Transformational Leadership in Agile Organizations: A Qualitative Exploration of Managerial Practices and Cultural Change

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Abstract

This study aimed to explore how transformational leadership is enacted by managers in agile organizations and how these leadership practices contribute to cultural change, team empowerment, collaboration, and adaptive performance. This qualitative study was conducted using an exploratory thematic analysis design. The participants were 24 managers, agile coaches, product owners, project managers, and team leaders working in agile-oriented organizations in Tehran, Iran. Participants were selected through purposive sampling followed by snowball sampling. Data were collected through semi-structured interviews focused on leadership behaviors, agile routines, cultural transformation, decision-making, team autonomy, resistance to change, and managerial support mechanisms. Interviews continued until theoretical saturation was achieved, which occurred after 21 interviews; three additional interviews were conducted to confirm the stability of the emerging categories. All interviews were audio-recorded with participants' consent, transcribed verbatim, and analyzed using inductive thematic analysis. NVivo software was used to organize transcripts, develop codes, compare patterns, and refine categories. The analysis generated five main categories: translating agile vision into shared meaning, empowering self-organizing teams, creating psychological safety for experimentation, reshaping organizational culture through cross-functional collaboration, and balancing strategic control with adaptive autonomy. Participants described transformational managers as leaders who moved beyond formal supervision and became sense-givers, coaches, cultural translators, and boundary spanners. They reported that transformational leadership supported agile implementation by aligning teams around a compelling purpose, reducing fear of failure, encouraging reflective learning, decentralizing decision-making, and transforming traditional command-and-control assumptions into participatory and learning-oriented practices. The findings suggest that transformational leadership plays a central role in enabling agile organizations to move from procedural adoption of agile methods toward deeper cultural change. Agile transformation requires not only new tools and ceremonies but also leadership practices that inspire meaning, support autonomy, legitimize experimentation, and sustain collaboration across organizational boundaries.

Keywords: transformational leadership; agile organizations; cultural change; qualitative research; managerial practices; psychological safety; self-organizing teams

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1. Introduction

Organizations increasingly operate in environments characterized by uncertainty, technological acceleration, market volatility, and continuous shifts in customer expectations. In such environments, traditional bureaucratic structures and linear planning models often become insufficient because they rely on predictability, hierarchical coordination, and delayed feedback. Agile organizations have emerged as an alternative organizational form designed to improve responsiveness, learning, innovation, and customer-centered adaptation. Although agile principles were initially developed in software development, the logic of agility has expanded into strategy, human resources, marketing, operations, and enterprise-wide transformation. Agile organizing emphasizes iterative work, cross-functional collaboration, customer feedback, transparency, rapid experimentation, and empowered teams. However, the transition from traditional management to agile organization is not merely a methodological shift. It requires cultural change, new leadership assumptions, and altered patterns of authority, accountability, communication, and learning.

The intellectual roots of agile organizing can be traced to work on flexible product development and iterative innovation. Takeuchi and Nonaka (1986) described a "rugby" approach to product development in which teams moved collectively, overlapped phases, and responded dynamically to emerging information rather than passing work sequentially through rigid stages. Later, the Agile Manifesto emphasized individuals and interactions, working products, customer collaboration, and responsiveness to change as core values of agile practice (Beck et al., 2001). Conboy (2009) further conceptualized agility as the continual readiness of an information systems development method to rapidly create change, proactively or reactively embrace change, and learn from change while contributing to perceived customer value. These ideas show that agility is not reducible to technical routines such as stand-up meetings, sprint planning, or Kanban boards. Instead, agility reflects a broader organizational capability grounded in learning, flexibility, responsiveness, and distributed problem-solving.

Despite the increasing popularity of agile transformation, many organizations struggle to achieve genuine agility. Research on large-scale agile transformation has shown that the most frequent challenges include resistance to change, lack of management support, insufficient training and coaching, misalignment between agile practices and existing structures, and difficulty changing organizational mindsets (Dikert et al., 2016). These challenges demonstrate that agile transformation is not only a process redesign issue but also a cultural and leadership issue. Organizations may adopt agile terminology while continuing to reproduce command-and-control behaviors, centralized decisions, risk avoidance, and functional silos. In such cases, agile practices become symbolic rather than transformative. Daily meetings may occur, but employees may not feel empowered to make decisions.

Retrospectives may be scheduled, but honest learning may be limited by fear, blame, or managerial defensiveness. Therefore, the success of agile transformation depends substantially on leadership practices that can reshape meaning, behavior, and organizational culture.

Transformational leadership provides a useful theoretical lens for understanding how managers support such change. Burns (1978) introduced transformational leadership as a process through which leaders and followers elevate one another toward higher levels of motivation, purpose, and moral commitment. Bass (1985) extended this theory into organizational settings and argued that transformational leaders motivate followers to transcend narrow self-interest, commit to collective goals, and achieve performance beyond ordinary expectations. The model is commonly described through four dimensions: idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass & Avolio, 1994; Bass & Riggio, 2006). Idealized influence refers to role modeling, integrity, and credibility. Inspirational motivation involves articulating an attractive vision and energizing followers. Intellectual stimulation refers to encouraging questioning, creativity, and new ways of solving problems. Individualized consideration involves coaching, mentoring, and attention to individual development. These dimensions align closely with the leadership demands of agile transformation, where managers must inspire commitment, challenge old assumptions, support experimentation, and develop people rather than simply assign tasks.

Transformational leadership is particularly relevant to agile organizations because agility requires a shift from supervision to enablement. In traditional management systems, managers often function as planners, controllers, approvers, and evaluators. In agile organizations, managerial work increasingly involves removing impediments, clarifying strategic priorities, creating psychological safety, developing team capabilities, and connecting autonomous teams to broader organizational goals. This shift does not eliminate leadership; rather, it changes its form. Agile teams require autonomy, but autonomy without direction can become fragmentation. They require experimentation, but experimentation without learning discipline can become disorder. They require empowerment, but empowerment without support may become abandonment. Transformational leadership helps address these tensions by combining vision, trust, stimulation, and individualized support.

The cultural dimension of agile transformation is also central. Schein (2010) argued that leadership and culture are deeply intertwined because leaders create, embed, and change cultural assumptions through what they attend to, reward, tolerate, and model. Culture includes not only visible artifacts and declared values but also deeper assumptions about authority, risk, accountability, communication, and success. In agile organizations, cultural change often requires replacing assumptions such as “managers must approve important decisions,” “failure should be hidden,” “planning is more valuable than adaptation,” and

"departments protect their own priorities" with assumptions such as "teams closest to the work should make many decisions," "failure can generate learning," "plans must evolve through feedback," and "value creation requires collaboration across functions." These cultural changes cannot be achieved through agile training alone. They require consistent managerial practices that reinforce new assumptions in everyday work.

Psychological safety is another critical mechanism linking transformational leadership and agile culture. Edmondson (1999) defined psychological safety as a shared belief that the team is safe for interpersonal risk-taking. In agile environments, psychological safety supports open communication, error reporting, experimentation, and reflection. Without psychological safety, team members may avoid raising concerns, challenging assumptions, or admitting uncertainty. Transformational leaders can strengthen psychological safety by showing humility, encouraging voice, responding constructively to mistakes, and legitimizing dissent. Such behaviors are especially important in agile retrospectives, sprint reviews, and cross-functional planning meetings, where learning depends on candor. Thus, leadership practices that create safety are not peripheral to agility; they are central to the learning cycles through which agility becomes operational.

Another important feature of agile organizations is the development of self-organizing teams. Hoda, Noble, and Marshall (2013) showed that self-organizing agile teams enact multiple informal roles that allow them to coordinate, learn, mentor, translate customer needs, and manage dependencies. Self-organization, however, does not imply absence of leadership. Instead, it requires a supportive organizational environment in which team members have clarity, competence, resources, and permission to act. Managers must avoid both excessive control and passive detachment. Transformational leadership can support self-organization by communicating purpose, developing people, stimulating independent thinking, and legitimizing distributed leadership. In this sense, transformational leadership in agile organizations is not about heroic top-down charisma; it is about enabling collective agency.

The relationship between transformational leadership and agile organizations also involves tensions. Agile principles emphasize decentralization, whereas transformational leadership has sometimes been criticized for overemphasizing the role of individual leaders. If transformational leadership is practiced as charismatic dependency, it may contradict agile values by centering change around a powerful managerial figure. However, when transformational leadership is enacted through shared vision, coaching, intellectual stimulation, and empowerment, it can complement agile organizing. The issue is therefore not whether leadership exists in agile organizations, but how leadership is practiced. Agile organizations need leaders who can hold strategic direction while distributing authority; sustain accountability while encouraging experimentation; and guide cultural change while allowing teams to co-create new practices.

Managerial practices are especially important in transitional contexts where agile methods are introduced into organizations with established hierarchical cultures. In many organizations, agile transformation begins with formal practices but succeeds or fails through informal behavior. Employees observe whether managers actually trust teams, accept feedback, tolerate mistakes, reward collaboration, and challenge siloed behavior. When managerial discourse supports agility but managerial behavior reinforces control, employees interpret agile transformation as superficial. Conversely, when managers model openness, learning, and empowerment, agile practices gain credibility. Therefore, qualitative exploration of managerial practices can provide insight into how transformational leadership is lived, interpreted, and translated into cultural change.

Although the literature on transformational leadership and agility has expanded, there remains a need for context-sensitive qualitative studies that examine how managers experience and enact transformational leadership in agile organizations. Much existing work relies on surveys or conceptual models, which are valuable but may not capture the everyday practices through which leadership influences agile culture. Qualitative research can illuminate how managers interpret their roles, how they negotiate tensions between control and autonomy, how they respond to resistance, and how employees experience cultural change. This is particularly important in local organizational contexts, including Tehran-based agile organizations, where global agile frameworks interact with local managerial traditions, labor market dynamics, and organizational norms.

Accordingly, this study aimed to explore how transformational leadership is enacted in agile organizations and how managerial practices contribute to cultural change among agile-oriented organizations in Tehran.

2. Methods and Materials

This study used an exploratory qualitative research design based on inductive thematic analysis. The qualitative approach was selected because the purpose of the study was to understand how transformational leadership is experienced, interpreted, and enacted in agile organizations rather than to test predefined hypotheses. The study focused on managerial practices and cultural change processes in organizations that had adopted agile methods in software development, digital product development, fintech, e-commerce, telecommunications, and technology-enabled service sectors in Tehran, Iran.

The participants consisted of 24 individuals working in managerial or leadership-related roles in agile-oriented organizations in Tehran. Participants included senior managers, middle managers, product owners, project managers, scrum masters, agile coaches, and team leaders. Inclusion criteria were having at least two years of managerial or leadership experience, direct involvement in agile transformation or agile team management, and willingness to participate in an in-depth interview. Participants who had only attended short agile training programs but had no direct experience in agile implementation were excluded. Purposive sampling was used initially to identify information-rich participants with direct experience of agile

leadership. Snowball sampling was then used by asking participants to introduce other managers or agile practitioners who had relevant experience.

The final sample included 24 participants. Fourteen participants were men and ten were women. Participants' ages ranged from 29 to 51 years. In terms of organizational role, five participants were senior managers, seven were product or project managers, five were middle managers or team leaders, four were scrum masters or agile coaches, and three were human resource or organizational development managers involved in agile transformation. Participants' managerial experience ranged from 3 to 18 years, and their experience with agile practices ranged from 2 to 10 years. Theoretical saturation was reached after 21 interviews, when no substantially new themes were emerging from the data. Three additional interviews were conducted to confirm the consistency and adequacy of the developed categories.

Data were collected through semi-structured interviews. Semi-structured interviewing was appropriate because it allowed the researcher to explore common topics across participants while also giving participants freedom to explain their experiences in detail. The interview guide was developed based on the study aim and the literature on transformational leadership, agile organizations, organizational culture, psychological safety, and change implementation. The main interview questions addressed participants' experiences of leadership in agile organizations, managerial behaviors that supported or hindered agility, cultural changes observed during agile transformation, team autonomy, decision-making practices, resistance to change, communication routines, and the role of managers in supporting experimentation and learning.

Examples of interview questions included: "How would you describe the role of managers in your organization's agile transformation?", "What leadership behaviors helped teams accept agile ways of working?", "How do managers support autonomy while maintaining alignment?", "Can you describe a situation in which a manager encouraged experimentation or learning from failure?", "What cultural changes were most difficult during agile implementation?", and "How do managers respond when agile teams challenge existing routines or decisions?" Follow-up questions were used to obtain clarification, examples, and deeper reflection.

The interviews were conducted between managers and the researcher in a private and convenient setting, either in person or through secure online platforms depending on participant availability. Each interview lasted between 45 and 75 minutes. Before each interview, participants received information about the purpose of the study, voluntary participation, confidentiality, and their right to withdraw. Informed consent was obtained from all participants. With permission, interviews were audio-recorded and then transcribed verbatim. To protect confidentiality, names of participants and organizations were removed from the transcripts and replaced with codes such as P01, P02, and P03.

Data were analyzed using inductive thematic analysis. The analysis followed a systematic process of familiarization, initial coding, searching for themes, reviewing themes, defining

and naming themes, and producing the final report (Braun & Clarke, 2006). First, the researcher read each transcript several times to gain an overall understanding of the participants' accounts. Initial notes were written in the margins to capture significant meanings, repeated ideas, and striking statements. Second, open coding was conducted line by line. Codes were assigned to meaningful segments of text related to leadership behavior, managerial role change, team empowerment, resistance, cultural assumptions, psychological safety, collaboration, decision-making, and learning.

NVivo software was used to organize transcripts, store codes, retrieve coded segments, and compare patterns across participants. After initial coding, similar codes were grouped into subcategories. These subcategories were then compared and refined into broader categories representing the main dimensions of transformational leadership in agile organizations. Throughout analysis, constant comparison was used to examine similarities and differences across participants, roles, and organizational contexts. Codes and categories were revised several times to ensure conceptual clarity and fit with the data.

To enhance trustworthiness, several strategies were used. Credibility was strengthened through prolonged engagement with the data, iterative coding, and the use of participant quotations to support interpretations. Dependability was supported by maintaining an audit trail of coding decisions, category development, and analytic memos. Confirmability was addressed through reflexive memo-writing to reduce the influence of researcher assumptions. Transferability was supported by providing detailed descriptions of the participants, organizational context, data collection procedures, and analytic process. The final thematic structure was reviewed in relation to the original transcripts to ensure that the categories accurately represented participants' experiences.

3. Findings

The demographic characteristics of the participants showed that the study included 24 managers and agile practitioners from Tehran-based agile-oriented organizations. Fourteen participants were male, representing 58.3% of the sample, and ten participants were female, representing 41.7%. The age distribution showed that six participants were between 29 and 34 years old, nine were between 35 and 40 years old, six were between 41 and 46 years old, and three were between 47 and 51 years old. Regarding organizational role, five participants were senior managers, seven were product or project managers, five were middle managers or team leaders, four were scrum masters or agile coaches, and three were human resource or organizational development managers. In terms of agile experience, five participants had 2 to 3 years of experience, ten had 4 to 6 years of experience, six had 7 to 8 years of experience, and three had 9 to 10 years of experience. Participants worked in software development, fintech, e-commerce, telecommunications, digital marketing, and technology-enabled service organizations.

The thematic analysis generated five main categories: translating agile vision into shared meaning, empowering self-organizing teams, creating psychological safety for

experimentation, reshaping organizational culture through cross-functional collaboration, and balancing strategic control with adaptive autonomy.

The first main category was **translating agile vision into shared meaning**. Participants emphasized that transformational managers did not present agility merely as a technical method or project management tool. Instead, they translated agile transformation into a meaningful organizational purpose connected to customer value, faster learning, employee growth, and market responsiveness. Participants explained that when agile transformation was introduced only through terminology, ceremonies, or software tools, employees often perceived it as another temporary management fashion. However, when managers articulated why agility mattered and how it related to the organization's future, teams were more willing to participate. One participant stated, "At first, people thought agile meant more meetings and more pressure. Our manager changed the conversation. He said agile means we learn faster than our competitors and we reduce useless work. That sentence made it understandable for the team" (P04, Product Manager). Another participant noted, "The leader's role was to connect daily sprints to a bigger story. Without that story, sprint planning was just a calendar event" (P11, Team Leader). This category included the subthemes of vision communication, sensemaking, customer-centered purpose, and symbolic leadership. Participants described transformational managers as sense-givers who helped employees reinterpret agile practices as part of a broader cultural change rather than isolated procedural requirements.

The second main category was **empowering self-organizing teams**. Participants consistently described the movement from managerial control to team empowerment as a defining feature of transformational leadership in agile organizations. Managers who supported agility delegated decision-making authority, trusted teams to estimate work, encouraged team-level problem-solving, and shifted their role from task assignment to obstacle removal. However, participants also emphasized that empowerment was effective only when accompanied by clarity, coaching, and access to resources. One scrum master explained, "Our best manager did not disappear after saying 'you are empowered.' He stayed close, asked what blocked us, negotiated with other departments, and protected the team from unnecessary interruptions" (P07, Scrum Master). Another participant said, "In the old model, every technical decision needed approval. In the agile model, the manager asked us to explain our reasoning, but the decision was ours. That changed the energy of the team" (P15, Software Team Lead). This category included the subthemes of delegation, coaching, trust-building, impediment removal, and distributed accountability. Participants believed that transformational leadership supported self-organization by developing team confidence and reducing dependency on hierarchical approval.

The third main category was **creating psychological safety for experimentation**. Participants reported that agile transformation required employees to speak openly about mistakes, uncertainties, delays, customer feedback, and failed experiments. In organizations

with blame-oriented cultures, agile ceremonies became superficial because employees avoided honest discussion. Transformational managers were described as leaders who normalized learning from failure and responded constructively to problems. One participant stated, “The first time a sprint failed, everyone expected punishment. But the manager asked, ‘What did we learn, and what should we change next sprint?’ After that, people became more honest in retrospectives” (P02, Agile Coach). Another participant explained, “Psychological safety was not a slogan. It was created when managers did not use our mistakes against us in performance evaluations” (P20, Project Manager). This category included the subthemes of learning from failure, open feedback, non-punitive retrospectives, constructive response to mistakes, and encouraging voice. Participants emphasized that psychological safety was essential for turning agile routines into real learning mechanisms. Without it, teams performed agile ceremonies but avoided the vulnerability required for adaptation.

The fourth main category was **reshaping organizational culture through cross-functional collaboration**. Participants described agile transformation as a cultural shift from siloed departments toward shared ownership of value delivery. They explained that traditional organizational culture often separated business, technology, design, quality assurance, and operations into functional units with different priorities. Transformational managers helped reduce these boundaries by encouraging cross-functional teams, shared goals, joint planning, and direct communication between stakeholders. One participant stated, “Before agile, business people wrote requests and developers received them like orders. After agile, managers pushed both sides to sit together and own the outcome together” (P09, Product Owner). Another participant noted, “The culture changed when managers stopped asking, ‘Which department is responsible?’ and started asking, ‘How do we solve this together?’” (P18, Senior Manager). This category included the subthemes of breaking silos, shared ownership, collaborative routines, customer-value orientation, and cultural modeling. Participants indicated that transformational leadership influenced culture not through formal slogans but through repeated managerial behaviors that rewarded collaboration and discouraged defensive departmental thinking.

The fifth main category was **balancing strategic control with adaptive autonomy**. Participants emphasized that agile organizations require both flexibility and alignment. They reported that some managers misunderstood agility as complete freedom, while others used agile language but continued to control all decisions. Transformational managers were perceived as those who created a productive balance between strategic direction and team autonomy. They clarified priorities, defined boundaries, and communicated organizational goals while allowing teams to decide how to achieve them. One participant explained, “The manager did not tell us how to do everything. He defined the business outcome and the limits. Inside that space, the team could decide” (P13, Product Manager). Another participant said, “Agile without direction becomes chaos, but control without autonomy kills agility. The best leaders knew how to hold both” (P22, Senior Manager). This category included the subthemes

of strategic alignment, adaptive decision-making, boundary setting, outcome-based management, and managerial ambidexterity. Participants believed that transformational leadership helped resolve the tension between control and autonomy by replacing command-based control with purpose-based coordination.

4. Discussion

The findings of this study showed that transformational leadership in agile organizations is enacted through vision translation, team empowerment, psychological safety, cross-functional cultural change, and the balancing of strategic control with adaptive autonomy. These findings support the view that agile transformation is not limited to the adoption of methods, frameworks, or ceremonies; rather, it is a leadership-mediated cultural transition. The first category, translating agile vision into shared meaning, aligns with the inspirational motivation dimension of transformational leadership. Bass (1985) argued that transformational leaders motivate followers by articulating a compelling vision that connects individual effort to collective purpose. In the present study, participants described effective agile managers as leaders who explained why agility mattered and connected agile routines to customer value, learning speed, and organizational survival. This finding is consistent with Schein's (2010) view that leaders shape culture by embedding meaning into organizational practices. When managers framed agile work as a meaningful response to complexity rather than a mechanical process, employees were more willing to engage. Similarly, Rigby, Sutherland, and Takeuchi (2016) argued that agile methods require senior leaders to understand and support agile logic rather than impose agile labels on traditional processes. The finding therefore suggests that transformational leadership helps prevent agile transformation from becoming symbolic by giving employees a coherent narrative for change.

The second category, empowering self-organizing teams, reflects the individualized consideration and intellectual stimulation dimensions of transformational leadership. Participants emphasized that managers supported agility when they delegated authority, removed obstacles, coached teams, and trusted team-level decision-making. This is closely aligned with Hoda, Noble, and Marshall's (2013) findings that self-organizing agile teams require supportive roles, informal coordination, and enabling organizational conditions. Self-organization does not mean that managers become irrelevant; rather, managerial work shifts from direct control to capability-building and boundary management. Bass and Riggio (2006) noted that transformational leaders develop followers' capacity to think independently and assume greater responsibility. In the agile context, this means helping teams become capable of estimation, prioritization, problem-solving, and continuous improvement. The present findings also support Dikert, Paasivaara, and Lassenius (2016), who identified management support, coaching, and mindset alignment as major success factors in large-scale agile transformations. Participants' accounts indicate that empowerment becomes credible only when managers provide resources and protection. Therefore, transformational leadership in

agile organizations should not be interpreted as motivational discourse alone; it includes practical managerial behaviors that make autonomy possible.

The third category, creating psychological safety for experimentation, highlights the emotional and relational foundation of agile learning. Participants reported that honest retrospectives, open communication, and experimentation were possible only when managers responded constructively to mistakes. This finding strongly aligns with Edmondson's (1999) theory of psychological safety as a shared belief that teams are safe for interpersonal risk-taking. Agile organizations depend on feedback loops, but feedback loops function poorly when employees fear blame or punishment. Transformational leaders contribute to psychological safety through idealized influence, individualized consideration, and intellectual stimulation. They model openness, invite challenge, and treat failure as information for improvement. This finding is also consistent with the agile principle that teams should regularly reflect on how to become more effective and adjust behavior accordingly (Beck et al., 2001). However, the participants' accounts show that reflection is not automatically produced by agile ceremonies. Retrospectives can become ritualistic when cultural conditions discourage candor. Transformational leadership therefore acts as a social mechanism that converts agile ceremonies into learning practices by legitimizing voice, disagreement, and intelligent experimentation.

The fourth category, reshaping organizational culture through cross-functional collaboration, demonstrates that transformational leadership contributes to agile culture by weakening siloed assumptions and reinforcing shared ownership. Participants described cultural change as a movement from departmental protection toward collaborative value delivery. This finding is consistent with Schein's (2010) argument that culture changes when leaders repeatedly model, reward, and reinforce new patterns of behavior. It also aligns with Takeuchi and Nonaka's (1986) early description of flexible product development, where overlapping phases and cross-functional teamwork enabled speed and adaptability. In agile organizations, collaboration is not merely a structural arrangement; it is a cultural assumption about how value is created. Transformational managers influenced this assumption by encouraging direct communication, shared goals, and collective accountability. This finding also supports Conboy's (2009) view that agility involves readiness to create, embrace, and learn from change in ways that generate customer value. Cross-functional collaboration allows organizations to detect and respond to change more rapidly because knowledge is not trapped within functional boundaries. Thus, transformational leadership supports cultural change by shifting attention from departmental outputs to integrated customer outcomes.

The fifth category, balancing strategic control with adaptive autonomy, contributes to the leadership literature by showing that agile organizations require a delicate combination of alignment and freedom. Participants rejected both excessive control and unbounded autonomy. Transformational managers were valued because they clarified purpose, priorities,

and boundaries while allowing teams discretion in execution. This finding extends transformational leadership theory by showing how inspirational motivation and intellectual stimulation operate in agile settings. Leaders inspire and align teams around strategic outcomes, but they also stimulate independent thinking about how those outcomes should be achieved. The finding is consistent with Uhl-Bien and Arena's (2018) argument that organizational adaptability requires leadership practices that enable both operational coherence and adaptive emergence. Agile organizations cannot rely solely on spontaneous team action; they require mechanisms that connect decentralized decisions to strategic intent. At the same time, they cannot rely on traditional command-and-control systems because excessive centralization slows learning and reduces ownership. Transformational leadership helps reconcile this tension by replacing activity-based control with outcome-based alignment.

Overall, the findings suggest that transformational leadership and agile organizing are mutually reinforcing when leadership is practiced as enablement rather than domination. Burns (1978) described transformational leadership as a process that elevates both leaders and followers toward higher motivation and purpose. In the present study, agile transformation required managers and teams to renegotiate their expectations of one another. Managers had to give up the comfort of direct control, while teams had to accept greater responsibility for decisions and outcomes. This reciprocal change is consistent with the deeper logic of transformational leadership. However, the findings also caution against a heroic interpretation of transformational leadership. Agile organizations do not need charismatic leaders who centralize vision around themselves. They need leaders who distribute meaning, authority, learning, and accountability. In this sense, transformational leadership in agile organizations is best understood as a cultural practice rather than an individual personality style.

The findings also show that cultural change is enacted through small repeated managerial behaviors. Participants did not describe culture change primarily in terms of formal values statements. Instead, they referred to how managers reacted to failed sprints, whether they allowed teams to make decisions, whether they supported cross-functional problem-solving, and whether they protected teams from contradictory demands. This supports the view that organizational culture is embedded in everyday routines, decisions, and responses (Schein, 2010). Agile culture becomes credible when employees observe consistency between managerial language and managerial behavior. Therefore, leadership development for agile transformation should focus not only on conceptual understanding of agile frameworks but also on concrete behavioral capabilities such as coaching conversations, facilitation, conflict handling, feedback reception, and boundary negotiation.

5. Conclusion

This qualitative study explored transformational leadership in agile organizations and examined how managerial practices contribute to cultural change. The findings showed that

transformational leadership supports agile transformation through five interconnected practices: translating agile vision into shared meaning, empowering self-organizing teams, creating psychological safety for experimentation, reshaping culture through cross-functional collaboration, and balancing strategic control with adaptive autonomy. Participants described effective agile managers as leaders who inspire purpose, coach teams, remove obstacles, legitimize learning from failure, and connect decentralized work to strategic outcomes.

The study contributes to the literature by showing that transformational leadership in agile organizations is not simply a general leadership style applied to a new context. Rather, it is enacted through specific practices that address the cultural tensions of agility, including the tension between control and autonomy, stability and change, experimentation and accountability, and local team decision-making and organizational alignment. Agile transformation requires more than adopting methods such as Scrum, Kanban, sprint planning, or retrospectives. It requires leaders who can reshape cultural assumptions about authority, collaboration, failure, and learning.

The findings suggest that organizations seeking agility should pay close attention to managerial behavior. When managers continue to rely on command-and-control practices, agile transformation may remain superficial. When managers practice transformational leadership through vision, empowerment, psychological safety, collaboration, and adaptive alignment, agile practices are more likely to become embedded in organizational culture. Therefore, transformational leadership can be considered a key enabling condition for moving from “doing agile” to “being agile.”

Ethical Considerations

All procedures performed in this study were under the ethical standards.

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Conflict of Interest

The authors report no conflict of interest.

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