
Transformational leadership: an examination of cross-national differences and similarities

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Abstract

Success in the global marketplace depends on a manager's ability to provide leadership. Exceptional success depends on sustaining extraordinary performance. Are there universal behaviours which are consistent around the world? Are there subtle differences of emphasis which vary across different nationalities or corporate environments? Senior executives were polled in two major divisions of a global petroleum company and from its major subsidiaries around the world. They were asked to describe examples of exceptional organizational performance and to identify the key leadership behaviours which they saw as explaining or accounting for the extraordinary outcomes. Content analysis led to a few key leadership behaviours being identified. The major finding was that the main dimensions of leadership for extraordinary performance are universal. Only a few variations in emphasis existed among six different regions of the world. Also there were some clear leadership differences, long established in the folklore of the company, associated with different corporate cultures in the two major divisions.

Are most leadership behaviours universal? Or, are there exceptions across country and corporate cultures? This study aims to answer these important questions. Our aim is to highlight any generalizability concerns that may arise due to American-centric researchers and their leadership theories. By taking a global perspective, researchers and managers can be more confident with their understanding of what leadership means and how leadership works in various national settings.

Prior to delving into the design of the study and our findings, it is important to review some important definitions of leadership. The first section of this paper briefly reviews the literature on leadership and leadership styles. We follow this with some general hypotheses on the relationship between leadership styles and performance. We then discuss our research methodology and the results of our findings.

Definitions of leadership and leadership styles

First, the concept of leadership is often confused with the concept of management so a distinction is necessary. Zaleznik (1977, p. 71) views the influence of leaders as "altering moods, evoking images and expectations, and in establishing specific desires and objectives". In comparison, managers are less omnipotent types (Alvesson, 1995). Nicholls (1987, p. 21) describes the difference as follows: Management can get things done through others by the traditional activities of planning, organizing, monitoring and controlling – without worrying too much what goes on inside people's heads. Leadership, by contrast, is vitally concerned with what people are thinking and feeling and how they are to be linked to the environment, to the entity and to the job.

The academic literature on leadership is extensive (Avolio and Bass, 1988; Avolio *et al.*, 1988; Bass, 1960, 1985, 1990; Bass and Avolio, 1990; Bass *et al.*, 1987; Bass and Yammarino, 1988; Bontis, 1995; Burns, 1978; Hampton *et al.*, 1986; Howell and Frost, 1989; Howell and Avolio, 1993; Schul *et al.*, 1983; Yammarino and Bass, 1990a, b; Yukl, 1981; Yukl and Van Fleet, 1982). Leadership behaviour is a well-known and widely researched topic in a variety of disciplines.

Over the past couple of decades, an increasingly popular theoretical perspective labelled transformational leadership has been proposed by Burns (1978) and Bass (1985) among others. Bass' (1985) theory is an extension of Burns' (1978) qualitative classification of transactional versus transformational political leaders. Whereas transactional leadership is described as a series of exchanges and bargains between leaders and followers, transformational leadership goes beyond exchanging inducements for desired performance by developing, intellectually stimulating, and inspiring followers to transcend their own self-interests for a higher collective purpose. As Bass (1990, p. 23) notes, "most experimental research, unfortunately, has focused on transactional leadership, whereas the real movers and shakers of the world are transformational".

Burns (1978) was the first scholar to distinguish between transactional leaders, those who attempt to satisfy the current needs of their followers by focusing attention on exchanges, and transformational leaders who try to raise the needs of followers and promote dramatic changes of individuals, groups and organizations. Based on transactional leadership theory, a leader focuses on having internal actors perform the tasks required for the organization to reach

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its desired goals. In doing this, the objective of the transactional leader is:

- to ensure that the path to goal attainment is clearly understood by the internal actors;
- to remove potential barriers within the system; and
- to motivate the actors to achieve the predetermined goals (House, 1971).

Put simply, transactional leadership focuses on the business of getting things done. According to Bass (1985), transactional leadership is postulated to result in followers achieving a negotiated level of performance. In this regard, both the leader and the follower agree on what the follower will receive for achieving the negotiated level of performance. However, organizational leadership consists of more than reacting to crisis and fulfilling basic needs. Leadership also depends on individuals accomplishing tasks and activities in a way that improves the contribution of the overall objective of the organization. In this context, leadership is perceived as a transformational process focusing on the mutual needs, aspirations and values that produce positive organizational change and results beyond expectations. Bass (1985, p. 17) describes transformational leaders as people who:

Attempt and succeed in raising colleagues, subordinates, followers, clients or constituencies to a greater awareness about issues of consequence. This heightening of awareness requires a leader with vision, self-confidence, and inner strength to argue successfully for what is right or good, not for what is popular or is acceptable according to established wisdom of time.

With transformational leadership comes a shift of focus from simply leading followers, by offering rewards, to empowering them to become leaders through the development of a relationship of mutual stimulation and trust. Mintzberg *et al.* (1995, p. 418) say that a leader must “become, above all, a creator or shaper or keeper of skills”. Peters and Waterman (1982, p. 83) say that transformational leaders throw themselves into a relationship with followers who feel elevated. Bass (1985) asserts that transformational leadership will result in followers performing beyond expectations because of the leader’s influence. By appealing to the self-interests of subordinates and their shared values, transformational leaders can help their followers collectively maximize performance outcomes.

Leadership and performance

Previous empirical research and meta-analyses indicate that diverse leadership styles have differential effects on individual performance. Over 35 studies have reported positive relationships between transformational leadership and follower performance (Kirkpatrick and Locke, 1996). On balance, the majority of research examining the relationship between transactional leadership and individual performance has been positive (Hunt and Schuler, 1976), although negative relationships have also been reported (Howell and Avolio, 1993). Finally, a third category of leadership behaviour labelled *laissez-faire* (or avoidance) leadership has shown mixed results ranging from positive (Greene, 1976), to negative (Bass and Avolio, 1990), to no relationship with follower performance (Podsakoff *et al.*, 1984).

Based on previous findings, Table I represents our proposed relationships between behaviours under each of these three leadership styles and their associated outcomes. We hypothesize that the first set of behaviours relating to transformational leadership yield results that are substantially above what is expected. Our contention is that these leaders create success by exhibiting the five primary behaviours: visioning, inspiring, stimulating, coaching and team-building. A detailed description of each of these can be found in Table II. For the purposes of this research study, our operationalization of transformational leadership included the following characteristics that we were able to draw out from the literature:

- seen as more effective and more satisfying to work for;
- promoted more frequently;
- develop followers to higher levels of individual and group performance;

Table I

Leadership behaviours and performance

Leadership behaviours	Performance
Transformational	
• visioning	
• inspiring	
• stimulating	Beyond expectations
• coaching	
• team-building	
Transactional	
• rewarding	Meets expectations
• coaching	
Laissez-faire	
• avoiding	Below expectations

Table II
Definitions of transformational leadership behaviours

Behaviour	
Visioning	The leader clearly communicates a vision of the future, broadly shared by the members of the organization. This vision describes the ultimate outcomes which people need to achieve, and the leader expresses optimism about the future with strong expressions of personal confidence and enthusiasm. Transformational leaders lead by example, serve as role models and themselves behave in ways consistent with their vision
Inspiring	The leader generates excitement at work and heightens expectations of others through symbols and images. In communicating about their vision, they express their dreams in highly motivational language. They give pep talks with high energy, optimism and passion, which in turn builds confidence in their vision and self-confidence in their followers
Stimulating	The leader arouses interest in new ideas and approaches and enables employees to think about problems in new ways. This transformational leader encourages rethinking of ideas and questioning of old ways of doing things. He or she actively considers "wild ideas" and encourages divergent thinking. Intelligence and clear reasoning are encouraged to select from among the creative ideas and to solve problems
Coaching	The leader coaches, advises and provides "hands-on" help for others to improve their performance. They listen attentively and express encouragement, support and confidence in others' abilities to achieve the high expectations inherent in the vision. They give positive feedback for strong performance and effort and provide opportunities for development by giving challenging and interesting tasks to their followers (as distinct from keeping all these kinds of jobs for themselves)
Team-building	The leader builds effective teams by selecting team members with complementary skills. They increase trust and self-confidence in the team by sharing information, giving positive feedback, utilizing individual members' skills and removing obstacles to team performance

- produce more innovative products;
- receive more patents for work produced by their people;
- reduce burnout and stress on the job;
- receive higher levels of volunteer effort from their people;
- lead units that perform more effectively under stress;
- generate greater risk taking and creativity; and
- tolerate different perspectives.

The transactional mode of leadership involves rewards and punishments. The leader recognizes and rewards employees in response to their meeting standards to which they have previously agreed. In classic management by objectives procedures, they communicate performance expectations clearly and recognize people for their achievements. These behaviours result in performance consistent with what was expected. If the leader emphasizes shortfalls in performance by criticism and correcting behaviours as the primary responses, then the outcomes are more often below those expected, especially if the leader waits until after the errors or mistakes are made. This does not mean that managers should ignore unsatisfactory performance. It does, however, imply that the ratio of positive feedback to negative feedback should be

carefully monitored so as not to dilute the motivating effects of recognition by carping on shortfalls. It also means that the approach to decrements from expected performance should stress how to meet expectations, as distinct from the shortfall itself.

Some leaders' behaviour suggests they believe that the best leadership is least leadership. Although these leaders may think they are empowering their employees, they are actually abdicating more than delegating. To their followers, *laissez-faire* leaders seem uninvolved and appear indecisive. They are often unavailable when needed or when crises occur. As might be expected, these behaviours produce performance well below what is expected.

Methodology

The leadership categories used were derived from earlier work by Bass and Avolio (1990) and their multifactor leadership questionnaire (MLQ) and leadership behavior inventory (LBI). Research by these authors and others have shown that transformational leadership characteristics are associated with high performance, and augment the positive effects of rewarding behaviours in the transactional mode. Correcting or punishing behaviour and

laissez-faire approaches have consistently been associated with lower than expected performance.

The primary data used in this study was collected from several groups of resource industry executives prior to attending a two-week international management development seminar. As a precursor to the seminar, managers were contacted directly by internal mail and asked to identify from their work experience an example of exceptional organizational performance. They were then asked to describe – in the form of a written report – the type of leadership and management principles and/or behaviours involved in generating the exceptional performance. This was done prior to any training they received at the seminar with regard to transformational, versus transactional versus *laissez-faire* leadership behaviours. In other words, they were not pre-exposed to the actual terms and/or characteristics that we were looking for. Each manager that attended the seminar submitted a story describing the context of the special event from their past work experience. Two researchers were responsible for conducting a content analysis of their reports by analysing the frequency of the aforementioned behaviours. Each respondent's story was analysed twice to minimize discrepancy between the number of citations that were recorded for each behaviour by each researcher. During the analysis of the reports, other characteristics associated with exceptional performance not included in the original framework were also noted. Specifically, the reports mentioned cultural sensitivity as an important factor in exceptional leadership.

Based on their geographical proximity six clusters of countries were created. Although such a classification naïvely assumes similar cultural values across those specific countries, we were limited to the amount of information we could find on each respondent and thus made an assumption that the corporate region they were currently working in was also the one they most closely felt connected with. The relatively small size of our sample also discouraged us from developing more micro-clusters of cultural groupings based on Hofstede's measures (1991).

Statistical analysis (*t*-tests) was performed to find significant differences in the citations of the leadership behaviours across these national clusters. In addition, two divisions within this organization were analysed to test for significant differences in their use of leadership behaviours.

Altogether, 145 reports were analysed from two divisions of the company: petroleum and chemicals (see Figure 1). These senior managers were either business-unit managers, VPs or higher. They ranged in age from 35 to 65 years with the average of 49 years old. They had 18 years of work experience with the company and all but 3 per cent were male. Of the executives 55 per cent were Americans, 15 per cent were from the Commonwealth, 9 per cent were from the Far East, 8 per cent were from southern Europe, 7 per cent were from Latin America, and 6 per cent were from northern Europe. Their country affiliations were clustered as follows:

- *America*: USA
- *Northern Europe*: Norway, The Netherlands, Hungary, and Sweden.
- *Southern Europe*: France, Italy, Spain, and Belgium.
- *Latin America*: Argentina, Puerto Rico, Panama, Chile, Brazil, Cuba.
- *Far East*: Hong Kong, Thailand, Malaysia, Japan, and Singapore.
- *The Commonwealth*: Canada, Great Britain and Australia.

Results

Transformational leadership represented the clear majority of behaviours identified in the executives' descriptions of exceptional organizational performance (see Figure 2). Analysis of the reports revealed that 89 per cent of the descriptions included the use of *visioning* as a key element in producing exceptional performance. *Intellectual stimulation* appeared in 80 per cent of the reports, and *team-building and coaching* were cited in 73 per cent of the descriptions resulting in exceptional performance. *Inspiring* behaviours were included in 68 per cent of the reports. Taken together these transformational behaviours dominated the descriptions of outstanding organizational outcomes. The only transactional behaviour cited in more than half the reports was *recognizing/rewarding* (62 per cent frequency) (see Figure 3).

Neither *correcting* nor *avoiding* behaviours were associated with many of these descriptions of high performance (15 per cent and 3 per cent, respectively, of the reports contained these types of behaviours). Some of the reports included them as ineffective styles of management, as a point of comparison by which they could demonstrate the efficacy of transformational behaviours. However, in the vast majority of reports of exceptional performance there were no

references to correcting or avoiding behaviours.

There were only a few exceptions to the universality of these patterns (see Table III). The following comparisons yielded statistically significant differences. Americans reported more *correcting* behaviours associated with exceptional performance than the Latin American group ($0.23 > 0.00$, $t = 4.01$, $p < 0.001$). Southern Europeans exhibited more *recognizing* behaviours than the Far Eastern and Latin American groups ($1.17 > 0.31$, $t = 2.22$, $p < 0.05$; $1.17 > 0.31$, $t = 2.14$, $p < 0.05$). Americans reported more *team-building* behaviours than their Far East colleagues ($2.20 > 0.92$, $t = 3.37$, $p < 0.01$). Americans also reported more *stimulating* behaviours than the southern Europeans ($2.52 > 1.25$, $t = 2.42$, $p < 0.05$). Finally, the inspiring behaviour provided the most differences. Managers from southern Europe, northern Europe and the Commonwealth all had significant differences in *inspiring* behaviours versus

the Latin Americans ($2.17 > 0.70$, $t = 2.22$, $p < 0.05$; $1.56 > 0.70$, $t = 2.39$, $p < 0.05$; $1.55 > 0.70$, $t = 2.10$, $p < 0.05$).

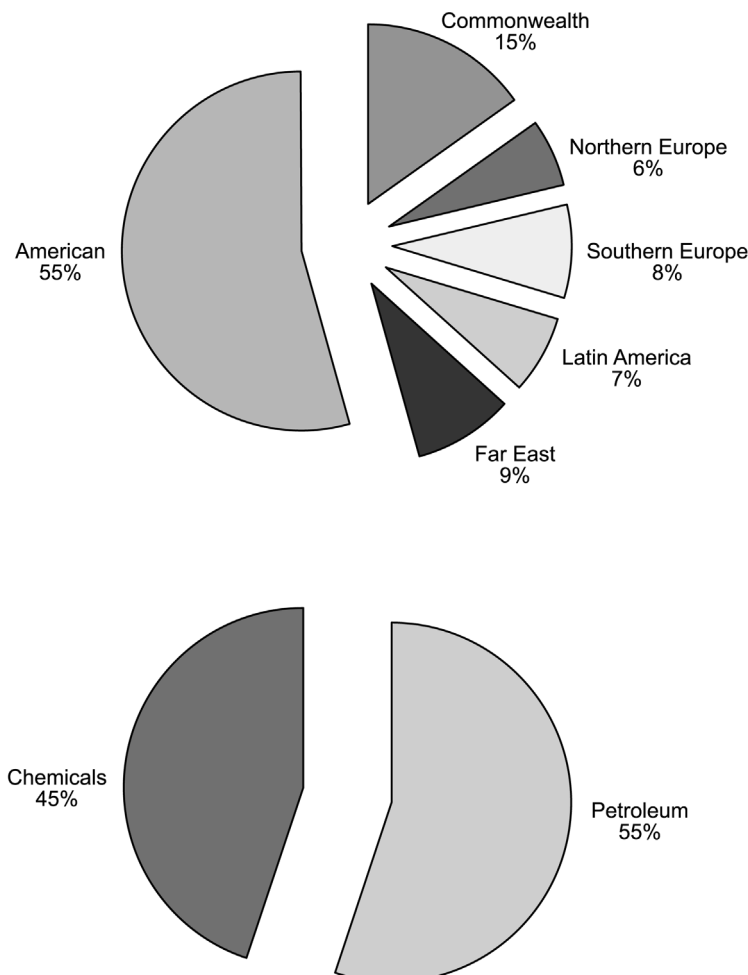
The one surprising finding was that Americans included *team-building* more frequently in their explanations of exceptional performance than did the Far Eastern group. We thought the reverse would be true. In retrospect, a combination of factors may explain the actual results. It is possible that the rapid increase in the use of self-managed work teams in the USA, and the accompanying increase in related training, has sensitized Americans to the importance of teams even with their inherent propensity for individualism. Secondly, we may have erred in thinking that the greater emphasis on collectivism in Asian societies would manifest itself in team behaviour at work. Instead, with the clarity of hindsight, it is probable that functioning in teams is so much a hallmark of Asian relationships that the explicit description of such a behaviour in describing an exceptional event is atypical. This result also may also explain why Jung *et al.* (1995) discovered *individualized consideration* as one of the most important factors in describing transformational leadership in collectivistic cultures when an emphasis on teamwork was also expected.

These differences provide useful clues for expatriate managers working in the regions cited above, especially if they have been sent to lead significant organizational improvements. They may have to make adjustments to their own leadership behaviours in recognition of local norms.

Most of the large petrochemical companies in the world have some basic organizational differentiation between their oil/gas activities and their chemical operations. These are frequently matched by differences in corporate culture and leadership style. The company in our study is no exception to this observation. In fact, the company is filled with anecdotes about these differences, which sometimes seem exaggerated when described to outsiders. However, the stereotypic differences in the folklore of the petroleum and the chemical divisions of the company seemed confirmed by the very different reactions to the same case studies and management materials in their parallel international development programs. The shared sense of the differences between the divisions include the degree of formality, hierarchy, empowerment, managerial experimentation, and change methods. The chemical division was described as being associated with more *free-wheeling* methods in contrast to the more *conservative* approach

Figure 1

Breakdown of sample by national cluster and company division



of the petroleum division. Therefore, even though the executives in both groups were given identical pre-course assignments to identify exceptional organizational performance and to describe the leadership behaviours that accounted for it, we expected a different pattern of responses. If the stereotypes were rooted in any real differences, the ways of accounting for exceptional performance should also manifest the national differences, so we reasoned.

What we found provided strong empirical evidence of the informal stories of the companies' differences (see Figure 4). The general differences in numbers of citations showed a consistent pattern. Respondents from the chemical division had higher frequencies of citations for all five transformational behaviours compared to respondents from the petroleum division. Interestingly, one of the transactional categories also exhibited the same pattern in reverse as respondents from the chemical division had higher frequencies of citations for *correcting* behaviours. Although the difference in correcting behaviours was in the expected direction (petroleum > chemical), the size of the difference in means was not statistically significant. Only the differences in *stimulating*, *team-building*, and

recognizing behaviours were statistically significant ($2.56 > 1.88$, $t = 1.96$, $p < 0.05$; $2.53 > 1.45$, $t = 3.27$, $p < 0.01$; $0.98 > 0.34$, $t = 3.95$, $p < 0.001$). Taken together, the data supported the commonly accepted notion that there were differences between the divisions as hypothesized.

Discussion

This research has limitations which should be recognized. The small number of executives from individual countries (other than the USA) prevented more refined analysis of the national differences in leadership and influenced the clustering of respondents. An additional limitation is found in the primary data. The reports were written by executives for the purpose of a management development course. Some executives provided much longer stories than others in describing their experiences, even though a word count limit was suggested. If interviews had been conducted with the respondents of the shorter stories, additional information might have been discovered that could have influenced our results.

Among the descriptions of exceptional organizational performance provided by our

Figure 2

Transformational leadership behaviours by national clusters

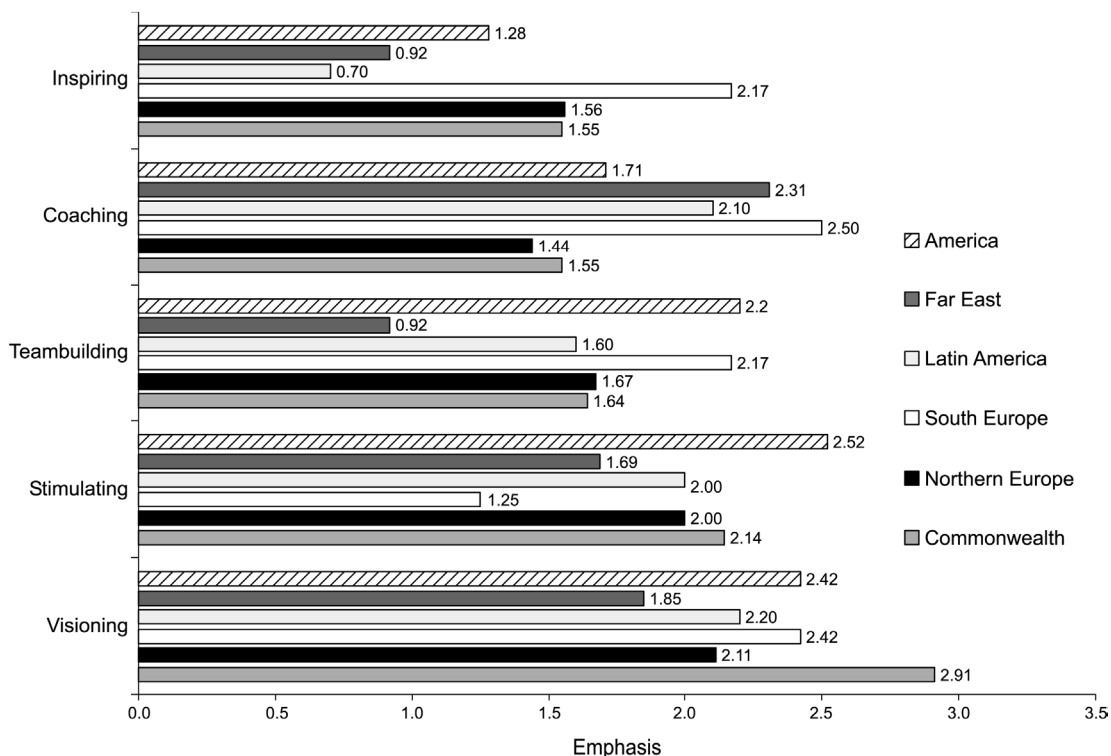


Figure 3

Transactional/ *laissez-faire* leadership behaviours by national clusters

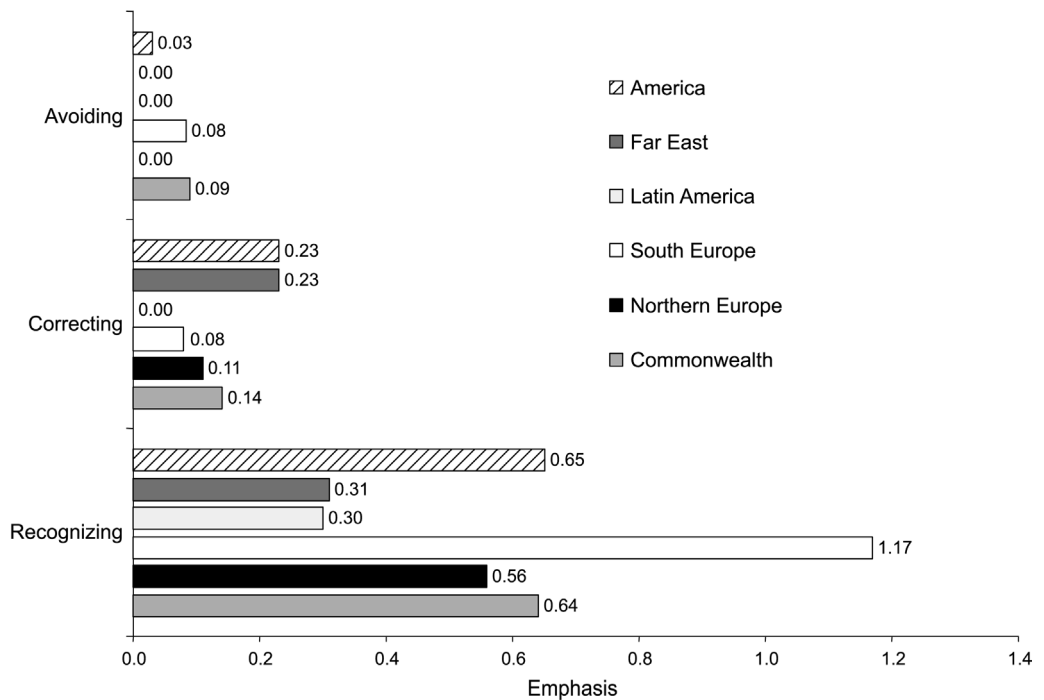


Table III

Summary of significant results

Behaviour	Cluster (higher)	Cluster (lower)	t-stat	p-value
Correcting	America	Latin America	4.01	<0.001
Recognizing	Southern Europe	Far East	2.28	<0.05
		Latin America	2.14	<0.05
Team-building	America	Far East	3.37	<0.01
Stimulating	America	Southern Europe	2.42	<0.05
Inspiring	Southern Europe	Latin American	2.22	<0.05
	Northern Europe		2.39	<0.05
	Commonwealth		2.10	<0.05
Behaviour	Division (higher)	Division (lower)	t-stat	p-value
Stimulating	Chemicals	Petroleum	1.96	<0.05
Team-building	Chemicals	Petroleum	3.27	<0.01
Recognizing	Chemicals	Petroleum	3.95	<0.001

executives was the following insightful story of how transformational leadership can effect change. This high performance example occurred when Jason, a transformational leader, took over a plant supervisor position from Ron, a leader who exhibited transactional behaviours.

Jason replaced Ron, a solid, steady supervisor who had kept things under control and produced reliable results. Ron had a breadth of knowledge and was highly respected by his organization. As a result, his instructions or judgements were rarely questioned or challenged. He did not take risks and little had been done to expand the unit for several years.

Shortly after Jason was assigned to the new team, his new boss visited the site and set a very interesting and difficult challenge for his organization. After considerable thought Jason decided to call a meeting and laid out the challenge. The meeting started out badly. Everyone knew that the challenge was well beyond the current status and it seemed out of reach. Jason decided to back off in the meetings and said, "Look, we might not meet the challenge, but let's see what we can do – you guys are the experts. How can I help?" At this point the mood in the meeting changed and John, one of the experts, said, "I've had some ideas in the past, but Ron didn't want to hear them." John laid out his ideas, others

pitched in and soon they developed an action plan. Then Jason took the responsibility to ensure that his team had the resources necessary to accomplish the plan.

Over the next several weeks, minor changes were made and sure enough, the division got closer to reaching the challenge. Several daily production records were set and Jason dutifully celebrated each one with donuts or ice cream for the entire team. He also made sure these were noted in the plant newspaper. Unfortunately the team was still well away from the challenge. However some new ideas developed through simulation exercises and suddenly the team realized they could reach their goal. Everyone in the team jumped in to help. Could they beat the challenge? After the shift was over at 12:15 a.m., the employees gathered around the report printer to find out if they had done it. The report printed their target production amount . . . they had met the challenge. The entire team celebrated as if they had won both the World Series and Super Bowl at once!

After that, the team felt there was nothing they couldn't do, and they set several more production records and improved safety levels within the plant. Today that plant continues to be regarded as the top operating team . . . a special place to work.

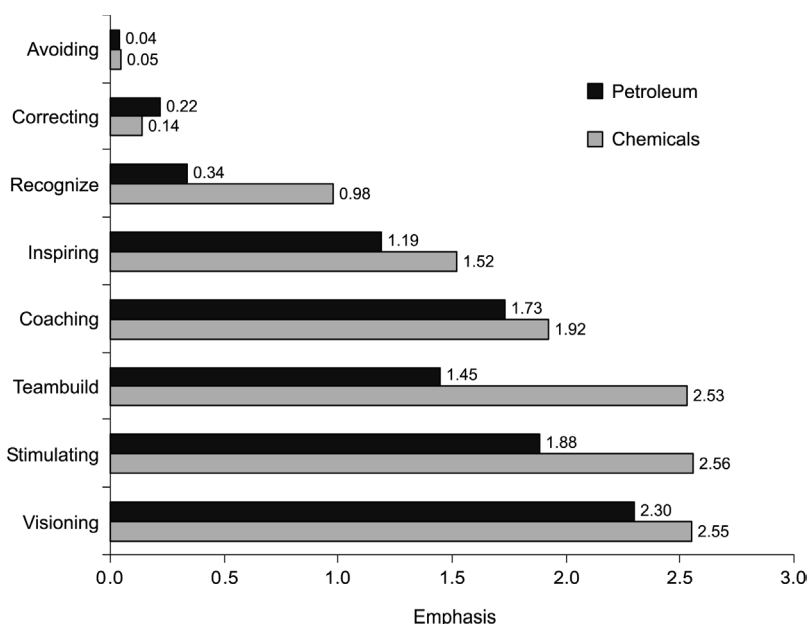
As you can see from this transcription, when Jason was asked to describe the exceptional performance and the leadership behaviours accounting for it, he mentioned all the transformational behaviours: clear goals (visioning); open communications and generation of team motivation (inspiring); prudent risk-taking (stimulating); confidence-building (coaching); shared

responsibility and winning together (team-building). In addition, he used recognition and celebration, a transactional behaviour, to reinforce the performance. This simple case demonstrates what our more systematic analysis showed: transformational leadership characteristics are associated with high performance, and augment the positive effects of rewarding behaviours in the transactional mode. The references to the World Series and the Super Bowl also hint that the example was from an American executive.

Senior managers should be advised and trained to use these aforementioned behaviours to generate high performance since they are universal. However, most organizations demand that their leaders produce this type of success yet are unaware of how their style affects performance in different contexts. Managers can gain this awareness through personal introspection, subordinate feedback, and various coaching and training techniques. By encouraging this type of skill development in organizations the probability of sustained performance is increased.

Managers may ask how specific transformational leadership behaviours can be used to effectively create change within their own organizations. The fact that many organizations have corporate visions today which are already communicated by senior executives, may lead some managers to assume that the visioning behaviour has already occurred. However, this corporate vision is not likely enough to create exceptional performance on new initiatives or projects. If a manager wants to generate exceptional performance they need a vision specific to the task at hand and related to their own business unit. Many of the executive stories in our study attributed their organizational success to the fact that management set clear, long-term business goals and competitive strategies directly related to the project. Thus, organizational performance is directly related to the manager's ability to communicate a viable and realistic vision in order to gain respect and trust. One report discussed that "clearly articulated vision of the future state" enabled the success. Another one stated that "senior management's commitment to the task and agreement on the broad means as to how it would be achieved" was also important. Most of our sampled executives recognized the importance of other visioning behaviours including "leading by example", "serving as a role model" and leading by "doing" rather than simply by "telling". One particular executive described it as follows: "Nick is a

Figure 4
Leadership behaviours by company division



very visible leader, who 'walked the talk', the leader led by example and was a great teacher." This evidence shows that managers should set aggressive development goals and use visioning behaviours to communicate these goals throughout the organization.

In order for these behaviours to be reinforced, systems supporting these behaviours should be incorporated into your organizational structure as well. Another common theme in the stories was that "new idea generation is critical to producing exceptional performance". Some executives suggested that this could be institutionalized in organizations. For example, one manager stated that a good strategy was to encourage mistakes. This executive expected his employees to be involved with prudent risk taking and to proactively make mistakes since that is how, he believed, learning and innovation occurred. Another executive stressed that one of the key beliefs contributing to their turnaround was "no witch hunts and blame seeking when problems occurred . . . instead, problems were analyzed constructively to develop innovative solutions for the future". Many of the reports stressed that making information available, allowing independence of thought and action, empowering task forces, holding weekly conference calls, brainstorming sessions, and utilizing idea generation group work were key behaviours to creating the success. Another executive stated that the exceptional performance was institutionalized when "a total quality mode of working was adopted by all the employees using rigid quality systems (e.g. ISO 9002 and financial controls) with an innovation mindset built in as a way of life". Another report commented on how "extremely innovative people became role models for tackling 'what could be done' rather than focusing on 'why things had to change.'" The implication here is that dynamic leaders lead people to exceptional performance by setting up systems which reinforce the transformational behaviours they aim to create.

Coaching was an element which was mentioned repeatedly in the reports as well. Most of the managers did not approach the situations in a "top-down" manner. Instead, their people were empowered and coached to work more effectively on their task. One department improved their coaching techniques by using "performance counselling discussions focused on improvement opportunities rather than dwelling on shortcomings." One executive stated that "my role as a manager consisted of regular stewardships, keeping a constant

direction, helping as necessary, encouraging when needed, and motivating." Another believed that "keys to success were outstanding focus on the job at hand and a high concern for the individual people involved." Thus, it is important for managers to clearly understand a coach's role and reflect on whether they are emulating this behaviour.

Our results also show that teamwork is an essential element of success within corporate settings. The majority of the reports studied in this analysis emphasized teamwork as a key element in the work environment which enabled the organization to accomplish far more than separate individuals might otherwise have done. Team-building ranked in the top three traits identified as necessary by executives for achieving high performance. These accomplishments were documented as being achieved through co-operation; a collective pooling of energies, resources, and knowledge; combined with internal leadership which provides educational tools, and champions group decisions while providing feedback and support. One manager went out of his way to "protect the work teams from the organization so they could do the work". Another reported that "team members were selected on the basis of their skills, knowledge and proven capability." It was clear that "attention to initial team-building in order to generate the right environment from the beginning" was important to success even if individuals were coming from different backgrounds. It was also clear that many of the responsibilities which otherwise might have been delegated to the manager, were shared among group members. However, in some reports it was acknowledged that teamwork was not always a natural method of getting things done. Thus, it is critical that management understand that teamwork does not come naturally to all employees. For teamwork to be effective, careful training and development are required.

In these reports many situations were considered to be "in crisis" before the exceptional performance began. In those cases, leaders learned how to tailor their leadership behaviours in anticipation of crisis rather than in reaction to them. "Creating visions and measurement systems before the crisis was evident" was reported as a buffering method. "Being patient for results to be visible" was important too, since many of the reports demonstrated that real impact often takes time. In addition, "taking smaller steps in managing change" was seen as enhancing its effectiveness.

Conclusion

One executive's remark can summarize the content of all the reports: "key learnings from this experience were that a clearly focused, committed organization with strong visible leadership can accomplish what might otherwise be seen to be the impossible!" Obviously, this respondent believed that organizations can produce exceptional performance through effective leadership. The clear implication of this study is to encourage all leaders to use transformational behaviours to generate this performance. Although leaders' applications of these behaviours will need to adapt to national differences, the transformational leadership style will universally help leaders work more effectively with people to reach their needs and create exceptional performance.

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