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Organizational and Leadership Implications for Transformational Development

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Abstract
Transformational development is a concept of change that originated in the Christian context but has now become generally used in the work of both secular and faith-based organizations. The growing use of the concept by organizations that are fundamentally different has naturally led to some confusion about what the concept means and what it takes to effectively implement it. In this article, we describe the key features of the concept and how they are important in determining the organizational requirements for its effective implementation. Drawing on a few cases, the paper highlights the centrality of faith in transformational development work.

Keywords
development, faith-based, social change, transformational

Introduction
Beginning largely as a concept for poverty alleviation programs within the Christian community, transformational development, or TD, has become a prominent paradigm of social and economic change for nongovernmental organizations working in the developing world (Hope and Timmel, 2003; Wilson and Stapleford, 2007). The success of certain aspects of TD has influenced and is becoming increasingly used by secular organizations. Some argue that collaboration among organizations of all types is the future of TD work (Belshaw et al., 2001; Forren, 2006; Marshall and Van Saanen, 2007; Velti, 2006; Wolfensohn, 2005). While this overwhelming embrace of the concept should perhaps be viewed as welcomed progress by Christians concerned with improving the conditions of the poor, significant differences in leadership styles, operational practices, and governance relationships raise a number of questions regarding the goals and objectives of the TD approach relative to other approaches to development. This article examines the underlying characteristics of the TD concept as undergirded by Christian roots, goals, and worldview. Given this perspective, the organizational and leadership attributes that are better positioned to pursue and implement TD are explored. To address this aim, the text henceforth is arranged first by determining the meaning of TD. Second, how TD aligns with other businesses including non-governmental organizations and missionary businesses is discussed. Third, the organizational and leadership styles requisite for effectively implementing TD are covered. A summary of the key TD attributes concludes the article.

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The Meaning of Transformational Development

As the concept of TD has been used by a variety of groups in a variety of contexts to develop projects aimed to reduce poverty or assist the poor in developing countries, it is imperative to define what it means in this context so that a firm basis for a discussion of its organizational and leadership implications can be effectively conducted. To do this we draw on Myers’ (1999) work to examine the key features of the concept, focusing specifically on its goals, activities and philosophies. Myers’ work is appropriate for use here because it provides a formal definition of the TD concept and is a commonly referenced source of the concept. Myers suggests that TD is:

the process that helps people to discover their true identity as children of God and to recover their true vocation as faithful and productive stewards of gifts from God for the well-being of all. Transformational development is seeking positive change in the whole of human life materially, socially, and spiritually. (Myers, 1999)

To examine the underlying conditions of TD, a number of essential features and characteristics represented in this definition warrant review. The first that stands out as unique among other development paradigms is that which concerns process, identity, and God. As stated, TD is the ‘process that helps people to discover their true identity as children of God’. This feature is a process that suggests faith can be developed and nurtured in each person, which is requisite for effective TD. This feature is important because the journey to faith is the only journey through which people can discover their true identity as children of God. Thus, faith has an intrinsic value. Galatians 2:16 and Romans 3:28 both claim that we are justified by faith. Hence, faith is an essential feature of TD. Importantly, a faith – or spiritual – journey is requisite in human life. This implies that the use of faith elevates human destiny to a higher spiritual plane where existence extends beyond the mere fulfillment of material or social need to one where faith provides the only justification for human existence; thus implying that regardless of our stations in life, our faith in God, not our material or social state, justifies and fulfills our existence. In this regard, leaders of TD and TD at its core, seek transformation of a spiritual kind for its own sake and for the sake of fostering other transformations. This leads to the next feature of Myers’ (1999) definition, ‘positive change in the whole of human life – materially, socially, and spiritually’.

While the definition says little about the instrumental value of faith relative to material or social development, Scripture provides clarity in that faith is an important and significant force in human existence. Specifically, Matthew 17:20, states that if we had faith as small as a mustard seed we could tell mountains to move and they would – nothing would be impossible for us. Viewed in this way, the first goals of TD would seem not to be material or social, but rather spiritual transformation that equips a person to, subsequently, manage material and social challenges. In this way TD seeks faith acquisition as the seed for development, from which material and social transformation can be pursued.

Another key feature that emerges from Myers’ (1999) definition is the way resources should be utilized in the TD process. While specific acts are not determined, the emphasis on stewardship (‘stewards’) of resources provides a hint about how resources ought to be used in the TD process. In a similar fashion, Spears (2005) emphasized stewardship as a requisite skill when describing the actions of servant leaders. Since the concept recognizes the importance of positive change socially and materially using resources put under our care by our Heavenly Father means then that TD contains some element of local resource development and management for the benefit of all in the community and to bring glory to God. In this way, it implies activities geared specifically to
addressing human need – material, social, and spiritual – in a manner consistent with the principles of good stewardship of resources provided for our benefit by our Heavenly Father.

Another element in Myers’ (1999) definition about resource management regards the word ‘help’. Leaders of TD and TD itself, ‘helps people’. Like stewardship, this notion of help is akin to Spears’ (2005) idea of the servant leader. Spears noted that servant leaders seek to make people whole, which has already been noted as an important feature of the definition. This wholeness, according to Spears, is accomplished with empathy and through the process of healing, which is accomplished through integrity, which means to make whole. The use of the word ‘helps’ in Myers’ definition implies a situation in which there is compassion. It demonstrates a situation where an act is performed to meet the need of another not for the benefit of the actor but out of compassion for the served – the one helped. This act is predominately noted in Matthew 20:28 indicating that, ‘the Son of Man did not come to be served, but to serve’. The notion of serves here means to help. According to Greenleaf (1977: 40), theoriginator of the servant leadership theory, suggested servant leaders help others in their aim to ‘build a group of people who, under the influence of the institution, grow taller, become healthier, stronger, more autonomous’. This is inline, as noted, with Myers’ (1999) idea that TD is aimed to change the whole person.

Changing the whole person means, leading the whole person. This means not only the rational being, but also the material being, emotional being, the ethical being, the social being, and the spiritual being. These components are not in contrast to one another, but rather are identities that embody the individual human being and their capacities in totality; it is their whole being. Thus, effective leadership of TD is not simply rational, emotional, or charismatic, nor is it just social, ethical, or spiritual, but rather, effective leadership is whole leadership focused on developing whole persons – albeit commenced at the point of spiritual transformation.

The need for spiritual and faith formation is paramount; especially as it pertains to helping people ‘recover their true vocation’. Recover means to recuperate. When considering the need of human recuperation, the notion of being whole is important. The root of wholeness is to understand vocation in terms of meaning, purpose, or calling. The need for meaning and purpose has been duly noted by many. Frankl (1984: 115) noted, behavior through life ‘is not to gain pleasure or to avoid pain, but rather to see a meaning in … life’. Smith et al. (1995) explained that there is an underlying dimension of the conscious in which an individual strives for meaning, union with the universe and all things. Pollard (as cited in Hesselbein and Johnston, 2002) contended people have a ‘desire to contribute’ (p. 58), which relates to an understanding of purpose and meaning. Csikzentmihalyi (2003) noted the core human element of human being is relevance and meaning in life. Myers (2004) noted individuals yearn for purpose and meaning in life. Chopra (2004: 227) wrote, ‘The meaning of life is everything’. He stated that everyone seeks understanding of the answer to the ultimate question, ‘What is the meaning of life?’.

As noted, leaders are responsible for the whole person, and therefore must assume responsibility to help individuals determine the meaning of life. Jacobs and Jaques (1990) opined leadership is the process of giving purpose to one’s effort. Crosby (1997) noted the leader responsibility for creating and communicating meaning. Bennis (1997) also noted that leaders must create meaning. This literature suggests that finding meaning is a leader role. To recognize this fully is to recognize that the pursuit to address the meaning of life is a spiritual journey. English (2000) asserted that the construction of meaning is a dimension of spirituality. Further, Benson et al. (2003: 208) noted the meaning of life is ‘a core element of our understanding of spirituality’. Barnett (1985: 57) argued, ‘the world of business becomes a necessary step on the path of enlightenment’ and that the world of business is part of one’s ‘spiritual path’ (Barnett, 1985: 61). Within the context of business, Winston and Patterson (2006) included a spiritual dimension of leaders and leadership, which is
also a dimension of TD. As such, a leader’s role is one of helping individuals with their development of spirituality; that is the notion of spiritual or faith formation. Spiritual formation focuses on the formation of the inner being, which results in the transformation of the whole person. Saunders (2002: para. 7) confirmed this idea noting ‘spiritual formation concerns the whole lives of persons … not mere fragments or scraps of human experiences’. It is argued here that it is this transformation that moderates change and as such leads to sustained transformation. The dimension of spirituality and the spiritual formation of an individual serve as a core component to successful TD because it moderates individual change, which in turn moderates societal change, which in turn can moderate global change.

In summary, the review of Myers’ (1999) definition of TD highlighted five critical features and characteristics. First is the idea that TD is a ‘process that helps people to discover their true identity as children of God’. Second is the need for ‘positive change in the whole of human life – materially, socially, and spiritually’. Third, supports the critical notion of work to be conducted as ‘stewards’. Fourth, is simply that all TD work and TD leader efforts ‘helps people’. The fifth and final TD feature is the aim of leaders to help people ‘recover their true vocation’. This summary of the review raises the question of whether or not these features are delimited solely to TD-centric endeavors and organizations. The following section explores this question.

Aligning Transformational Development and Missionary Businesses

The aforementioned distinctions of TD, as described from Myers’ (1999) definition, may seem to describe the possibility of any company. However, TD seemingly occurs in delimited nature to developing countries. This delimitation includes countries like China, Brazil, India, and Russia, but is often associated within countries in Africa, Asia and Latin America. To further clarify a distinction of TD from other company types, an analysis is required. To do so, Matviuk’s (2007) work is leveraged here due to its clear and simplistic delineation of company types.

Matviuk (2007) delineated mercenary, opportunist, and missionary type companies. Mercenaries perform tasks and activities for profits without concern for people or society in which they operate. The opportunists look for advantage regardless of long-term implications to society and without care about developmental aspects of people where they conduct business. The missionary approach is different from the former two in that while this approach similarly seeks profit, it does so with a ‘purpose to help with societal and spiritual development’ (Matviuk, 2007: 24). Matviuk describes this missionary approach as ‘business as missions’ or BAM. Other terms have been used synonymously. For instance, Eldred (2005) referred to BAM as ‘Kingdom Businesses’ and Rundle and Steffen (2003) noted transformational purposes are led from ‘Great Commission Companies’. The importance of these missionary type companies is their ‘integral role in the current global market’ (Rundle and Steffen, 2003: 26). Matviuk claimed that although these companies seek profit, they are predominately focused on ‘spiritual and societal transformation of the countries where they conduct business’. Immediately here, contrasts and similarities are between Matviuk’s three types of companies and Myers’ (1999) definition of TD are obvious. Clearly, mercenaries and opportunists are in contrast to TD endeavors. Both former types are focused on short-term gains and the gains are only associated with a few. TD efforts and TD leaders focus on ‘the well being of all’ in terms of a ‘process’ that implies a long-term focus. There are some similarities, however, between TD and BAMs.

The essential similarity among missionary companies is that they all seek change in individual, local, and global circumstance. Further, they focus on spiritual development and profit. This can all be interpreted as the ‘whole of life’ relative to Myers’ (1999) definition of TD. As such, it seems BAMs and TD have a certain synergy among them. Now the remaining question is who is
responsible for the change? Is it Robert Zoellick, president of the World Bank Group, who aims to reduce global poverty and improve living standards? Is it Bill Gates, the richest man in the world and founder of Microsoft who has recently retired himself from the for-profit world of technology innovation to focus on TD-type concerns? Is it Warren Buffet, the financier, who shares publicly his concern for world citizens? Is it the Nobel Prize Laureate, Muhammad Yunus, who has focused the power of free market proclivities to poverty, hunger, and inequality for the world? These folks have emerged as social entrepreneurs. If we back up a bit to view TD more broadly, we see that literature suggests change is a leader responsibility and makes no distinguishing marks based on social status or positional rank.

According to Winston and Patterson (2006), a significant aspect of leadership is the ability to deal with change. The myriad of leader and leadership definitions available today support this idea. It is the leader that seeks change (Sadler, 1997), copes with change (Kotter, 1990), influences change (Harris, 1989), helps organizations to adapt to change (Jacobson, 2000), builds positive and productive change (Meyer et al., 1998), enables continuous change (Bradshaw, 1998), manages change (Bergman et al., 1999; Ulrich et al., 1999), serves as a catalyst for change (Yeung and Ready, 1995), and simply makes change happen (Schien, 1992). Simply, this literature supports the argument that the leader is responsible for change and accordingly it is the leader responsible for TD among individuals, local communities, and the world.

According to Hickman (1998) change is effectively realized only when focus is placed on the development of individual human capacity. Human capacity entails the entire – ‘whole’ as Myers (1999) would say – person, not simply some parts while others are dismissed as non-value. This means the focus is on the sum of parts that together are the individual, rather than some parts of the individual. The development of this human capacity is a leader responsibility. Burns (1978) noted the ultimate test and responsibility of leadership is to realize intended change that meets people’s enduring needs. As such, to address the pressures of change – of transformational development – leaders must concern themselves with the enduring needs of human resources. This is the notion of a T/true leader for the world today.

**Organizational and Leadership Implications of TD**

If TD is about holistic change in a context of poverty of all sorts and resource scarcity and if organizational capacity is important to change, then what types of organizations are capable of successfully pursuing TD? While all types of organizations can support the work of the TD concept, there are a number of essential features every authentic and effective TD organizations and the leaders therein must have. The TD concept is largely a Christian concept of social, economic, and spiritual change that has its roots in Christian principles of faith, stewardship, and the transformational and transcendent power of the Good News. For an organization to follow this concept, it cannot neglect this Christian root. Faith must permeate the practices, activities, and doctrine of the organization claiming to be involved in TD as without these essential elements the concept cannot be present. The emphasis of the concept on holistic development also implies that a sophisticated approach is required of all involved in the transformational project as understanding of the spiritual and material domains as well as the interaction of the two is required. This all places a significant burden on organizational leaders. Leaders of TD must be first servants for the world and have a multidisciplinary perspective. The multidisciplinary perspective includes: faith-centered; compassionate; long-term views; broad set of skills and knowledge to engage in both spiritual and material change; and the ability to work in a complex environment where competitors and potential collaborators exist. In this section each of these attributes is discussed in detail.
As a concept centered on faith, organizations involved in TD by nature should be faith-based not just in name but also in practice. Faith has to permeate the work of the TD organization, as portrayed in the actions and behaviors of the leader, if it is to represent the concept as laid out in Myers (1999). Since the concept is largely Christian in orientation and origination, the TD organization cannot be reasonably expected to be secular or removed from Christian values concerned with the role of faith in personal change and existence. So, TD is Christian in nature because it is based on Christian faith and beliefs.

It is important to note that not all organizations with Christian labels involved in economic or social change can be considered to be involved in TD as the role and extent of faith in even religious organizations vary widely (Reichley 2002; Sider and Unruh 2004). Some groups are religiously affiliated but faith does not permeate their activities. Others promote social and economic change but not spiritual development or growth. Yet still some are more concerned with social justice as a result of their faith but the intent of their efforts are not necessarily to emphasize the link between faith and economic and social change.

Since not all organizations with Christian-labels use faith development as a goal or instrument in their work with the poor, it is also important to note that just because a group is assisting the poor it is not necessarily involved in TD. If an organization provides secular reasons and justifications for its work and faith-development is not central in its activities, then an essential feature of the TD concept is missing as such its efforts can hardly be considered consistent with the principles of TD. While such efforts are indeed laudable as they in fact assist the poor they cannot be considered as part of TD process because the essential element of faith is absent and as such the wholeness of the person(s) is absent.

Given its overriding concern with the condition of the whole person, the TD organization may be involved in more than one activity at any given time depending on the social, economic, and spiritual condition of the community in which it works. More often than not, the TD organization is likely to be involved in providing a variety of services and assistance. Since TD seeks a changed spiritual, material, and social state in which individuals achieve the vocations their Creator has destined for them, the TD organization must have the understanding needed to navigate or address in an effective manner the many issues that undermine spiritual, material, and social health.

The TD organization cannot just address one aspect of human existence. It must address the underlying problems that undermine spiritual and material existence. Hence, understanding of spiritual matters and socio-economic matters are important. For this to happen, an organization comprising of a technically and spiritually sophisticated team is needed to understand the sources of spiritual death and ways to pursue revival and formation as well the material sources of poverty. How the two domains, the spiritual and material worlds, are linked and how they interact must also be understood if maximum advantage is to be taken to hasten the TD process. Wilson and Stapleford (2007) highlight the value of linking spiritual understanding to fostering behavioral change to support social development in several cases in Central America. Research in the USA also provides supportive evidence for the instrumental value of faith to desirable social and economic change (Lockhart, 2003).

As TD focuses on those who are materially and spiritually poor, the TD organization also needs the capacity to work with those who are in desperate situations and are incapable of helping themselves. For such an organization to be successful, compassion for and understanding of those in such states in a variety of contexts are essential. Working with people in such conditions and state of mind requires not only compassion but also abilities to build trust and community of collaboration and understanding across economic and social divides. Hence, the spiritual condition of such leaders and staff is significantly important to the success of the organization. This attribute may be even more important than the resources needed for the TD process for without it the organization may not be able to build the trust it needs to reach those in need.
The TD concept’s central theme of spiritual, material and social transformation of each individual implies a long-term orientation that involves significant efforts because change of this type is not achieved easily or over short periods but requires sustained efforts involving significant resource commitments over long periods of time. Moreover, the fact that TD focuses on communities that are often materially poor (given that they work in the developing world), the nature of these communities in terms of culture and understanding means that the TD organizations must have the capacity to work within different cultures on matters that go beyond material and social concerns but also the spiritual issues that are harder to comprehend and accommodate within Christian perspectives. Because culture and social norms change rather slowly and it takes time for trust to be built across cultures and community, the TD organization has to be capable of longevity and of making significant long-term commitments to communities – the ‘well being of all’.

This long-term orientation implies that organizational capacity that can be maintained over extended periods must be a major consideration for an organization aiming to be involved in TD. Efforts to accelerate trust building and other conditions that prolong the time commitments are essential considerations. For instance, developing roots within the community of interest and working with local institutions to the extent that such collaborative activities do not undermine the key objective of TD can provide a way to overcome the cultural divides and hasten the process of understanding cultures and building trust. Imbeddedness within a community of work is a basic criterion for trust-building and cultural understanding.

Finally, as the context in which an organization operates has a major impact on its success, the strategies the TD organization develops to pursue its goals cannot ignore the context in which it operates. Understanding the environmental factors that shape and affect its success in particular context are critical inputs in the design of its strategy for success. In the business literature a number of these factors have been identified and relate broadly to the degree and potential for competition among organizations in the specific line of work and the power of organizations that serve that line of work and the nature and characteristics of the communities that are served (Porter, 2003). While these factors are often discussed in the context of for-profit organizations they are relevant in the development context as many of the features of the business environment exist in the development environment. First, the TD organization operates in competition with non-governmental organizations and groups (Christian or otherwise) who may or may not share the fundamental paradigms of TD. Those that work in similar lines of activities but differ in terms of their development paradigms may be competitors or at minimum compromise TD efforts due to lack of collaboration. Those who work in activities that support aspects of TD activities may be providing complementary services. Ability to identify which organizations to collaborate with and which ones to compete against is an important attribute for the TD organization and leadership team’s intent on being successful and effective in pursuing its transformational goals.

With many different types of nongovernmental organizations operating in the development environment, the TD organization has to also distinguish itself in a way that allows it to gain an advantage in the effort to bring about a particular type of community transformation. It must also take advantage of collaborative opportunities created by the presence of other organizations to the extent that its basic goals are not compromised in the process and that such collaboration benefits its community and efforts.

Conclusion
The TD concept is largely a Christian concept of social, economic and spiritual change that has its roots in Christian principles of faith, stewardship and the transformational and transcendent power
of the Good News. For organizations or leaders to follow this concept, they cannot neglect this Christian root. Faith must permeate the practices, activities and doctrine of the organization claiming to be involved in transformational development as without these essential elements the concept cannot be present. The emphasis of the concept on holistic development also implies that a sophisticated approach is required of all involved in the transformational project as understanding of the spiritual and material domains as well as the interaction of the two is required.

Notes

1 Note that Myers (1999) is the generally referenced source of the TD concept.
2 Note that this is an interpretation of Porter (2003) to match the not-for-profit context and should not be taken to mean literally that the framework is presented in such a language.

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