

Transactional Leadership	Transformational Leadership
<ul style="list-style-type: none"> • Builds on man's need to get a job done and make a living • Is preoccupied with power and position, politics and perks • Is mired in daily affairs • Is short-term and hard data orientated • Focuses on tactical issues • Relies on human relations to lubricate human interactions • Follows and fulfils role expectations by striving to work effectively within current systems • Supports structures and systems that reinforce the bottom line, maximise efficiency, and guarantee short-term profits 	<ul style="list-style-type: none"> • Builds on a man's need for meaning • Is preoccupied with purposes and values, morals, and ethics • Transcends daily affairs • Is orientated toward long-term goals without compromising human values and principles • Focuses more on missions and strategies • Releases human potential – identifying and developing new talent • Designs and redesigns jobs to make them meaningful and challenging • Aligns internal structures and systems to reinforce overarching values and goals

Comparison of Transactional and Transformational Leadership (Covey, 1992)