congruent with and aligned with those of the leader (Posner, 2010). Values are “general beliefs concerning the importance of normatively desirable behaviors, states, objects, or goals, and address questions of ‘what ought to be’” (Hayibor, Agle, Sears, Sonnenfield, & Ward, 2011, p. 240), which provide coherence and purpose to individuals’ behavior (Lord &
Value congruence refers to the fit or similarity in terms of personal values between followers and an organization and its leadership. Congruence between the personal values of a follower and organizational values is the main element of person–organization fit which is the compatibility between individuals and organizations. Posner found that organizational members whose personal values were most highly congruent with those of their organization demonstrated stronger affirmative feelings about their workplace, greater commitment to the organization, higher feelings of personal success and motivation, and lower degrees of work stress and job anxiety. A person who perceives that the values of the organization are congruent with his or her personal values is more likely to believe that the organization is a suitable place to remain.

The practice of transactional leadership behaviors by senior pastors is likely to establish and maintain volunteer trust in the competence and fairness of the senior pastor and volunteer value congruence with the practices and desired outcomes of the senior pastor. This trust and value congruence is likely to mediate the impact of the senior pastor’s transactional leadership behaviors on volunteer extrinsic motivation. The practice of transformational leadership behaviors by senior pastors is likely to increase volunteer trust in the character and competence of the senior pastor and to produce change in volunteers’ values and to increase their value congruence with the senior pastor. This increased trust and value congruence is likely to mediate the impact of the senior pastor’s transformational leadership behaviors on volunteer intrinsic motivation.

Study

The sample for this study was drawn from volunteers attending and participating in 28 different ACC congregations in Australia, and consisted of 790 subjects who served in a voluntary capacity within their congregation and who rated the leadership behaviors of their senior pastor. Each ACC congregation is led by a senior pastor who is employed by the
church on a full-time or a part-time basis depending on the size of the congregation. The senior pastor has responsibility to lead and supervise the performance of other ordained ministers on the church staff as well as nonordained staff and congregational members acting on a voluntary basis. The senior pastors provide leadership to the volunteers who participated in the study. The survey questionnaire employed 56 items for measuring the various proposed effects. The effects measured were: (a) volunteers’ self-assessment of their volunteer motivation, (b) volunteers’ assessment of the senior pastor’s practice of transactional and transformational leadership behaviors, and (c) volunteers’ self-assessment of their trust in and value congruence with the senior pastor.

Findings

Volunteers believed that their senior pastors typically demonstrated transformational leadership rather than transactional leadership. They had high levels of trust in and value congruence with the senior pastor, and perceived themselves as being more intrinsically than extrinsically motivated. These ratings were supported by significant positive correlations between transformational leadership and trust and value congruence, transformational leadership and intrinsic motivation, value congruence and intrinsic motivation, trust and intrinsic motivation, transactional leadership and extrinsic motivation, congregation size and intrinsic motivation, and congregation size and senior pastor tenure.

Regression analysis found that senior pastors’ transactional leadership behaviours have positive relationships with volunteer extrinsic motivation and that transformational leadership behaviours have positive relationships with intrinsic motivation. Volunteer trust in and value congruence with senior pastors has a partial mediation effect on the relationship between transformational leadership and intrinsic motivation, but not on the relationship between transactional leadership and extrinsic motivation.
In summary, senior pastors who demonstrate more transformational leadership behaviors inspire greater trust, value congruence, and intrinsic motivation among volunteers, and are likely to have longer tenure and lead larger congregations.

**Theoretical Implications**

This study contributed to the leadership and motivation literature by: (a) connecting transactional and transformational leadership theory with self-determination theory in order to examine the relationship between leadership behavior and volunteer motivation in a church setting, and thereby demonstrating (b) positive relationships between transactional leadership and extrinsic motivation and transformational leadership and intrinsic motivation, and (c) mediation effects of trust and value congruence on the relationship between transformational leadership and intrinsic motivation.

**Practical Implications**

Churches depend on volunteer workers and require leaders who can inspire intrinsic motivation in volunteers (Larsson & Ronnmark, 1996; Riggio et al., 2004). The organizational problems of shorter tenure and poorer task performance are less likely to occur among volunteers in churches where leaders exercise transformational leadership behaviors directed towards the enhancement of volunteer trust, value congruence, and intrinsic motivation. Therefore, this study provides the following practical implications for nonprofit organizations: (a) leader selection criteria should incorporate evidence of effective demonstration of transformational leadership behaviors; (b) leader training should incorporate transformational leadership behaviors that enhance volunteer trust, value congruence, and intrinsic motivation; and (c) leadership strategies should incorporate the goal of building volunteer intrinsic motivation.
References


