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Leaders, quite rightly, are the heroes of the corporate epic (a few leader-villains notwithstanding). They motivate us to go places that we would never otherwise go. They are needed both to change organizations and to produce results. In any business climate, good leadership is perhaps the most important competitive advantage a company can have. It's hardly surprising, therefore, that management scholars focus relentlessly on the attributes of successful leadership.

But in our understandable effort to grasp and master the skills of leadership, we tend to lose sight of the fact that there are two parts to the leadership equation. For leaders to lead, they need not only exceptional talent but also the ability to attract followers. Regrettably, however, it's becoming harder to get people to follow. The problem is that followers get short shrift in the management literature, where they are described largely in terms of their leaders' qualities. In other words, they're thought of as merely responding to a leader's charisma or caring attitude. What most analy-

ses seem to ignore, though, is that followers have their own identity. Indeed, in 30 years of experience as a psychoanalyst, anthropologist, and management consultant, I have found that followers are as powerfully driven to follow as leaders are to lead.

Followers' motivations fall into two categories—rational and irrational. The rational ones are conscious and therefore well-known. They have to do with our hopes of gaining money, status, power, or entry into a meaningful enterprise by following a great leader—and our fears that we will miss out if we don't. More influential, much of the time, are the irrational motivations that lie outside the realm of our awareness and, therefore, beyond our ability to control them. For the most part, these motivations arise from the powerful images and emotions in our unconscious that we project onto our relationships with leaders.

Sigmund Freud, the founder of psychoanalysis, was the first person to provide some explanation of how a follower's unconscious motivations work. After practicing psychoanalysis for

a number of years, Freud was puzzled to find that his patients—who were, in a sense, his followers—kept falling in love with him. Although most of his patients were women, the same thing happened with his male patients. It is a great tribute to Freud that he realized that his patients' idealization of him couldn't be traced to his own personal qualities. Instead, he concluded, people were relating to him as if he were some important person from their past—usually a parent. In undergoing therapy—or in falling in love, for that matter—people were transferring experiences and emotions from past relationships onto the present. Freud thought the phenomenon was universal. He wrote, “There is no love that does not reproduce infantile stereotypes,” which, for him, explained why so many of us choose spouses like our parents.

Freud called the dynamic “transference,” and it was one of his great discoveries. Indeed, for Freud, patients were ready to end therapy when they understood and mastered their transference. But even today, identifying and dissolving transferences are the principal goals of psychoanalysis.

But as important as it is, the concept remains little understood outside clinical psychoanalysis. This is unfortunate, because transference is not just the missing link in theories of leadership—it also explains a lot about the everyday behavior of organizations. A number of studies have shown, for example, that positive transferences are closely linked to productivity. Suppose an employee believes that her boss will care about her in a parental way. To ensure that this happens, she will make superhuman efforts to please her leader. As long as she perceives that these transferred expectations are being met, she will continue to work hard, to the obvious benefit of the organization as a whole.

The trouble is, not all transferences are positive. A worker might see his boss as someone he has to fight. And even if transference works well for a while, it can change quite suddenly if the employee's transference expectations are not met. Consider Sylvia Hartman¹, a marketing manager in an East Coast market research and advertising company. Hartman was a creative but volatile employee who worked for Sam Phillips, a divisional vice president. Phillips took Hartman under his wing, and she soon came to value him as a mentor and

friend. When a job that would have been a major promotion for Hartman opened up, she fully expected to get it. Instead, Phillips chose Harry Johnson, a move that devastated Hartman. She believed that she was vastly more intelligent than Johnson and had assumed that would be the primary basis for the promotion decision. However, Phillips said that he found Johnson to be more dependable and to have better people skills. When Hartman heard this explanation—and that Johnson would become her manager—she exploded in a destructive rage. She responded to her new boss by utterly ignoring his e-mails and phone calls, and she refused point blank to be supervised by him. Seeing the rift between his two players, Phillips thought about firing Hartman.

In doing psychoanalysis with Hartman, I found out that her rage was deeply rooted in her childhood. The eldest of five children, Hartman badly wanted to be her father's favorite. Hartman's father was a very successful executive, but he constantly disappointed her. Over and over again, he showed that he preferred one of her brothers to her, even though, in her view, the brother wasn't as smart as she was. Being passed over by Phillips evoked deep resentment in Hartman; it reopened a wound that had never healed. Hartman's transference of feelings from childhood to the workplace was unproductive. She could be a good “follower” to her boss only when she felt she was the favorite child. Unless she recognized her projections and worked them through, Hartman would be in danger of losing her job.

In consulting with companies as diverse as Volvo, AT&T, IBM, and ABB, I have seen countless cases like Hartman's. But companies that might once have put up with this kind of leader-follower relationship cannot afford that luxury today. Transferences no longer necessarily work in leaders' favor, because to a large extent, the changing structures of families—more single-parent homes, dual working parents, and so on—have begun to create work environments where people value traditional leaders less. So it's time that leaders take the transference phenomenon seriously, learn how to mitigate its effects, and even manage it to the organization's advantage. In the following pages, I will explore the most common types of transference, showing how they can play out in the workplace and how they are evolving as the dynamics of family life change. Let's begin

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by examining the concept and dynamics of transference in more detail.

The Fantasy and the Facts

At its best, transference is the emotional glue that binds people to a leader. Employees in the grip of positive transference see their leader as better than she really is—smarter, nicer, more charismatic. They tend to give that person the benefit of the doubt and take on more risk at her request than they otherwise would. And as long as the leader's reality is not too far from the followers' idealization—and she doesn't start to believe in their idealized image of her—this works very well.

But without a strong grounding in reality, leaders can very easily come undone by their followers' positive transference projections. At the extreme, such followers will create a myth that bears no relation to fact. A classic study of this dynamic is the movie *Being There*. In the film, Peter Sellers plays Chance the gardener, a simple man with little knowledge of the world beyond gardening. When his wealthy employer dies, Chance finds himself by happenstance socializing in the circles of the rich and famous. He behaves as he always has done, sharing his facile thoughts without considering their effect on those around him. But his new acquaintances start reading profound metaphors about politics and economics into his throwaway comments about gardening. By the end of the film, Chance is being touted as a U.S. presidential hopeful. Although few good leaders are so unaware of their impact that they will allow their relationship with followers to become this unrealistic, it's remarkable how often even reasonably self-aware leaders will become victims of illusion.

The transference dynamic is most likely to get out of control during periods of organizational stress. In such situations, followers tend to be more dominated by irrational feelings—in particular, the need for praise and protection from all-powerful parents. At the same time, the leader is preoccupied with handling the crisis at hand and, as a consequence, is probably less alert to the likelihood that his followers are just acting out childhood fears. This is what happened to a vice president of AT&T I was advising in the mid-1980s, during the breakup of the Bell System. While he was focusing on strategy, his followers felt frustrated that he was not dealing with their anxiety

and reassuring them. Even though he was charting a promising new course for his division, employees complained that he wasn't leading them.

Another example of how transference is triggered by doubt and stress is the way people feel better just going to see a doctor, even before the doctor has done anything for them. In large measure, this phenomenon can be explained by patients' trust, which transfers the childhood experience of being cared for by parents when sick. This type of transference makes it extremely hard for scientists to evaluate certain medications, such as mood-altering drugs. Clinical studies show, for example, that up to 30% of people respond as well to placebos—again, trust—as to antidepressants. People who volunteer for a study in hopes of finding a cure to their ailment may be especially receptive to placebos.

As well as being quite subtle in its workings, transference comes in many guises. It is blind to both age and gender, so stereotyping is very dangerous. A male leader, therefore, should never assume that he is a father figure or a brother figure—nor should a female leader assume she's a mother or a sister. Psychoanalysis has clearly shown that someone can have a paternal transference with a woman in authority and a maternal transference with a man.

What's more, the images we project from childhood are shaped by the family cultures we grew up with, a fact of particular importance today because more people now have family experiences that differ—sometimes quite radically—from what was long considered the norm. Indeed, I've noticed that for an increasing number of people, the significant person from the past is not a parent but a sibling, a close childhood friend, or even a nanny. Organizations are adjusting to the times, moving from hierarchies that worked well with parent-focused employees to more-horizontal setups that suit people who relate better to near equals. As we'll discuss later, the shift from parental to sibling transferences can fit organizations' needs for boundary-crossing project teams and networks. When managers at Boeing sought a leader for a software team that required a lot of interactivity among members, for instance, they joked about finding someone who was the fifth child in a family of ten siblings, someone who was used to mediating among brothers and sisters. In other

Most good leaders don't buy into their followers' idealized images of them. But even leaders who are reasonably self-aware can become victims of illusion.

words, the job called for a different kind of leadership than the traditional hierarchical boss would provide. Sibling leaders have to facilitate problem solving and build consensus.

Another complicating factor is that people can have multiple transference relationships in an organization. It seems very likely to me that at General Electric over the past two decades, many employees not only had such relationships with their immediate bosses but also transferred childhood feelings onto Jack Welch, even though they had never met him. In cases of multiple transferences, both the immediate boss and the CEO might be seen as father figures. But when this happens, the employee usually experiences the transferences differently. Typically he will relate to his immediate boss from the perspective of a child who is four, five, or even older. But he will regard the CEO as a baby would see an earlier father figure, who is distant, protective, and all knowing.

Perhaps the biggest risk in transference

comes from the fact that it is always a two-way street. Just as a follower projects his past experiences onto his leader, the leader responds by projecting her past experiences back onto the follower. Freud called this phenomenon countertransference and saw it as one of the most serious obstacles to resolving patients' psychological issues. The danger was that a psychoanalyst would respond to a patient's transference protestations of love by accepting that love as real. As a result, the analyst might assume the role of a protective parent, furthering the patient's dependency. Or the analysis might end in a love affair rather than a cure. Countertransference is at least as big a problem for business leaders as for psychoanalysts. In his novel *Disclosure*, Michael Crichton describes how a ruthless and dishonest woman is promoted above a more-qualified man because she reminds the CEO of a favorite daughter who was killed in an auto accident. The CEO does not see her as she is but responds to her as though she were his beloved daughter.

On the one hand, transference is a facilitator of followership and therefore a source of strength for leaders; on the other hand, it is a real threat to leaders because it destroys objectivity. This is why, as we'll see, a good CEO will try to understand transference and will work hard to help his executive team members see one another as they really are. The future of the company may depend upon his ability to do so. It's worth taking time, therefore, to examine the most common types of transference.

In the Name of the Father

The type of transference that Freud observed for the first time was paternal transference, in which patients experienced unconditional love for the analyst as a wise, understanding, protective father. In such relationships with Freud, patients slavishly gave up their own views and embraced his as unquestionably correct. Paternal transference has been so prevalent in traditional corporations that it has been considered normal behavior. In organizational surveys, people invariably describe their immediate boss in positive terms, even when they express distrust in top management. Indeed, the hierarchical structure of traditional organizations has reinforced paternal transference. At every level in a hierarchy, individuals have a boss who doles out assignments and rewards. This creates in followers a

The Different Faces of Transference

When I was a consultant to ABB in the 1990s, I was asked to interview managers in Asia, Europe, and North America. My goal was to understand how local managers and expatriates viewed strategy, organization, and one another. I asked interviewees two questions: "What is your view of a good manager, and what is your view of a good father?" The answers were invariably related, but there was a sharp divide between the responses of Westerners and those of many Asians.

Westerners, particularly Americans and Scandinavians, viewed good fathers and good managers as people who were helpful when needed but who generally encouraged their followers to be independent. By contrast, the Asians—particularly the ethnic Chinese in Taiwan, Hong Kong, and Singapore—wanted a father-manager who protected them and taught them. In return, they were willing to give the leader complete loyalty and obedience. Not surprisingly, these Asians thought of Western leaders

as bad parents who woefully neglected their children. However, young managers from Beijing, where the Cultural Revolution broke traditional family patterns, responded somewhat like the Westerners. They described the ideal leader as a good basketball coach who put people into the right roles, promoted teamwork, and knew how to adapt strategy to changing competition.

Differences between East and West are further amplified by the relative decline of parental authority in America. Managers from Asian and Eastern European companies still come from traditional families and thus tend to develop paternal transferences—so they often find it difficult to deal with American organizations, which are increasingly motivated by maternal and sibling transferences. And Westerners often fail to appreciate Asian and Eastern European organizations' need for leaders who reward loyalty with parental interest in their followers.

willingness to obey orders—as well as an overvaluation of the boss and a strengthening of infantile wishes to be loved and protected.

My research shows that workers in paternalistically structured businesses typically see their boss from the perspective of a five-year-old boy who believes that “father knows best.” Of course, even back in the 1970s, when I wrote a book on organizations called *The Gamesman*, different types of paternal transference could be found in business. Some people looked to their bosses as mentors, the kind of dads who introduced their sons to games and sports; others saw their bosses as demanding fathers whose approval was rarely (if ever) given. Perhaps the ideal paternal boss was the pipe-smoking, one-minute manager, the daddy figure who dispensed small doses of encouragement, approval, or constructive criticism, as needed.

Whatever role followers project onto their leaders, most male CEOs in traditional organizations have consciously or unconsciously encouraged paternal transferences. They tend to show themselves in paternalistic settings—presiding over large meetings or smiling on videotapes—where the message is invariably reassuring, upbeat, hopeful. Even when times are bad, these leaders assure their followers that the downturn is temporary. The message is always the same: “Trust me to steer you through these troubled waters.”

Some companies go a great distance to promote paternal transference. In the early 1970s, when I worked with managers at IBM, they told me that the company had a strict rule against teams and against shared decision making. The rule had come directly from the legendary CEO Tom Watson, Sr., and it had the effect of forging a direct link between employees and their bosses. Whether he was aware of it or not, Watson was sanctioning paternal transference at IBM. It was further reinforced by the company’s paternalistic commitment to employees that good performance ensured lifetime employment.

I saw similar dynamics at work when I was a consultant to the executive team of AT&T Communications during the 1980s. Most of the vice presidents there were uncritically worshipful of their business unit presidents and the several CEOs who were making disastrous strategy moves—giving up cellular telephony, for instance, and losing billions in an effort to

compete in computers. Instead of encouraging healthy debate about the future of the company, bosses expected—and rewarded—transferential veneration. I clearly remember one vice president who stuck out because he didn’t comply with this company culture. Although his division produced the best results within the long-distance business unit, the executive team didn’t appreciate him. This was not only because his realistic attitude toward his business unit’s president was fraught with implicit criticism of other vice presidents’ transferential overvaluation of the leader; it was also because he was an unconventional manager for AT&T at that time. Unlike the others, he delegated responsibility, didn’t need to take credit for his division’s successes, and initiated new businesses. Ultimately, he took early retirement, frustrated by his inability to push his ideas through the bureaucracy.

In this sort of environment, followers can find their trust in a benevolent leader to be sadly misplaced. Consider Eric Edwards, 27 years old and an executive assistant to the CEO of a prestigious international company. When he left this high-potential job, his colleagues and boss were extremely puzzled. He was taking a position at a lower salary with a much smaller company. And he didn’t get stock options.

When asked why he was leaving, Edwards said he wanted to work with Ed Carey, a person he believed could teach him a great deal. He felt he shared a deep sense of mission with this older man, who had in the past gained considerable publicity for his innovations. At first, the work with Carey was productive and exciting, and Edwards basked in the credit Carey shared with him. But Carey had to be the innovator, the author of all the new ideas. He gave Edwards the role of implementer and invariably shot down or ignored Edwards’s own ideas. It took five years of psychoanalysis before Edwards—who came from a traditional family—could realize that his attachment to Carey was transferential. As Edwards came to see, he initially had felt the same kind of support from Carey that he had once received from his father. Only when he saw that his boss did not treat him as a favored son but rather as a servant did Edwards seek to free himself. He told me that he’d learned a lot the first couple of years with Carey, but subsequent years on the job had been a waste of time.

CEOs in traditional organizations tend to show themselves in paternalistic settings, presiding over large meetings or smiling on videotapes.

For better or for worse, traditional paternal transference can create more loyal followers than any of the other forms of transference—in large part, because it tends to be a stable form of projection. Indeed, some of our best leaders are masters of manipulating the paternal transference of their followers. Movie director Francis Ford Coppola, for example, creates a family out of his cast members, who address him as “Papa” or “Godfather.” Steven Spielberg’s creative team calls him “Rabbi,” which means “teacher.” Both of these directors use the worshipful feelings of their casts and crews to pull out the dramatic performances that have resulted in some of the best films ever produced.

And of the Mother

Maternal transference differs from paternal transference in that it usually draws on an earlier childhood relationship. Unlike the father, who is often perceived as distant and detached, and whose approval is dependent on performance, the mother is often seen both as an authority figure and as a giver of unconditional love. She is the protective figure who gives us life and showers us with support, but she is also the first person who says no. It is the mother who weans us and, for the most part, who toilet trains us. Later it is she who separates herself from us to go back to work or to move on to other children. Not surprisingly, she is represented by both the fairy godmother and the evil stepmother in children’s stories. She is both deity and witch, and this deep divide in our psyches can play itself out to dramatic effect in business situations. One only has to look at the public’s extreme reactions of love and hate toward Martha Stewart to realize that women leaders stir up some of the most conflicted feelings we have in our unconscious.

Take, for instance, Jill Fisher and Allison Warren. Fisher, age 35, was vice president of the graphic design company founded by Warren, age 55. Both were creative and emotionally reactive. Warren was a mother figure whom Fisher counted on for unconditional love and support. When Warren felt that Fisher was sucking her dry, she withdrew emotionally, causing Fisher pain and confusion. Fisher felt like an adolescent who resents her mother because she still needs her. So any spark of disagreement could fire Fisher’s anger,

and the two would start screaming at each other. These confrontations caused Warren to take tranquilizers for anxiety attacks. Later, Fisher would abjectly apologize, and there would be mutual protestations of love. Of course, this was hard on Warren and upsetting to the other employees, who were sometimes brought into these transference dramas.

Warren isn’t the only strong woman to have a hard time of it in business. Think of Sherry Lansing, president of Paramount. Lansing is an ex-actress who, besides being beautiful, is brilliant and tall. She towers over the male subordinates she uses to convey bad news to movie hopefuls. In essence, she’s taken on the role of Snow White to avoid being seen as the wicked witch. Even so, her underlings refer to her both as a goddess and as an ice queen. Tina Brown encountered similar ambivalence when she was the editor of the *New Yorker*. Followers often have a hard time dealing with strong women precisely because they stimulate in subordinates the feelings of awe and fear that the mother once did. Children depend on the help and support of the all-powerful mother. They also want her to be happy and proud of them, and they feel deep guilt if they cause her suffering—a fact that some mothers use to control their kids. Beneath the guilt is the unconscious fear that the mother will cut off her life-giving nurturance.

Maternal transferences generate greater expectations of empathy and tenderness from bosses than can realistically be met. Usually a boss’s approval is more contingent, as it should be, on an employee’s performance than on warm feelings. A colleague of mine saw this when he coached the 40-year-old vice president of a home-building company, who was told in no uncertain terms by the president that he had handed in a bad proposal. The VP complained that the president should have shown more emotional intelligence in rejecting the proposal. When the president dismissed this complaint as “psychobabble,” the VP grew irate. As my colleague immediately realized, the VP was projecting an inappropriate maternal transference. When the company’s president didn’t respond as the VP wanted, the VP reacted like a rejected child.

Positive maternal transferences can give people a powerful sense of support. Think of Ronald Reagan, whose wife, Nancy, was like a protective tigress during and after his presi-

dency; he called her “Mommy.” Although his father was a failed shoe salesman, Reagan’s own strong mother was a major reason for his self-confidence and success. However, even positive maternal transferences can have bad effects. A close friend of mine taught for 18 years in a private school where most teachers had a maternal transference with the headmistress, who created a family-like culture. The teachers loved their boss and felt cared for and protected by her, but the warm feelings they had were not a good measure of her ability to perform. As she neared retirement, the school was in the red, and it became clear that the headmistress had done little either to evaluate and develop the teachers or to help them deal with discipline problems. While her successor was less comforting and more demanding, he succeeded in raising money from rich parents, improving teachers’ salaries, and establishing rules that were followed.

Maternal transferences can sometimes be quite subversive of the formal organization even as they facilitate results. In one software company a colleague of mine consulted at, a number of male executives had a positive maternal transference with a woman coworker. She was the person they went to with their problems. These men were extremely competitive, but they were very comfortable communicating with one another through this woman. As one of the managers put it, “She doesn’t have any hierarchical power, but she sure has network power.” She was able to reassure the men that they could trust one another.

And Increasingly of the Brother

Sibling transference is as old as Cain and Abel, who competed for God’s affection and attention, and Jacob and Esau, who competed for their father’s. But over the past generation, sibling transferences have become less rivalrous and, at the same time, more influential. The rivalry has dissipated since children, increasingly raised in single-parent households or in families where both parents work, no longer care as much about being their parents’ favorite. Instead, many of them develop close relationships at an early age with their siblings or with other kids in day care. As children cannot always rely on hard-working parents to be there when needed, they depend more on siblings and friends for emotional support. In fact, rather than trying to get what they want

by pleasing their parents, kids learn at an early age to play on parental guilt and negotiate for privileges. Increasingly, these attitudes toward authority are being transferred to the workplace, making leadership even more difficult.

In the course of my research and consulting, I have consistently found that the employees who take most readily to horizontal organizations like cross-functional and project teams are those who were brought up in nontraditional families. Frontline employee Penny Nichols, for instance, a technician in her late twenties whom I met at an AT&T business service center, is comfortable interacting with her peer network. She’s also developed independent relationships with customers—in one case, to the point where she personally controlled a multimillion-dollar account. This customer invites Nichols to conferences and refuses to deal with AT&T managers or account executives. I asked Nichols whether she felt comfortable handling this account by herself. She conceded that she did need assistance with some of the data, but her friend Annie Hellwarth from information services helped her out there. And what about her manager? What was his role? She said she needed his help only to get pricing information and to connect with other parts of AT&T when the company had new products she could offer the customer. But even though Nichols did a good job and was highly motivated, she was not fully qualified to develop the business relationship with the customer. Popular advice to management on empowering employees ignores this sort of problem. Employees like Nichols—who comes from a family where both parents worked and who not surprisingly has transference ties to coworkers rather than to managers—function best as players in a game with clear roles, rules, rewards, and relations to authority. Otherwise, they tend to ignore authority, which can sometimes lead them to commit the company to bad deals.

Indeed, one consequence of the rise in sibling transference in leadership is that people are becoming increasingly critical of and ambivalent toward their bosses. At one company, I saw sibling transferences turn a group of employees into a band of brothers who were rebelling against an autocratic boss/father. People coming from nontraditional family cultures tend to evaluate bosses in terms of their value as leaders, which is very much the way

Newer generations of employees are susceptible to sibling transferences. They thrive in peer networks but can be hard to lead because they often have an anarchic ideal of leadership.

children see team captains in the school yard. Thus, the newer generation of employees shows less interest both in being mentored and in mentoring, and more interest in developing reciprocal relations in their networks of peers.

Of course, these kinds of followers are hard to lead, for they often have an anarchic ideal of leadership. But their attitudes do fit the needs of the many companies that are moving away from product-based business models to total-solution strategies. To avoid narrowing profit margins, companies like GE Energy are wrapping products in services that require employees to work interdependently with customers. I consulted for ABB in Canada at a time when the company's electrical products were becoming commodities. To boost profits, we explored the potential of doing business with large customers like the zinc-mining and smelting company Cominco, which proposed partnering with ABB (rather than merely buying equipment) to increase energy efficiency and decrease environmental pollution. To pursue this opportunity, ABB had to pull people together from its different business units to work with engineers from Cominco.

Companies shifting from selling products to coproducing solutions recognize that they need to move away from traditional hierarchical models. Jay Galbraith, a professor at the University of Southern California, has written about this sort of shift at companies such as Nestlé, Nokia, and Citibank. He describes it in terms of forming cross-boundary networks that require leaders who can build trusting re-

lationships to facilitate decision making and create consensus. IBM, once the poster child of hierarchy, is taking the lead in this change. The CEO, Sam Palmisano, is trying to move the company away from a pure hierarchy as he organizes to integrate technology with business processes. In IBM's latest annual report, Palmisano highlights promising opportunities in business transformation outsourcing, "which was not even part of the industry lexicon 18 months ago." Implementing IBM's new strategy will require teams of colleagues from different disciplines who are comfortable working together and willing to shift leadership roles according to who has the appropriate competence. There can be no clearer sign of the increased importance of sibling transferences.

Sibling transference has even made its debut in politics with the first baby boomer U.S. president, Bill Clinton. People didn't relate to Clinton as a father—the kind of transference you might have expected with the nation's commander in chief—but rather as an admired older brother or "buddy" (as Clinton named his dog). Although he had his critics, Clinton was never really expected to be a model of good behavior. Unlike Lyndon Johnson, for whom Americans' positive attitude flipped when their paternal-transference expectations were shattered, Clinton was allowed to get away with his womanizing because he was perceived by much of the public as merely a naughty brother.

Making Transference Work for You

If all relationships are colored by transference, how can you ever know if your followers' relationships with you are real? The short answer is that you can't. Even the closest relationships combine objective reality with images and emotions carried over from the past, and there will never be any way around that. However, your followers' motivations for following don't have to be based in reality in order to work. What's more, there are ways of managing transferences that not only reduce the potential for negative transferences but actually increase the likelihood of positive ones.

A key way that managers can influence their followers' positive and negative transferences is to acknowledge their own transferences. The classic path to self-knowledge is introspection—the approach favored in psychology. The

Managing Transference

It is impossible to master your followers' transferences for them. Followers need to do that on their own—and in some cases, it can require years of therapy with a highly trained analyst. But you can safely guide them in the right direction by taking these three steps:

Know yourself.

Get constant reality checks from family, outsiders, and business associates. Build a team of close colleagues to help keep your perceptions grounded in reality.

Promote mutual understanding.

Make sure people know you. Share your foibles wisely. Don't pretend to be what you're not. Make sure everyone knows

the rules that you play by and that you want them to play by.

Create a common enemy.

Buy time for self-knowledge and mutual understanding by rallying people against an outside threat. But make sure they don't feel too threatened and that you don't become too scary in the process.

trouble with introspection, of course, is that it can paralyze a leader, especially one with a strong obsessive bent. Endless self-analysis will prevent her from making quick decisions. Consequently, many of the most effective leaders rely on an outsider to provide an incisive reality check. The “consultant” can be a member of the family—Bill Gates, for instance, routinely uses his wife as a sounding board. Other people turn to a longtime friend or associate, as British tycoon Lord James Hanson relied heavily on his U.S.-based business partner Sir Gordon White. Increasingly, leaders also work with executive coaches to get an outside view.

When leaders wish to manage followers’ transferences, as well as their own, they can start by bringing the unconscious into awareness—which is what Freud is all about. This effort is especially important when staff members view a leader through different transference lenses. In such a situation, a leader can deal with his followers’ transferences by showing himself more as he actually is, thereby demystifying his professional relationships. But don’t count on these steps to eliminate projections. So long as they are unconscious, transferences remain strong. What’s worse, the positive transference of the follower is likely to become negative before it disappears, as we have seen in public attitudes toward U.S. presidents.

In consulting with CEOs, I’ve had them and their executive teams answer the personality questionnaire from my book *The Productive Narcissist* as a way to discuss how the personalities of the individuals influence their leadership style and how they relate to one another and their followers. This exercise has increased mutual understanding and objectivity, sometimes uncovering problematic transferences. In one case, it became clear that a chief financial officer was totally focused on pleasing the CEO, who was a father figure for her. She was resentful that the CEO didn’t show her more attention; at the same time, however, she ignored several vice presidents who offered their help. The more people know one another and the rules of the game, the harder it is to project and the more obviously unreal the projections will be.

As the new CEO of DAI, an international development company struggling to manage its growth, Tony Barclay took precisely this approach in succeeding a father figure CEO. In

order to prevent people from automatically relating to him as a patriarch or else resenting him as the brother who usurped the father, Barclay took a lot of time and trouble to make sure that all his employees knew him very well. He also went to great lengths to help them realize that their rewards and promotions depended on their own performance, not on their relationship with him. Barclay calls his style of leadership “management by consequence,” and it essentially centers on building a mutual understanding between leader and follower.

Barclay’s approach has not only mitigated negative transferences and childlike dependencies at DAI; it also has made Barclay into a role model for his managers and other employees. Becoming a role model strengthens a leader’s authority and inspires teamwork and company spirit. We can see this dynamic at work in sports teams. Michael Jordan, especially when he was at his prime playing for the Chicago Bulls, was the unquestioned leader of a group of highly paid athletes who would not easily accept authority. Rather than expect Jordan to be a caring parent, teammates wanted to “be like Mike.” The difficulty of the role-model approach is that you can’t fake it. Employees have to see you as an authentic ideal, like Bill Gates or Steve Jobs. (Of course, you also need employees with enough talent and confidence to feel they can be like Bill or Steve.) Barclay says that sustaining this role takes a lot of work. “If you get lazy, you’ll lose it.”


The path to mutual understanding is often a long one, and organizations can implode before treatment strategies take effect. One way to speed things up a little is the time-honored tactic of creating an outside enemy. This provides a short-term boost to employees’ positive transferences, allowing them to get over negative feelings about the leader, at least for a while. This approach strengthened the transference following of George W. Bush after September 11, 2001, as he emphasized his leadership in protecting the United States from terrorist threats. (However, we have seen that this kind of transference can turn negative when leadership appears to fail.) Former CEO Goran Collert took the outside-enemy approach at Swedbank. He told employees that the bank faced threats not only from Swedish competitors but also from the Danes, the Dutch, and the Germans. The psychological impact of the

If all relationships are colored by transference, how can you ever know if your followers’ relationships with you are real? You can’t.

threat—real or not—was to strengthen workers' positive transference with Collert as a leader.

Effective as the outside-enemy tactic can be in buying a leader some time to understand and manage the transference problem, it does carry serious long-term dangers. In time, insecurity and anxiety in the face of the outside threat can cause people to regress to a childlike state where they want their leader to protect them. They don't step up to responsibility, and their anxiety becomes corrosive to the organization. Additionally, when a leader starts acting like a general marshaling forces against the enemy, employees can become more afraid of the authoritative leader than of the external threat. Creating a common enemy, therefore, is a strategy that should always be used sparingly and never in isolation.

• • •

No leader will ever be able to completely control his followers' unconscious motivations—transference is too deeply ingrained in human nature for that. Yet if the organization is to be protected from itself, followers' projections and motivations must be channeled and managed. The challenge is especially urgent for today's organizations, in which increasing diversity requires us all to move away from stereotyping and really understand differences in personality and ways of thinking and learning. 

1. I have changed the names and occupations in examples from my clinical work and that of my colleagues.

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