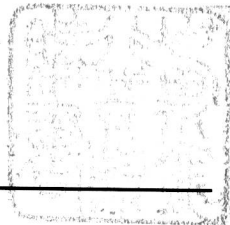




F 272.9

B3

8661610



# Leadership and Performance Beyond Expectations

*Bernard M. Bass*



THE FREE PRESS

*A Division of Macmillan, Inc.*

NEW YORK

Collier Macmillan Publishers

LONDON

Copyright © 1985 by The Free Press

A Division of Macmillan, Inc.

All rights reserved. No part of this book may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording, or by any information storage and retrieval system, without permission in writing from the Publisher.

The Free Press

A Division of Macmillan, Inc.

866 Third Avenue, New York, N. Y. 10022

Collier Macmillan Canada, Inc.

Printed in the United States of America

printing number

1 2 3 4 5 6 7 8 9 10

**Library of Congress Cataloging in Publication Data**

Bass, Bernard M.

Leadership and performance beyond expectations.

Bibliography: p.

Includes indexes.

1. Leadership. I. Title.

HM141.B33 1985 303.3'4 84-24724

ISBN 0-02-901810-2

The material quoted from G. A. Yukl, *Leadership in Organizations*, © 1981, pp. 61, 121, 125, 193, 194, and 195, is reprinted by permission of Prentice-Hall, Inc., Englewood Cliffs, New Jersey.

8661610

# Leadership and Performance Beyond Expectations



E8661610



---

ALSO BY BERNARD M. BASS

- 1960 *Leadership, Psychology, and Organizational Behavior*  
1965 *Organizational Psychology*  
1966 *Training in Industry: The Management of Learning* (with J. A. Vaughan)  
1979 *Assessment of Managers: An International Comparison* (with P. C. Burger)  
1981 *People, Work, and Organizations* (with G. V. Barrett)  
1981 *Stogdill's Handbook of Leadership*  
1982 *Interpersonal Communications in Industry* (with R. Klauss)  
1983 *Organizational Decision-Making*

EDITED WORKS

- 1959 *Objective Approaches to Personality Assessment* (with I. A. Berg)  
1959 *Leadership and Interpersonal Behavior* (with L. Petrullo)  
1961 *Conformity and Deviation* (with I. A. Berg)  
1970 *Managing for Accomplishment* (with R. C. Cooper and J. A. Haas)  
1972 *Studies in Organizational Psychology* (with S. D. Deep)

*To James McGregor Burns*

# Preface

---

The hope is that this book will represent a major breakthrough in understanding what it takes for leaders to have great effects on their followers. But breakthroughs come slowly in leadership practice, theory, and research. The past half-century has seen the refinement of the use of more carrot and less stick. Contingent reinforcement has been the fundamental concept of consequence. Followers are rewarded for fulfilling roles based on agreements reached with their leaders. Reaching such agreements through democratic processes have been encouraged. But even in the best of circumstances there seem to be limits on what contingent reinforcement of followers can achieve with this transactional arrangement between followers and leaders. A shift in paradigm is in order. Another concept is required to go beyond these limits. To achieve follower performance beyond the ordinary limits, leadership must be transformational. Followers' attitudes, beliefs, motives, and confidence need to be transformed from a lower to a higher plane of arousal and maturity.

Management is not only leadership nor is leadership only management; however, those appointed to a position of responsibility as managers need to appreciate what leadership is expected of them. If they are to be transactional leaders, they will need to provide their subordinates with a clear understanding of what is expected of them and what they can hope to receive in exchange for fulfilling these expectations. Such clarification generates confidence in subordinates that they can fulfill the expectations and achieve the mutually valued outcomes. But employees' confidence and how much value they attach to the potential outcomes can be increased further through transformational leadership. Such an increase in employees' confidence and valuing of outcomes will

produce a noticeable step-up in their efforts to fulfill expectations. Leadership can become an inspiration to extraordinary effort on the part of followers.

As subordinates become competent, a development that transformational leaders encourage and support, leaders delegate as much as they can to their subordinates. Managers who aspire to become transformational leaders must pay attention to each of their subordinates, sharing their concerns and development needs, and treating them as individuals.

Charismatic leadership is central to the transformational leadership process. Charismatic leaders have great power and influence. Followers want to identify with them, to develop intense feelings about them, and above all to have trust and confidence in them. But if leaders can command such love, trust, and confidence, they can also use their power for evil ends, for selfish aggrandizement at the expense of others, as well as for good, for satisfying the positive needs of their followers. As another important aspect of effective transformation, leaders intellectually stimulate their subordinates. Finally, transformational leaders may excite, arouse, and inspire their subordinates, imparting to them a vision of what they might be able to accomplish with extra effort.

Their own personality goes a long way in explaining whether leaders will or will not be transformational. But in addition, transformational leadership is more likely to emerge in times of stress and disorganization, and in organizations more open to growth and change.

In studying leadership behavior over the past 35 years, early on, I became aware of the continuing gap in theory and research between social and organizational psychology, on the one hand, and political science and psychohistory, on the other. Social and organizational psychology focus on leaders in small groups and complex organizations; political science and psychohistory focus on world-class leaders.

Without losing focus on leadership in small groups and complex organizations, this book attempts to understand some of what makes the performance of these charismatic world-class leaders so remarkable and what seems so often to be missing when we try to understand leadership performance in small groups and complex organizations. What we shall see are the transformational processes by which the effort expected from followers based on their own confidence and their valuing of what they can achieve is elevated into extra effort beyond expectations.

The book was inspired by leaders such as President John F. Kennedy whose legend two decades after his assassination is still growing. In style at least, Kennedy exemplified what a transformational national leader should be and could become. The errors and contradictions in his performance during the 1,000 days of his leadership cannot dim the memory of his contribution to the transformation of U.S. society from a state of benign neglect of its social problems and international responsibilities to a growing awareness of the need for change; to the transformation of world consciousness from a climate of resigna-



tion about nuclear confrontation to one of increased expectation and hope for negotiated settlements of the nuclear issue; and to the transformation of global consciousness from Earth-boundedness to an awareness of the possibilities of space exploration. Finally, Kennedy had a transformational effect on the character of world-class leadership itself, and caused his own qualities of wit, charm, intellect, vision, and reason to be valued even more highly in leaders of this caliber. The result was a pride in President and country which we are still hard-pressed to begin to restore after the assassinations of the 1960s, the Vietnam War, the Watergate cover-up, and the Iranian hostage crisis.

As will be seen, the work of certain scholars is particularly important in my study. To James McGregor Burns, I am indebted for the initial ideas about transformational and transactional leadership. Abraham Zaleznik's and Warren Bennis's observations and interpretations of transformational leadership phenomena greatly increased my confidence in the approach I pursued. I also wish to thank Gary Yukl, Jane Saxton, Robert House, Robert Caro, Lloyd Demause, Sam Hayes, and Robert Quinn for valuable ideas which helped shape this book.

The book is an initial statement of what we can do to study and determine the antecedents and effects of transformational leadership. The models that are presented should be seen as preliminary scaffolding. They suggest a variety of relationships about which much empirical testing still remains to be done. Although they are useful as they are, the measurements used here to test the relationships are likely to undergo much further refinement. But as will be seen, transformational leadership is not a rare phenomenon limited to a few world-class leaders. Rather, it is to be found in varying degrees in all walks of life. The problem remains as to how to identify and encourage its appearance in the military, in business and industry, and in educational and governmental agencies.

It is important to keep in mind that transformational leadership is a two-edged sword. In the hands of a Theodore Roosevelt, it slices up the world for the imperialist powers to bring civilization to their underprivileged brothers; in the hands of a Mahatma Gandhi, it carves out a national identity.

This book is in six parts. After an introduction building on earlier theories of motivation to work, the meaning of transformational leadership is detailed in terms of charisma, inspirational leadership, individualized consideration, and intellectual stimulation. In the same way, transactional leadership is examined in terms of contingent reinforcement. Also considered are the societal, organizational, and personal elements that promote or thwart the occurrence of transformational leadership. Quantitative explanations and exploratory analyses follow which describe measurements designed to quantify the amount of transformational and transactional leadership displayed and their factor composition.

I wish to thank Dr. James Lester for his encouragement and the Organizational Effectiveness Branch of the Office of Naval Research for its support of

the review and theory formulation. Colonel Philip Saulnier, of the Army War College, was most helpful in arranging for the gathering of the survey data. Colleagues Bruce Avolio and David Waldman are to be thanked for their support and Susan Harrington for editorial assistance. I also wish to thank Laurie Goodheim, Penny Brander, and Robert Halliday for help in data processing. The book also benefited from the reactions of an international audience to the main themes presented which were in a preliminary reading at the Harvard Business School symposium on leadership, March 4-9, 1984.

I would like to point out that in this book "he" stands for "he" and "she," with apologies. In no way, have I, by this, wished to disregard women as leaders. As can be seen in the text, I have not ignored women either as leaders or followers nor implied that leadership was for men only. Generally, I used the plural construction to eliminate the sexual identity of leaders and followers. However, pluralizing everything makes for ambiguities and dull reading.

B. M. B.

# Contents

---

*List of Illustrations*      ix

*List of Tables*      xi

*Preface*      xiii

<b>PART I: Introduction</b>	<b>1</b>
1. New Models of Leadership	3
2. Transformational Leadership	14
 <b>PART II: The Emotional Component</b>	 <b>33</b>
3. Charisma	35
4. Inspirational Leadership	62
 <b>PART III: Individualizing and Intellectualizing</b>	 <b>79</b>
Individualized Consideration	81
6. Intellectual Stimulation	98

<b>PART IV: Transactional Leadership</b>	<b>119</b>
7. Contingent Reward	121
8. Management-by-Exception, Negative Feedback, and Contingent Aversive Reinforcement	135
<b>PART V: Antecedents of Transformational Leadership</b>	<b>151</b>
9. The Organizational Environment	153
10. The Individual Personality	169
<b>PART VI: Quantitative Explorations</b>	<b>193</b>
11. Behavioral Description of Transactional and Transformational Leadership	195
12. Factors of Transactional and Transformational Leadership	207
References	231
Index	245

# *List of Illustrations*

---

1. Transactional Leadership and Follower Effort	12
2. Transformational Leadership and Extra Follower Effort	23
3. House's Model of Charismatic Leadership	55
4. The Charismatic Processes and Follower Effort	60
5. Inspirational Leadership and Follower Effort	76
6. Individualized Consideration by Leader and Follower Effort	96
7. Intellectual Stimulation and Follower Effort	115
8. Contingent Reinforcement and Follower Effort	148
9. Situational Antecedents of Transactional and Transformational Leadership	167
10. Personal Antecedents of Transactional and Transformational Leadership	190
11. Relation of First-order and Higher-order Factors	216

# *List of Tables*

---

1. Mean Ratings of the Most Intense, Usual, and Least Intense Incidents Displayed by Transactional and Transformational Leaders	197
2. Varimax Rotated Factor Matrix	208
3. Multivariate Analysis of Variance of Factor Scores of Combat and Combat Support Officers	218
4. Correlations Between Factor Scores and Perceived Satisfaction with the Leader and the Leader's Unit Effectiveness	219
5. Relations of Transformational and Transactional Factor Scale Scores on the Multifactor Leadership Questionnaire (Form 4) to Selected Variables for 45 New Zealand Professionals and Managers	223
6. Relations of Transformational and Transactional Factor Scale Scores on the Multifactor Leadership Questionnaire (Form 4) to Selected Variables for 23 New Zealand Educational Administrators	226
7. Relations of Transformational and Transactional Factor Scale Scores to Selected Variables for 256 Supervisors and Managers in a Single U.S. Firm	227

# *Part I*

---

## Introduction

---

**A**S ACTING GENERAL MANAGER, Henderson was first in line for the position to head the plant, but the Management Committee had reservations about him. He had applied cost accounting to examining each section of the plant and correcting what was needed to improve operational efficiency. He was good at getting agreements with each unit supervisor on specific production targets and working to see that they were met. People knew what they were to do and whether they had achieved the agreed-upon goals. He made the situation comfortable and smooth-running. He was liked by those around him, but he was colorless and did not inspire anyone to exert themselves to come up with new ideas or to feel or see that they and the plant could become the best in the business under his leadership. Doubts were expressed about how he would handle a crisis.

Henderson was satisfactory as a transactional leader but the committee was looking for something additional in the leader they were seeking for the plant.





# Chapter 1

---

## New Models of Leadership

---

FOR A HALF-CENTURY, the study of leadership has centered on autocratic versus democratic approaches; on questions about the locus of decision-making—directive versus participative; on questions about the focus—tasks versus relationships; or on questions about the behavior—initiation versus consideration. At the same time, springing from the same source has been the attention to the promotion of change in individuals, groups, and organizations. Promoting change and dealing with resistance to it was seen to call for democratic, participative, relations-oriented, considerate leadership. Nevertheless, in many contingencies such as in emergencies or when leading inexperienced followers, more direction, task-orientation, and initiation were seen to be the more effective way to lead.

### Changing Approaches to Leadership

#### *Higher-Order Change in Effort and Performance*

Often, the desired change which was the target was primarily an increase in quantity or quality of performance, a substitution of one goal for another, a shift of attention from one action to another, or a reduction in the resistance to particular actions or the implementation of deci-