



Ted Turner (pictured with wife Jane Fonda) personifies the public's image of the bold, self-assured leader.

The sign on Ted Turner's desk reads, "Either lead, follow, or get out of the way." In Turner's case, it's clear that he's chosen to lead. He

has spent his entire adult life taking on one bold risk after another—and succeeded when all the "experts" seemed assured that he'd fail.<sup>1</sup>

A dropout from Brown University, Ted Turner took over the family's nearly bankrupt billboard business in 1963 when he was twenty-four years old. In a few quick years, Turner turned the business around. Then he bought a small independent television station in Atlanta and arrogantly dubbed it the SuperStation. A year later he purchased the Atlanta Braves baseball team, then perennial losers, so that he'd have something to televise on his station besides old reruns of "Leave It to Beaver" and "Father Knows Best." Combining new satellite transmission technology with the unexploited cable television market, his WTBS SuperStation became a runaway success. Oh yes, and the Braves made it to the World Series in 1992.

In 1981, convinced that there was a market for twenty-four-hour news, which no one else acknowledged, Turner leveraged all his assets to launch the Cable News Network. CNN has proven to be incredibly profitable and has won numerous awards for its coverage of the 1989 Chinese revolution at Tiananmen Square and the 1991 war in the Persian Gulf. In 1986, Ted Turner bet the company again to buy the MGM/United Artists' film library. As usual, the critics thought he was nuts. But once again he proved them wrong, creating the highly successful Turner Network Television as a vehicle for showing his classic films.

The ability to see opportunities that others don't and to boldly "go for the victory" differentiates Ted Turner from your typical business executive. This is the man who, wanting to prove his worth as a sailor, took on the establishment and led his boat to a win in the 1979 America's Cup race. This is the person who, to facilitate world peace in the 1980s, created the Goodwill Games, an Olympic-style contest featuring U.S. and then-Soviet athletes. This is the guy who decided to call up Jane Fonda when he heard she was getting a divorce—they married two years later. This is the man *Time* magazine dubbed "Man of the Year" in January 1992.

Ted Turner reminds us of the importance of leadership. It's the leaders in organizations who make things happen. But if leadership is so important, it's only natural to ask: Are leaders born or made? What differentiates leaders from nonleaders? What can *you* do if you want to be seen as a leader? In this chapter we'll try to answer such questions.

## Managers Versus Leaders

Let's begin by clarifying the distinction between managers and leaders. Writers frequently confuse the two, although they are not necessarily the same.

Managers are appointed. They have legitimate power that allows them to reward and punish. Their ability to influence is founded upon the formal authority inherent in their positions. In contrast, leaders may either be appointed or emerge from within a group. Leaders can influence others to perform beyond the actions dictated by formal authority.

Should all managers be leaders? Conversely, should all leaders be managers? Because no one yet has been able to demonstrate through research or logical argument that leadership ability is a handicap to a manager, we can state that all managers should *ideally* be leaders. However, not all leaders necessarily have the capabilities in other managerial functions, and thus not all should hold managerial positions. The fact that an individual can influence others does not tell whether he or she can also plan, organize, and control. Given (if only ideally) that all managers should be leaders, we will pursue the subject from a managerial perspective. Therefore **leaders** in this chapter mean those who are able to influence others and who possess managerial authority.

### leaders

Those who are able to influence others and who possess managerial authority.

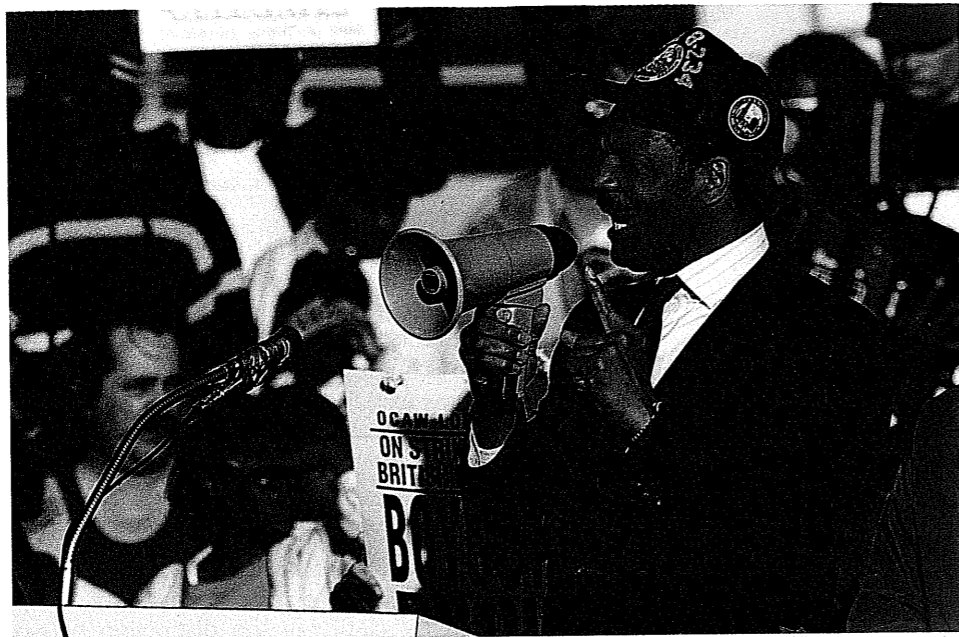
## Trait Theories

### trait theories

Theories isolating characteristics that differentiate leaders from nonleaders.

Ask the average person on the street what comes to mind when he or she thinks of leadership. You're likely to get a list of qualities such as intelligence, charisma, decisiveness, enthusiasm, strength, bravery, integrity, and self-confidence. These responses represent, in essence, **trait theories** of leadership. The search for traits or characteristics that differentiate leaders from nonleaders, though done in a more sophisticated manner than our on-the-street survey, dominated the early research efforts in the study of leadership.

Is it possible to isolate one or more traits in individuals who are generally acknowledged to be leaders—for instance, Martin Luther King, Jr., Joan of Arc, Ted Turner, Nelson Mandela, Margaret Thatcher, Mahatma Gandhi—that nonleaders do not possess? We may agree that these individuals meet our definition of a leader, but they represent individuals with utterly different characteristics. If the concept of traits was to prove valid, there had to be found specific characteristics that all leaders possess.



What traits characterize leaders like Jesse Jackson? The research has identified six: drive, the desire to lead, honesty and integrity, self-confidence, intelligence, and job-relevant knowledge.

Research efforts at isolating these traits resulted in a number of dead ends. Attempts failed to identify a set of traits that would always differentiate leaders from followers and effective leaders from ineffective leaders. Perhaps it was a bit optimistic to believe that a set of consistent and unique personality traits could apply across the board to all effective leaders, whether they were in charge of the Hell's Angels, New York Yankees, Federal Express, Shell Oil, Massachusetts General Hospital, Church of Jesus Christ of Latter-Day Saints, or Playboy Enterprises.

However, attempts to identify traits consistently *associated* with leadership have been more successful. Six traits on which leaders are seen to differ from nonleaders include: drive, the desire to lead, honesty and integrity, self-confidence, intelligence, and job-relevant knowledge.<sup>2</sup> These traits are briefly described in Table 17-1.

Yet traits alone are not sufficient for explaining leadership. Explanations based solely on traits ignore situational factors. Possessing the appropriate traits only makes it more likely that an individual will be an effective leader. He or she still has to take the right actions. And what is right in one situation is not necessarily right for a different situation. So while there has been some resurgent interest in traits during the past decade, a major movement away from trait theories began as early as the 1940s. Leadership research from the late 1940s through the mid-1960s emphasized the preferred behavioral styles that leaders demonstrated.

## Behavioral Theories

The inability to strike gold in the trait mines led researchers to look at the behavior that specific leaders exhibited. Researchers wondered whether there was something unique in the *behavior* of effective leaders. For example, do leaders tend to be more democratic than autocratic?

It was hoped that not only would the **behavioral theories** approach provide more definitive answers about the nature of leadership, but, if successful, it would have practical implications quite different from those of the trait approach. If trait research had been successful, it would have provided a basis for *selecting* the “right”

### behavioral theories

Theories identifying behaviors that differentiate effective from ineffective leaders.

TABLE 17-1 Six Traits That Differentiate Leaders from Nonleaders

1. *Drive*. Leaders exhibit a high effort level. They have a relatively high desire for achievement, they're ambitious, they have a lot of energy, they're tirelessly persistent in their activities, and they show initiative.
2. *Desire to lead*. Leaders have a strong desire to influence and lead others. They demonstrate the willingness to take responsibility.
3. *Honesty and integrity*. Leaders build trusting relationships between themselves and followers by being truthful or nondeceitful and by showing high consistency between word and deed.
4. *Self-confidence*. Followers look to leaders for an absence of self-doubt. Leaders, therefore, need to show self-confidence in order to convince followers of the rightness of goals and decisions.
5. *Intelligence*. Leaders need to be intelligent enough to gather, synthesize, and interpret large amounts of information; and to be able to create visions, solve problems, and make correct decisions.
6. *Job-relevant knowledge*. Effective leaders have a high degree of knowledge about the company, industry, and technical matters. In-depth knowledge allows leaders to make well-informed decisions and to understand the implications of those decisions.

Source: Shelly A. Kirkpatrick and Edwin A. Locke, “Leadership: Do Traits Really Matter?,” *Academy of Management Executive*, May 1991, pp. 48–60.

people to assume formal positions in organizations requiring leadership. In contrast, if behavioral studies were to turn up critical behavioral determinants of leadership, we could *train* people to be leaders.

A number of studies looked at behavioral styles. We shall briefly review the two most popular studies: the Ohio State group and the University of Michigan group. Then we shall see how the concepts that these studies developed could be used to create a grid for looking at and appraising leadership styles.

### The Ohio State Studies

The most comprehensive and replicated of the behavioral theories resulted from research that began at Ohio State University in the late 1940s.<sup>3</sup> These studies sought to identify independent dimensions of leader behavior. Beginning with over 1,000 dimensions, they eventually narrowed the list down to two categories that accounted for most of the leadership behavior described by subordinates. They called these two dimensions *initiating structure* and *consideration*.

**Initiating structure** refers to the extent to which a leader is likely to define and structure his or her role and those of subordinates in the search for goal attainment. It includes behavior that attempts to organize work, work relationships, and goals. For example, the leader who is characterized as high in initiating structure assigns group members to particular tasks, expects workers to maintain definite standards of performance, and emphasizes the meeting of deadlines.

**Consideration** is defined as the extent to which a person has job relationships characterized by mutual trust and respect for subordinates' ideas and feelings. A leader who is high in consideration helps subordinates with personal problems, is friendly and approachable, and treats all subordinates as equals. He or she shows concern for his or her followers' comfort, well-being, status, and satisfaction.

Extensive research based on these definitions found that a leader who is high in initiating structure *and* consideration (a “**high-high**” leader) achieved high subordinate performance and satisfaction more frequently than one who rated low on either consideration, initiating structure, or both. However, the high-high style did

#### initiating structure

The extent to which a leader defines and structures his or her role and those of subordinates to attain goals.

#### consideration

The extent to which a person has job relationships characterized by mutual trust, respect for subordinates' ideas, and regard for their feelings.

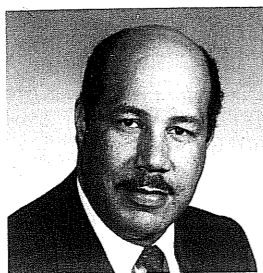
#### high-high leader

A leader high in both initiating structure and consideration.





## James G. Kaiser at Corning Inc.



James G. Kaiser joined Corning Inc. as a sales representative in 1968, a short time after graduating from UCLA. Today, Kaiser is senior vice president and general manager of Corning's technical products division and Latin America, Asia-Pacific Exports.<sup>4</sup> He's directly responsible for a \$200 million business that develops, produces, and sells 40,000 products and technologies—everything from high-priced Serengeti sunglasses to space shuttle windows.

Associates describe Kaiser as “a bulldog,” yet “a fair-minded and caring manager.” As one put it, “he’s tenacious, a bold risk-taker and very concerned about his people.” Kaiser believes in giving decision authority to his staff: “I’m a very people-oriented manager and I believe you can’t be smart enough—particularly with the span of control that I have—to know the answers for everything. . . . So there’s a participatory process and an empowerment process where my staff can literally run the business.”

Kaiser’s record of accomplishment at Corning is impressive. For instance, he’s played an instrumental role in Corning’s cultural diversity initiative and its TQM program. His division was one of the first within Corning to integrate his business strategy with the company’s quality strategy. But James Kaiser is a leader in the community as well as in his place of employment. He recently spent two years as president of the Executive Leadership Council, a national organization based in Washington, D.C., and made up of sixty senior-level black managers that has helped hundreds of black executives gain contacts and information to enhance their careers. Says Kaiser, “As an African-American, I have a role in the community in making sure that black people come along, that they are taught and that the system works for them.”

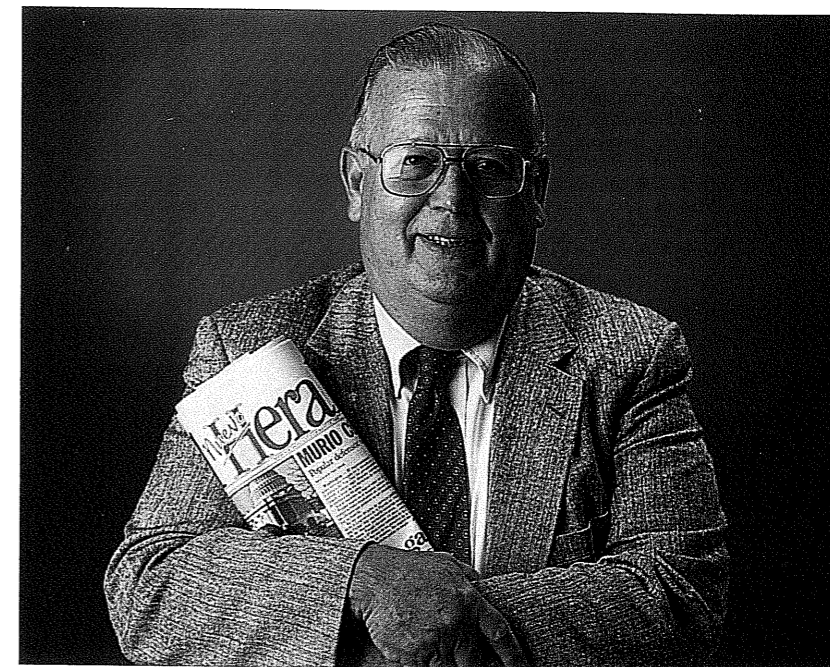
not *always* yield positive results. For example, leader behavior characterized as high on initiating structure led to greater rates of grievances, absenteeism, and turnover and lower levels of job satisfaction for workers performing routine tasks. Other studies found that high consideration was negatively related to performance ratings of the leader by his or her superior. In conclusion, the Ohio State studies suggested that the high-high style generally produced positive outcomes, but enough exceptions were found to indicate that situational factors needed to be integrated into the theory.

### The University of Michigan Studies

Leadership studies undertaken at the University of Michigan’s Survey Research Center, at about the same time as those being done at Ohio State, had similar research objectives: to locate behavioral characteristics of leaders that were related to performance effectiveness.

The Michigan group also came up with two dimensions of leadership behavior that they labeled employee oriented and production oriented.<sup>5</sup> Leaders who were *employee oriented* were described as emphasizing interpersonal relations; they took a

Roberto Suarez, publisher of the *El Nuevo Herald* in Miami, is an employee-oriented leader. He takes a strong personal interest in the concerns of his people. His low-key, nonthreatening style encourages people to get work done on their own.



personal interest in the needs of their subordinates and accepted individual differences among members. The *production-oriented* leaders, in contrast, tended to emphasize the technical or task aspects of the job, were concerned mainly with accomplishing their group’s tasks, and regarded group members as a means to that end.

The conclusions of the Michigan researchers strongly favored leaders who were employee oriented. Employee-oriented leaders were associated with higher group productivity and higher job satisfaction. Production-oriented leaders were associated with low group productivity and lower worker satisfaction.

### The Managerial Grid

A two-dimensional view of leadership style was developed by Blake and Mouton.<sup>6</sup> They proposed a **managerial grid** based on the styles of “concern for people” and “concern for production,” which essentially represent the Ohio State dimensions of consideration and initiating structure and the Michigan dimensions of employee orientation and production orientation.

The grid, depicted in Figure 17-1, has nine possible positions along each axis, creating eighty-one different positions into which a leader’s style may fall. The grid does not show the results produced, but rather the dominating factors in a leader’s thinking in regard to getting results.

Although there are eighty-one positions on the grid, the five key positions identified by Blake and Mouton are as follows:

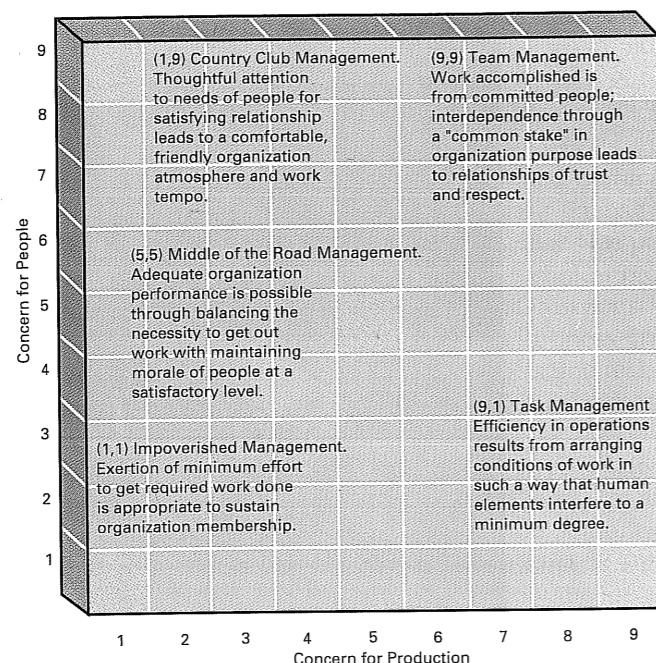
- 1,1: *Impoverished*: The leader exerts a minimum effort to accomplish the work.
- 9,1: *Task*: The leader concentrates on task efficiency but shows little concern for the development and morale of subordinates.
- 1,9: *Country-club*: The leader focuses on being supportive and considerate of subordinates to the exclusion of concern for task efficiency.
- 5,5: *Middle-of-the-road*: The leader maintains adequate task efficiency and satisfactory morale.

#### managerial grid

A two-dimensional portrayal of leadership based on concerns for people and for production.

**FIGURE 17-1**  
The Managerial Grid

Source: Reprinted by permission of *Harvard Business Review*. An exhibit from "Breakthrough in Organization Development" by Robert R. Blake, Jane S. Mouton, Louis B. Barnes, and Larry E. Greiner, November-December 1964, p. 136. Copyright © 1964 by the President and Fellows of Harvard College; all rights reserved.



9,9: *Team*: The leader facilitates task efficiency and high morale by coordinating and integrating work-related activities.

From these findings, Blake and Mouton concluded that managers perform best using a 9,9 style. Unfortunately, the grid offers no answers to the question of what makes a manager, but only a framework for conceptualizing leadership style. In fact, there is little substantive evidence to support the conclusion that a 9,9 style is most effective in all situations.<sup>7</sup>

### Summary of Behavioral Theories

We have described the most popular and important attempts to explain leadership in terms of behavior. There were other efforts,<sup>8</sup> but they faced the same problem that confronted the Ohio State and Michigan researchers: They had very little success in identifying consistent relationships between patterns of leadership behavior and successful performance. General statements could not be made because results would vary over different ranges of circumstances. What was missing was consideration of the situational factors that influence success or failure. For example, would Mother Teresa have been a great leader of the downtrodden at the turn of the century? Would Ralph Nader have risen to lead a consumer activist group had he been born in 1834 rather than in 1934 or in Costa Rica rather than in Connecticut? It seems quite unlikely, yet the behavioral approaches we have described could not clarify such situational factors.

## Contingency Theories

It became increasingly clear to those studying the leadership phenomenon that predicting leadership success involved something more complex than isolating a few traits or preferable behaviors. The failure to obtain consistent results led to a new

focus on situational influences. The relationship between leadership style and effectiveness suggested that under condition *a*, style *x* would be appropriate, whereas style *y* would be more suitable for condition *b*, and style *z* for condition *c*. But what were the conditions *a*, *b*, *c*, and so forth? It was one thing to say that leadership effectiveness depended on the situation and another to be able to isolate those situational conditions.

There has been no shortage of studies attempting to isolate critical situational factors that affect leadership effectiveness. One author, in reviewing the literature, found that the task being performed (that is, the complexity, type, technology, and size of the project) was a significant moderating variable; but he also uncovered studies that isolated situational factors such as style of the leader's immediate supervisor, group norms, span of control, external threats and stress, and organizational culture.<sup>9</sup>

Several approaches to isolating key situational variables have proven more successful than others and, as a result, have gained wider recognition. We shall consider four of these: the Fiedler model, Hersey and Blanchard's situational theory, path-goal theory, and the leader-participation model.

### The Fiedler Model

The first comprehensive contingency model for leadership was developed by Fred Fiedler.<sup>10</sup> The **Fiedler contingency model** proposes that effective group performance depends upon the proper match between the leader's style of interacting with his or her subordinates and the degree to which the situation gives control and influence to the leader. Fiedler developed the **least-preferred co-worker (LPC) questionnaire** which purports to measure whether a person is task or relationship oriented. Further, he isolated three situational criteria—leader-member relations, task structure, and position power—that he believes can be manipulated to create the proper match with the behavioral orientation of the leader. In a sense the Fiedler model is an outgrowth of trait theory, since the LPC questionnaire is a simple psychological test. However, Fiedler goes significantly beyond trait and behavioral approaches by isolating situations, relating an individual's personality to the situation, and then predicting leadership effectiveness as a function of the two.

The above description of the Fiedler model can appear somewhat abstract. Let us now look at the model in more pragmatic detail.

Fiedler believes a key factor in leadership success to be an individual's basic leadership style. Thus he first tries to find out what that basic style is. Fiedler created the LPC questionnaire for this purpose. As shown in Figure 17-2, it contains sixteen pairs of contrasting adjectives. Respondents are asked to think of all the co-workers they have ever had and to describe the one person they *least enjoyed* working with by rating him or her on a scale of 1 to 8 for each of the sixteen sets of adjectives. Fiedler believes that, on the basis of the respondents' answers to this LPC questionnaire, you can determine most people's basic leadership style.

If the least preferred co-worker is described in relatively positive terms (a high LPC score), then the respondent is primarily interested in good personal relations with this co-worker. That is, if you describe the person you are least able to work with in favorable terms, Fiedler would label you *relationship oriented*. In contrast, if you see the least preferred co-worker in relatively unfavorable terms (a low LPC score), you are primarily interested in productivity and thus would be labeled *task oriented*. Using the LPC instrument, Fiedler is able to place most respondents into either of these two leadership styles. A small group of people has been found to fall in between for whom Fiedler acknowledges that it is difficult to draw a personality sketch.

It's important to note that Fiedler assumes that an individual's leadership style is

#### Fiedler contingency model

The theory that effective groups depend on a proper match between a leader's style of interacting with subordinates and the degree to which the situation gives control and influence to the leader.

#### least-preferred co-worker (LPC) questionnaire

A questionnaire that measures whether a person is task or relationship oriented.



**FIGURE 17-2**  
Fiedler's LPC Scale

Source: From Fred E. Fiedler and Martin M. Chemers, *Leadership and Effective Management* (Scott, Foresman & Co., 1974). Reprinted by permission of authors.

Pleasant	8	7	6	5	4	3	2	1	Unpleasant
Friendly	8	7	6	5	4	3	2	1	Unfriendly
Rejecting	1	2	3	4	5	6	7	8	Accepting
Helpful	8	7	6	5	4	3	2	1	Frustrating
Unenthusiastic	1	2	3	4	5	6	7	8	Enthusiastic
Tense	1	2	3	4	5	6	7	8	Relaxed
Distant	1	2	3	4	5	6	7	8	Close
Cold	1	2	3	4	5	6	7	8	Warm
Cooperative	8	7	6	5	4	3	2	1	Uncooperative
Supportive	8	7	6	5	4	3	2	1	Hostile
Boring	1	2	3	4	5	6	7	8	Interesting
Quarrelsome	1	2	3	4	5	6	7	8	Harmonious
Self-assured	8	7	6	5	4	3	2	1	Hesitant
Efficient	8	7	6	5	4	3	2	1	Inefficient
Gloomy	1	2	3	4	5	6	7	8	Cheerful
Open	8	7	6	5	4	3	2	1	Guarded

fixed. As we'll show in a moment, this means that if a situation requires a task-oriented leader and the person in that leadership position is relationship oriented, either the situation has to be modified or the leader has to be removed and replaced if optimum effectiveness is to be achieved. Fiedler argues that leadership style is innate—you *can't* change your style to fit changing situations!

After an individual's basic leadership style has been assessed through the LPC, it is necessary to evaluate the situation and match the leader with the situation. Fiedler has identified three contingency dimensions that, he argues, define the key situational factors for determining leadership effectiveness. These are *leader-member relations*, *task structure*, and *position power*. They are defined as follows:

- Leader-member relations:** The degree of confidence, trust, and respect subordinates have in their leader
- Task structure:** The degree to which the job assignments are procedurized (that is, structured or unstructured)
- Position power:** The degree of influence a leader has over power variables such as hiring, firing, discipline, promotions, and salary increases

The next step in the Fiedler model is to evaluate the situation in terms of these three contingency variables. Leader-member relations are either good or poor, task structure either high or low, and position power either strong or weak. Altogether, by mixing the three contingency variables, there are potentially eight different situations or categories in which a leader could find him- or herself.

**leader-member relations**

The degree of confidence, trust, and respect subordinates have in their leader.

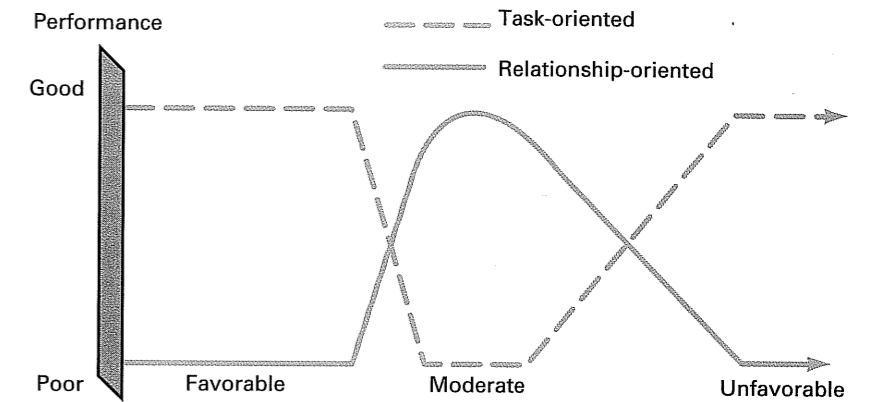
**task structure**

The degree to which the job assignments are procedurized.

**position power**

The degree of influence a leader has over power variables such as hiring, firing, discipline, promotions, and salary increases.

**FIGURE 17-3**  
The Findings of the Fiedler Model



Category	I	II	III	IV	V	VI	VII	VIII
Leader-member relations	Good	Good	Good	Good	Poor	Poor	Poor	Poor
Task structure	High	High	Low	Low	High	High	Low	Low
Position power	Strong	Weak	Strong	Weak	Strong	Weak	Strong	Weak

The Fiedler model proposes matching an individual's LPC and an assessment of the three contingency variables to achieve maximum leadership effectiveness. In his studies of over 1,200 groups, in which he compared relationship- versus task-oriented leadership styles in each of the eight situational categories, Fiedler concluded that task-oriented leaders tend to perform better in situations that were *very favorable* to them and in situations that were *very unfavorable* (see Figure 17-3). Fiedler would predict that, when faced with a category I, II, III, VII, or VIII situation, task-oriented leaders perform better. Relationship-oriented leaders, however, perform better in moderately favorable situations—categories IV through VI.

Remember that according to Fiedler an individual's leadership style is fixed. Therefore there are really only two ways in which to improve leader effectiveness. First, you can change the leader to fit the situation. As in a baseball game, management can reach into its bullpen and put in a right-handed pitcher or a left-handed pitcher, depending on the situational characteristics of the hitter. For example, if a group situation rates as highly unfavorable but is currently led by a relationship-oriented manager, the group's performance could be improved by replacing that manager with one who is task oriented. The second alternative would be to change the situation to fit the leader. That could be done by restructuring tasks or increasing or decreasing the power that the leader has to control factors such as salary increases, promotions, and disciplinary actions. To illustrate, assume that a task-oriented leader is in a category IV situation. If this leader could significantly increase his or her position power, then the leader would be operating in category III, and the leader-situation match would be compatible for high group performance.

As a whole, reviews of the major studies undertaken to test the overall validity of the Fiedler model lead to a generally positive conclusion. That is, there is considerable evidence to support the model.<sup>11</sup> But additional variables are probably needed if an improved model is to fill in some of the remaining gaps. Moreover, there are problems with the LPC and the practical use of the model that need to be addressed. For instance, the logic underlying the LPC is not well understood, and studies have shown that respondents' LPC scores are not stable.<sup>12</sup> Also, the contingency variables are complex and difficult for practitioners to assess. It's often difficult in practice to



According to Fiedler, the leadership style of this prison guard at the Marion Federal Penitentiary is fixed. If his style doesn't fit the situation, either the situation has to be changed or he needs to be replaced by a guard with a different style.

**situational leadership theory**  
A contingency theory that focuses on followers' maturity.

**maturity**  
The ability and willingness of people to take responsibility for directing their own behavior.

determine how good the leader-member relations are, how structured the task is, and how much position power the leader has.<sup>13</sup>

### The Hersey-Blanchard Situational Theory

One of the most widely followed leadership models is the **situational leadership theory** of Paul Hersey and Kenneth Blanchard.<sup>14</sup> Situational leadership is a contingency theory that focuses on followers. Successful leadership is achieved by selecting the right leadership style, which Hersey and Blanchard argue is contingent on the level of the followers' maturity. It has been used as a major training device at such *Fortune* 500 companies as BankAmerica, Caterpillar, IBM, Mobil Oil, and Xerox; it has also been widely accepted in all the military services.<sup>15</sup> Although the theory has not undergone extensive evaluation to test its validity, we include it here because of its wide acceptance and its strong intuitive appeal.

The emphasis on followers in leadership effectiveness reflects the reality that it is they who accept or reject the leader. Regardless of what the leader does, effectiveness depends on the actions of his or her followers. This is an important dimension that has been overworked or underemphasized in most leadership theories.

The term **maturity**, as defined by Hersey and Blanchard, is the ability and willingness of people to take responsibility for directing their own behavior. It has two components: job maturity and psychological maturity. The first encompasses one's knowledge and skills. Individuals who are high in job maturity have the knowledge, ability, and experience to perform their job tasks without direction from others. Psychological maturity relates to the willingness or motivation to do something. Individuals who are high in psychological maturity don't need much external encouragement; they are already intrinsically motivated.

Situational leadership uses the same two leadership dimensions that Fiedler identified: task and relationship behaviors. However, Hersey and Blanchard go a step further by considering each as either high or low and then combining them into four specific leadership styles: telling, selling, participating, and delegating. They are described as follows:

**Telling** (high task-low relationship): The leader defines roles and tells people what, how, when, and where to do various tasks.

**Selling** (high task-high relationship): The leader provides both directive behavior and supportive behavior.

**Participating** (low task-high relationship): The leader and follower share in decision making, the main role of the leader being facilitating and communicating.

**Delegating** (low task-low relationship): The leader provides little direction or support.

The final component in Hersey and Blanchard's theory is defining four stages of maturity:

**M1:** People are both unable and unwilling to take responsibility for doing something. They are neither competent nor confident.

**M2:** People are unable but willing to do the necessary job tasks. They are motivated but currently lack the appropriate skills.

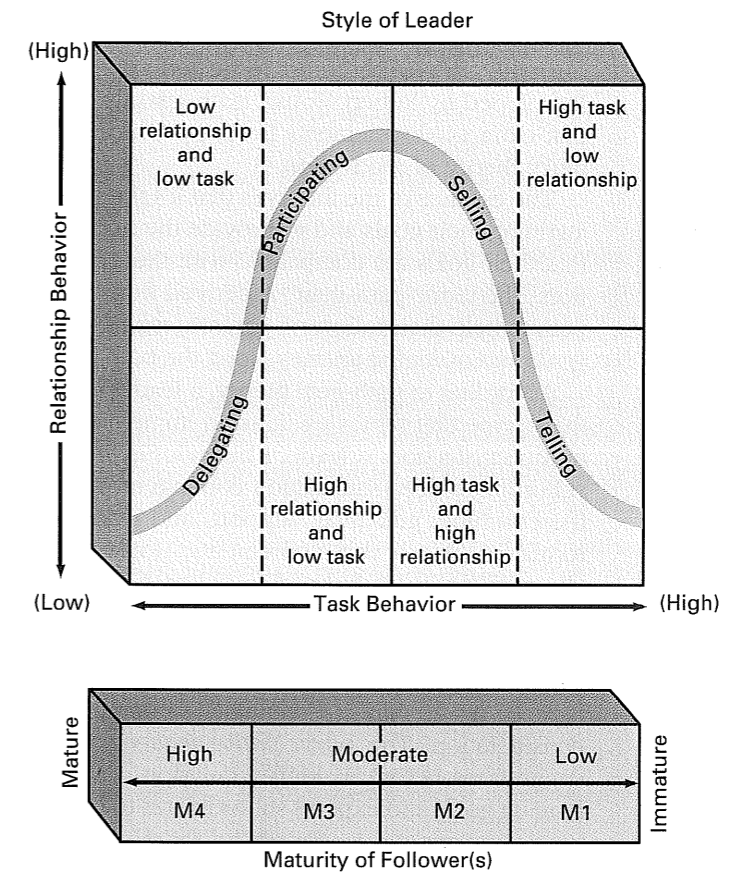
**M3:** People are able but unwilling to do what the leader wants.

**M4:** People are both able and willing to do what is asked of them.

Figure 17-4 integrates the various components into the situational leadership model. As followers reach high levels of maturity, the leader responds not only by continuing to decrease control over activities, but also by continuing to decrease

**FIGURE 17-4**  
The Situational Leadership Model

Source: Adapted from P. Hersey and K. Blanchard, *Management of Organizational Behavior: Utilizing Human Resources*, 4th ed. © 1982, p. 152. Adapted by permission of Prentice-Hall, Inc., Englewood Cliffs, NJ.



relationship behavior. At stage M1, followers need clear and specific directions. At stage M2, both high-task and high-relationship behavior is needed. The high-task behavior compensates for the followers' lack of ability, and the high-relationship behavior tries to get the followers psychologically to "buy into" the leader's desires. M3 creates motivational problems that are best solved by a supportive, nondirective, participative style. Finally, at stage M4 the leader doesn't have to do much because followers are both willing and able to take responsibility.

The astute reader might have noticed the high similarity between Hersey and Blanchard's four leadership styles and the four "corners" in the managerial grid. Is situational leadership, then, merely the managerial grid with one major difference: the replacement of the 9,9 ("one style for all occasions") contention with the recommendation that the "right" style should align with the maturity of the followers? Hersey and Blanchard say no.<sup>16</sup> They argue that the grid emphasizes *concern* for production and people, which are attitudinal dimensions. Situational leadership, in contrast, emphasizes task and relationship *behavior*. In spite of Hersey and Blanchard's claim, this is a pretty minute differentiation. The situational leadership theory is probably better understood by being considered as a fairly direct adaptation of the grid framework to reflect four stages of follower maturity.

Finally, we come to the critical question: Is there evidence to support situational leadership theory? As was noted earlier, the theory has received little attention from researchers.<sup>17</sup> Thus on the basis of the research to date, conclusions must be guarded. Some researchers claim that evidence provides partial support for the theory,<sup>18</sup> while other researchers find no support for its assumptions.<sup>19</sup> As a result, any enthusiastic endorsement at this time should be cautioned against.



**path-goal theory**

The theory that a leader's behavior is acceptable to subordinates insofar as they view it as a source of either immediate or future satisfaction.

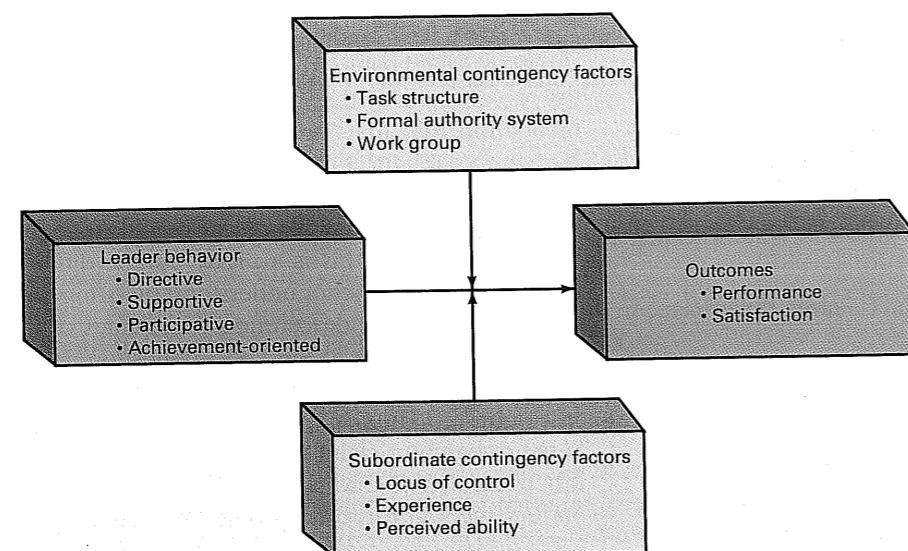
**Path-Goal Theory**

Currently, one of the most respected approaches to leadership is path-goal theory. Developed by Robert House, path-goal theory is a contingency model of leadership that extracts key elements from the Ohio State leadership research and the expectancy theory of motivation.<sup>20</sup>

The essence of the theory is that it's the leader's job to assist his or her followers in attaining their goals and to provide the necessary direction and/or support to ensure that their goals are compatible with the overall objectives of the group or organization. The term "path-goal" is derived from the belief that effective leaders clarify the path to help their followers get from where they are to the achievement of their work goals and make the journey along the path easier by reducing roadblocks and pitfalls.

According to path-goal theory, a leader's behavior is *acceptable* to subordinates to the degree that they view it as an immediate source of satisfaction or as a means of future satisfaction. A leader's behavior is *motivational* to the degree that it (1) makes subordinate need-satisfaction contingent on effective performance and (2) provides the coaching, guidance, support, and rewards that are necessary for effective performance. To test these statements, House identified four leadership behaviors. The *directive leader* lets subordinates know what is expected of them, schedules work to be done, and gives specific guidance as to how to accomplish tasks. This type of leadership closely parallels the Ohio State dimension of initiating structure. The *supportive leader* is friendly and shows concern for the needs of subordinates. This type of leadership is essentially synonymous with the Ohio State dimension of consideration. The *participative leader* consults with subordinates and uses their suggestions before making a decision. The *achievement-oriented leader* sets challenging goals and expects subordinates to perform at their highest level. In contrast to Fiedler's view of a leader's behavior, House assumes that leaders are flexible. Path-goal theory implies that the same leader can display any or all of these leadership styles depending on the situation.

As Figure 17-5 illustrates, path-goal theory proposes two classes of situational or contingency variables that moderate the leadership behavior–outcome relationship—those in the *environment* that are outside the control of the subordinate (task structure, the formal authority system, and the work group) and those that are part of the personal characteristics of the *subordinate* (locus of control, experience, and perceived ability). Environmental factors determine the type of leader behavior



**FIGURE 17-5**  
Path-Goal Theory

required as a complement if subordinate outcomes are to be maximized, while personal characteristics of the subordinate determine how the environment and leader behavior are interpreted. The theory proposes that leader behavior will be ineffective when it is redundant with sources of environmental structure or incongruent with subordinate characteristics.

The following are some examples of hypotheses that have evolved out of path-goal theory:

- Directive leadership leads to greater satisfaction when tasks are ambiguous or stressful than when they are highly structured and well laid out.
- Supportive leadership results in high employee performance and satisfaction when subordinates are performing structured tasks.
- Directive leadership is likely to be perceived as redundant among subordinates with high perceived ability or with considerable experience.
- The more clear and bureaucratic the formal authority relationships, the more leaders should exhibit supportive behavior and deemphasize directive behavior.
- Directive leadership will lead to higher employee satisfaction when there is substantive conflict within a work group.
- Subordinates with an internal locus of control (those who believe they control their own destiny) will be more satisfied with a participative style.
- Subordinates with an external locus of control will be more satisfied with a directive style.
- Achievement-oriented leadership will increase subordinates' expectancies that effort will lead to high performance when tasks are ambiguously structured.

Research to validate hypotheses such as these is generally encouraging.<sup>21</sup> The evidence supports the logic underlying the theory. That is, employee performance and satisfaction are likely to be positively influenced when the leader compensates for shortcomings in either the employee or the work setting. However, if the leader spends time explaining tasks when those tasks are already clear or the employee has the ability and experience to handle them without interference, the employee is likely to see such directive behavior as redundant or even insulting.

**Leader-Participation Model**

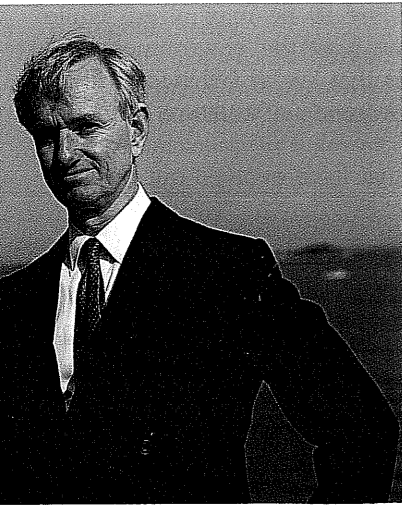
Back in 1973, Victor Vroom and Phillip Yetton developed a **leader participation model** that related leadership behavior and participation to decision making.<sup>22</sup> Recognizing that task structures have varying demands for routine and nonroutine activities, these researchers argued that leader behavior must adjust to reflect the task structure. Vroom and Yetton's model was normative—it provided a sequential set of rules that should be followed in determining the form and amount of participation in decision making, as determined by different types of situations. The model was a decision tree incorporating seven contingencies (whose relevance could be identified by making "yes" or "no" choices) and five alternatives leadership styles.

The model assumes that any of five behaviors may be feasible in a given situation—Autocratic I (AI), Autocratic II (AII), Consultative I (CI), Consultative II (CII), and Group II (GII). These are described as follows:

- AI. You solve the problem or make a decision yourself using information available to you at that time.
- AII. You obtain the necessary information from subordinates and then decide on the solution to the problem yourself. You may or may not tell subordinates what the problem is in getting the information from them. The role played by your

**leader-participation model**

A leadership theory that provides a set of rules to determine the form and amount of participative decision making in different situations.



Jim Muller is president of the Muller advertising agency, which does about \$85 million a year in business. Muller has found that the group approach works best with the professionals in his firm. "When you come to terms with the fact that your employees know more than you do, it's one short step to accepting that, in their area of expertise, they're quite likely to make better decisions than you will."

subordinates in making the decision is clearly one of providing the necessary information to you rather than generating or evaluating alternative solutions.

- CI. You share the problem with relevant subordinates individually, getting their ideas and suggestions without bringing them together as a group. Then *you* make the decision that may or may not reflect your subordinates' influence.
- CII. You share the problem with your subordinates as a group, collectively obtaining their ideas and suggestions. Then, you make the decision that may or may not reflect your subordinates' influence.
- GII. You share the problem with your subordinates as a group. Together you generate and evaluate alternatives and attempt to reach an agreement (consensus) on a solution.

More recent work by Vroom and Arthur Jago has resulted in a revision of this model.<sup>23</sup> The new model retains the same five alternative leadership styles but expands the contingency variables to twelve, ten of which are answered along a five-point scale. Table 17-2 lists the twelve variables.

Vroom and Jago have developed a computer program that cuts through all the complexity of the new model. But managers can still use decision trees to select their leadership style, assuming that there are no "shades of gray" (that is, when the status of a variable is clear-cut so a "yes" or "no" response is accurate), that there are no critically severe time constraints, and that subordinates are not geographically dispersed. Figure 17-6 on page 511 illustrates one of these decision trees.

Research testing the original leader-participation model was very encouraging.<sup>24</sup> Because the revised model is new, its validity still needs to be assessed. But the new model is a direct extension of the 1973 version, and it's also consistent with our current knowledge of the benefits and costs of participation. So, at this time, we have every reason to believe that the revised model provides an excellent guide to help managers choose the most appropriate leadership style in different situations.

The leader-participation model confirms that leadership research should be directed at the situation rather than at the person. It probably makes more sense to talk about autocratic and participative *situations* rather than autocratic and participative *leaders*. As did House in his path-goal theory, Vroom, Yetton, and Jago argue against the notion that leader behavior is inflexible. The leader-participation model assumes that the leader can adapt his or her style to different situations.

### Sometimes Leadership Is Irrelevant!

In keeping with the contingency spirit, we want to conclude this section by offering this notion: The belief that some leadership style will always be effective regardless of the situation may not be true. Leadership may not always be important. Data from numerous studies demonstrate that, in many situations, any behaviors a leader exhibits are irrelevant. Certain individual, job, and organizational variables can act as "substitutes for leadership," negating the influence of the leader.<sup>25</sup>

For instance, characteristics of subordinates such as experience, training, "professional" orientation, or need for independence can neutralize the effect of leadership. These characteristics can replace the need for a leader's support or ability to create structure and reduce task ambiguity. Similarly, jobs that are inherently unambiguous and routine or that are intrinsically satisfying may place fewer demands on the leadership variable. Finally, such organizational characteristics as explicit formalized goals, rigid rules and procedures, or cohesive work groups can act in the place of formal leadership.

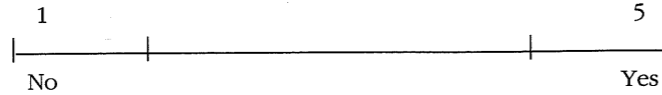
TABLE 17-2 Contingency Variables in the Revised Leader-Participation Model

<b>QR: Quality Requirement</b>				
HOW IMPORTANT IS THE TECHNICAL QUALITY OF THIS DECISION?				
1	2	3	4	5
----- ----- ----- ----- -----				
No	Low	Average	High	Critical
Importance	Importance	Importance	Importance	Importance
<b>CR: Commitment Requirement</b>				
HOW IMPORTANT IS SUBORDINATE COMMITMENT TO THE DECISION?				
1	2	3	4	5
----- ----- ----- ----- -----				
No	Low	Average	High	Critical
Importance	Importance	Importance	Importance	Importance
<b>LI: Leader Information</b>				
DO YOU HAVE SUFFICIENT INFORMATION TO MAKE A HIGH-QUALITY DECISION?				
1	2	3	4	5
----- ----- ----- ----- -----				
No	Probably	Maybe	Probably	Yes
	No		Yes	
<b>ST: Problem Structure</b>				
IS THE PROBLEM WELL-STRUCTURED?				
1	2	3	4	5
----- ----- ----- ----- -----				
No	Probably	Maybe	Probably	Yes
	No		Yes	
<b>CP: Commitment Probability</b>				
IF YOU WERE TO MAKE THE DECISION BY YOURSELF, IS IT REASONABLY CERTAIN THAT YOUR SUBORDINATES WOULD BE COMMITTED TO THE DECISION?				
1	2	3	4	5
----- ----- ----- ----- -----				
No	Probably	Maybe	Probably	Yes
	No		Yes	
<b>GC: Goal Congruence</b>				
DO SUBORDINATES SHARE THE ORGANIZATIONAL GOALS TO BE ATTAINED IN SOLVING THIS PROBLEM?				
1	2	3	4	5
----- ----- ----- ----- -----				
No	Probably	Maybe	Probably	Yes
	No		Yes	
<b>CO: Subordinate Conflict</b>				
IS CONFLICT AMONG SUBORDINATES OVER PREFERRED SOLUTIONS LIKELY?				
1	2	3	4	5
----- ----- ----- ----- -----				
No	Probably	Maybe	Probably	Yes
	No		Yes	
<b>SI: Subordinate Information</b>				
DO SUBORDINATES HAVE SUFFICIENT INFORMATION TO MAKE A HIGH-QUALITY DECISION?				
1	2	3	4	5
----- ----- ----- ----- -----				
No	Probably	Maybe	Probably	Yes
	No		Yes	



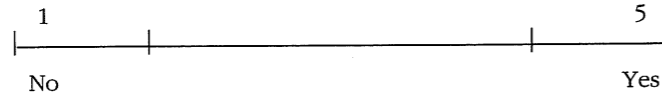
**TC: Time Constraint**

DOES A CRITICALLY SEVERE TIME CONSTRAINT LIMIT YOUR ABILITY TO INVOLVE SUBORDINATES?



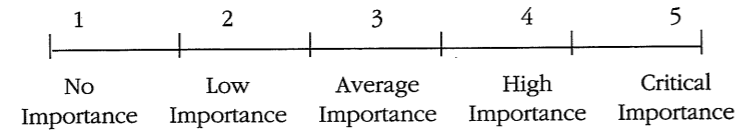
**GD: Geographical Dispersion**

ARE THE COSTS INVOLVED IN BRINGING TOGETHER GEOGRAPHICALLY DISPERSED SUBORDINATES PROHIBITIVE?



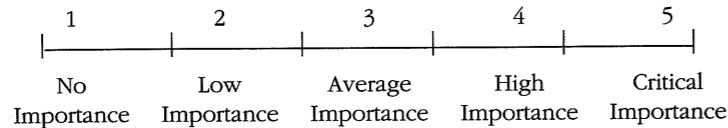
**MT: Motivation-Time**

HOW IMPORTANT IS IT TO YOU TO MINIMIZE THE TIME IT TAKES TO MAKE THE DECISION?



**MD: Motivation-Development**

HOW IMPORTANT IS IT TO YOU TO MAXIMIZE THE OPPORTUNITIES FOR SUBORDINATE DEVELOPMENT?



Source: V.H. Vroom and A.G. Jago, *The New Leadership: Managing Participation in Organizations* (Englewood Cliffs, N.J.: Prentice-Hall, 1988), pp. 111-12. Copyright 1987 by V.H. Vroom and A.G. Jago. Used with permission of the authors.

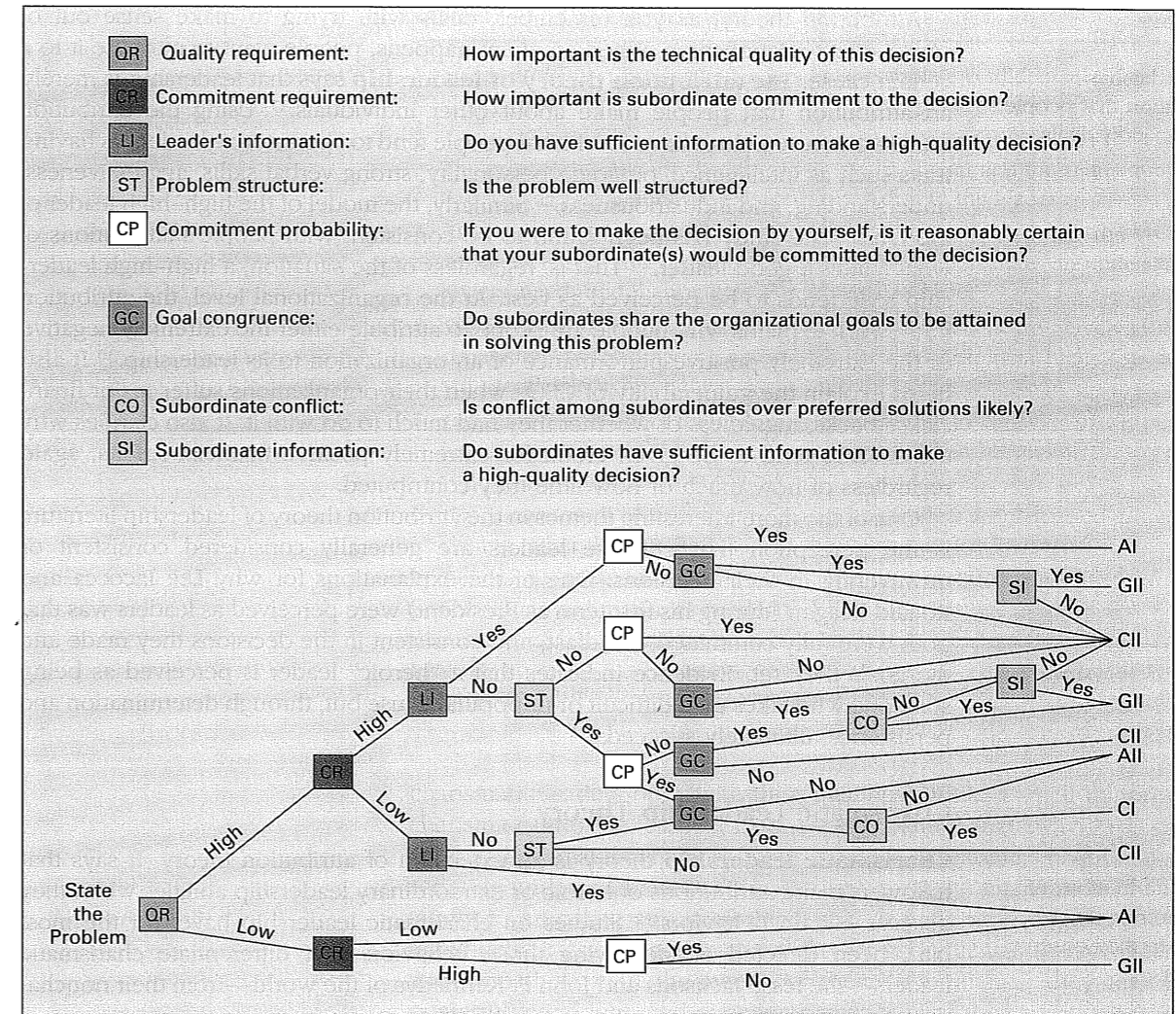
MANAGING FROM A GLOBAL PERSPECTIVE



**The Case Against the Universal Leader**

One general conclusion that surfaces from the leadership literature is that effective leaders don't use any single style. They adjust their style to the situation. While not mentioned explicitly, national culture is certainly an important situational variable determining which leadership style will be most effective.

National culture affects leadership style by way of the subordinate. A leader cannot choose his or her style at will. "What is feasible depends to a large extent on the cultural conditioning of a leader's subordinates."<sup>26</sup> For example, a manipulative or autocratic style is compatible with high power distance, and we find high power distance scores in Arab, Far Eastern, and Latin countries. Power distance rankings should also be good indicators of employee willingness to accept participative leadership. Participation is likely to be most effective in low-power-distance cultures such as those in Norway, Finland, Denmark, and Sweden.



**FIGURE 17-6**  
The Revised Leader-Participation Model (Time-Driven Decision Tree—Group Problems)

Source: V.H. Vroom and A.G. Jago, *The New Leadership: Managing Participation in Organizations* (Englewood Cliffs, N.J.: Prentice-Hall, 1988), p. 184. Copyright 1987 by V.H. Vroom and A.G. Jago. Used with permission of the authors.

**Emerging Approaches to Leadership**

We conclude our review of leadership theories by presenting three emerging approaches to the subject: an attribution theory of leadership, charismatic leadership, and transactional versus transformational leadership. If there is one theme that underlies the approaches in this section, it is that they take a more practical view of leadership than previous theories have, with the exception of trait theories. The following approaches to leadership look at the subject the way the average "person on the street" does.

**Attribution Theory of Leadership**

In Chapter 14, we discussed attribution theory in relation to perception. Attribution theory has also been used to help explain the perception of leadership.

**attribution theory of leadership**

Proposes that leadership is merely an attribution that people make about other individuals.

Attribution theory, as you remember, deals with trying to make sense out of cause–effect relationships. When an event happens, people want to attribute it to a certain cause. The **attribution theory of leadership** says that leadership is merely an attribution that people make about other individuals.<sup>27</sup> Using the attribution framework, researchers have found that people tend to characterize leaders as having traits such as intelligence, outgoing personality, strong verbal skills, aggressiveness, understanding, and industriousness.<sup>28</sup> Similarly, the model of the high–high leader of the Ohio State study has been found to be consistent with people’s attributions of what makes a good leader.<sup>29</sup> That is, regardless of the situation, a high–high leadership style tends to be perceived as best. At the organizational level, the attribution framework explains why people are prone to attribute either the extremely negative or the extremely positive performance of an organization to its leadership.<sup>30</sup> It also helps explain the vulnerability of CEOs when their organizations suffer major financial setbacks, regardless of whether they had much to do with it. It also clarifies why these CEOs tend to be given credit for extremely positive financial results, again regardless of how much or how little they contributed.

One of the more interesting themes in the attribution theory of leadership literature is the perception that effective leaders are generally considered consistent or unwavering in their decisions. One of the explanations for why Lee Iacocca and Ronald Reagan (during his first term as President) were perceived as leaders was that both were fully committed, steadfast, and consistent in the decisions they made and the goals they set. Evidence indicates that a “heroic” leader is perceived as being someone who takes up a difficult or unpopular cause but, through determination and persistence, ultimately succeeds.<sup>31</sup>

**Charismatic Leadership Theory**

**Charismatic leadership** theory is an extension of attribution theory. It says that followers make attributions of heroic or extraordinary leadership abilities when they observe certain behaviors.<sup>32</sup> Studies on charismatic leadership have, for the most part, been directed at identifying those behaviors that differentiate charismatic leaders—the Jesse Jacksons and John F. Kennedys of the world—from their noncharismatic counterparts.

Several authors have attempted to identify personal characteristics of the charismatic leader. Robert House (of path–goal fame) has identified three: extremely high confidence, dominance, and strong convictions in his or her beliefs.<sup>33</sup> Warren Bennis, after studying ninety of the most effective and successful leaders in the United States, found that they had four common competencies: They had a compelling vision or sense of purpose; they could communicate that vision in clear terms that their followers could readily identify with; they demonstrated consistency and focus in the pursuit of their vision; and they knew their own strengths and capitalized on them.<sup>34</sup> The most recent and comprehensive analysis, however, has been completed by Jay Conger and Rabindra Kanungo at McGill University.<sup>35</sup> Among their conclusions, they propose that charismatic leaders have an idealized goal that they want to achieve and a strong personal commitment to that goal, are perceived as unconventional, are assertive and self-confident, and are perceived as agents of radical change rather than managers of the status quo. Table 17–3 summarizes the key characteristics that appear to differentiate charismatic leaders from noncharismatic ones.

What can we say about the charismatic leader’s effect on his or her followers? There is an increasing body of research that shows impressive correlations between charismatic leadership and high performance and satisfaction among followers.<sup>36</sup> People working for charismatic leaders are motivated to exert extra work effort and, because they like their leader, express greater satisfaction.

If charisma is desirable, can people learn to be charismatic leaders? Or are

**TABLE 17–3** Key Characteristics of Charismatic Leaders

1. *Self-confidence.* Charismatic leaders have complete confidence in their judgment and ability.
2. *Vision.* They have an idealized goal that proposes a future better than the status quo. The greater the disparity between this idealized goal and the status quo, the more likely that followers will attribute extraordinary vision to the leader.
3. *Ability to articulate the vision.* They are able to clarify and state the vision in terms that are understandable to others. This articulation demonstrates an understanding of the followers’ needs and, hence, acts as a motivating force.
4. *Strong convictions about the vision.* Charismatic leaders are perceived as being strongly committed, and willing to take on high personal risk, incur high costs, and engage in self-sacrifice to achieve their vision.
5. *Behavior that is out of the ordinary.* They engage in behavior that is perceived as being novel, unconventional, and counter to norms. When successful, these behaviors evoke surprise and admiration in followers.
6. *Appearance as a change agent.* Charismatic leaders are perceived as agents of radical change rather than as caretakers of the status quo.
7. *Environment sensitivity.* They are able to make realistic assessments of the environmental constraints and resources needed to bring about change.

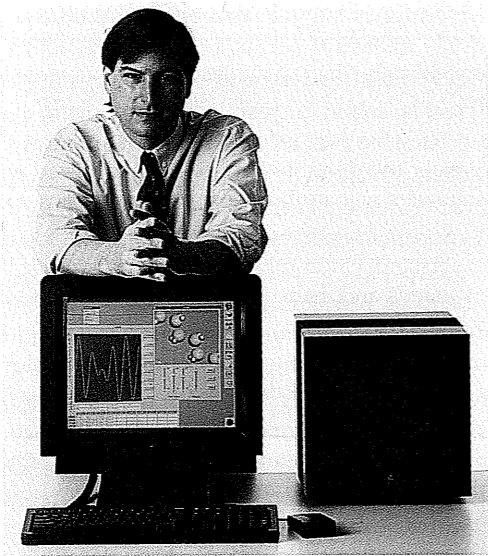
Based on Jay A. Conger and R. N. Kanungo, “Behavioral Dimensions of Charismatic Leadership,” in Jay A. Conger and R. N. Kanungo, *Charismatic Leadership* (San Francisco: Jossey-Bass, 1988), p. 91.

charismatic leaders born with their qualities? While a small minority still think that charisma cannot be learned, most experts believe that individuals can be trained to exhibit charismatic behaviors.<sup>37</sup> For example, researchers have succeeded in actually scripting undergraduate business students to “play” charismatic.<sup>38</sup> The students were taught to articulate an overarching goal, communicate high performance expectations, exhibit confidence in the ability of subordinates to meet these expectations, and empathize with the needs of their subordinates; they learned to project a powerful, confident, and dynamic presence; and they practiced using a captivating and engaging voice tone. To further capture the dynamics and energy of charisma, the leaders were trained to evoke charismatic nonverbal characteristics: They alternated between pacing and sitting on the edges of their desks, leaned toward the subordinate, maintained direct eye contact, and had a relaxed posture and animated facial expressions. These researchers found that these students could *learn* how to project charisma. Moreover, subordinates of these leaders had higher task performance, task adjustment, and adjustment to the leader and to the group than did subordinates who worked under groups led by noncharismatic leaders.

One last point on this topic: Charismatic leadership may not always be needed to achieve high levels of employee performance. It may be most appropriate when the follower’s task has an ideological component.<sup>39</sup> This may explain why, when charismatic leaders surface, it is more likely to be in politics, religion, or a business firm that is introducing a radically new product or facing a life-threatening crisis. Franklin D. Roosevelt offered a vision out of the Great Depression. Martin Luther King Jr. was unyielding in his desire to bring about social equality through peaceful means. Steve Jobs achieved unwavering loyalty and commitment from the technical staff he oversaw at Apple Computer during the late 1970s and early 1980s by articulating a vision of personal computers which would dramatically change the way people lived. Charismatic leaders, in fact, may become a liability to an organization once the crisis and need for dramatic change subsides.<sup>40</sup> Why? Because the charismatic leader’s overwhelming self-confidence often becomes problematic. He or she is unable to



Now chairman of NeXT Computer, Steve Jobs became rich and famous as co-founder of Apple Computer. His charismatic leadership at Apple came out of his vision that personal computers would dramatically change the way people lived their lives. And he was able to convince Apple employees that they weren't just building computers, but that they were changing the world.



listen to others, becomes uncomfortable when challenged by aggressive subordinates, and begins to hold an unjustifiable belief in his or her "rightness" on issues.

### Transactional versus Transformational Leadership

The final branch of research we'll touch on is the recent interest in differentiating transformational leaders from transactional leaders.<sup>41</sup> As you'll see, because transformational leaders are also charismatic, there is some overlap between this topic and our previous discussion of charismatic leadership.

Most of the leadership theories presented in this chapter—for instance, the Ohio State studies, Fiedler's model, path-goal theory, and the leader-participation model—have been addressing **transactional leaders**. These leaders guide or motivate their followers in the direction of established goals by clarifying role and task requirements. But there is another type of leader who inspires followers to transcend their own self-interests for the good of the organization and is capable of having a profound and extraordinary effect on his or her followers. These are **transformational leaders**, and include Leslie Wexner of The Limited retail chain and Bill Gates of Microsoft. They pay attention to the concerns and developmental needs of individual followers; they change followers' awareness of issues by helping those followers to look at old problems in new ways; and they are able to excite, arouse, and inspire followers to put out extra effort to achieve group goals.

Transactional and transformational leadership should not be viewed as opposing approaches to getting things done.<sup>42</sup> Transformational leadership is built on top of transactional leadership. Transformational leadership produces levels of subordinate effort and performance that go beyond what would occur with a transactional approach alone. Moreover, transformational leadership is more than charisma. "The purely charismatic [leader] may want followers to adopt the charismatic's world view and go no further; the transformational leader will attempt to instill in followers the ability to question not only established views but eventually those established by the leader."<sup>43</sup>

The evidence supporting the superiority of transformational leadership over the transactional variety is overwhelmingly impressive. For instance, a number of studies with U.S., Canadian, and German military officers found, at every level, that transformational leaders were evaluated as being more effective than their transactional counterparts.<sup>44</sup> Managers at Federal Express who were rated by their followers as exhibiting more transformational leadership were evaluated by their immediate

#### transactional leaders

Leaders who guide or motivate their followers in the direction of established goals by clarifying role and task requirements.

#### transformational leaders

Leaders who provide individualized consideration, intellectual stimulation, and possess charisma.

### ETHICAL DILEMMAS IN MANAGEMENT



## Is It Unethical to Create Charisma?

In 1993, no list of charismatic business leaders would have been complete without the names of John Sculley, Jack Welch, and Ted Turner. They personified the contemporary idea of charisma in the corporate world. But are these men authentically charismatic figures or self-created images?

Each of these men employs a public relations firm or has public relations specialists on his staff to shape and hone his image. John Sculley has promoted the vision of the take-charge executive who came to Apple Computer from PepsiCo and introduced marketing expertise and professional management into a company that had been run by a group of "techie" who wanted to change the world. Jack Welch relishes his reputation for reshaping General Electric by buying and selling dozens of businesses. Ted Turner has worked hard to project his "to hell with tradition" image in the popular press.

One view of these men is that they are authentically charismatic leaders whose actions and achievements have caught the fancy of the media. This view assumes that these leaders couldn't hide their charismatic qualities. It was just a matter of time before they were found out and gained the public's eye. Another view—certainly a more cynical one—proposes that these men consciously created an image that they wanted to project and then purposely went about doing things that would draw attention to, and confirm, that image. They are not inherently charismatic individuals but rather highly astute manipulators of symbols, circumstances, and the media. In support of this latter position, one can identify leaders such as Sandra Kurtzig at Ask Computer Systems, Max DePree at Herman Miller, and Chuck Knight at Emerson Electric, who are widely viewed as charismatic in their firms and industries but relatively unknown in the popular press.

Is charismatic leadership an inherent quality within a person, a label thrust upon an individual, or a purposely and carefully molded image? If charisma can be derived from the media, is it unethical for a person to engage in practices whose primary purposes are to create or enhance this perception? Is it unethical to *create* charisma? What do *you* think?

supervisors as higher performers and more promotable.<sup>45</sup> In summary, the overall evidence indicates that transformational, as compared with transactional, leadership is more strongly correlated with lower turnover rates, higher productivity, and higher employee satisfaction.<sup>46</sup>

## Gender and Leadership: Do Males and Females Lead Differently?

Twenty years ago, the question "Do males and females lead differently?" could be accurately characterized as a purely academic issue—interesting but not very relevant. That's certainly not true today! Millions of women are now in management positions. Millions more will join the management ranks in the next few years. Gender myths about leadership can adversely affect hiring, performance evaluation, promotion, and other personnel decisions for both men and women. So this timely topic needs to be addressed.

First, however, a warning: This topic is controversial.<sup>47</sup> If male and female styles

differ, does this imply that one is inferior? Moreover, if there is a difference, does labeling leadership styles by gender encourage stereotyping? These are not easily dismissed questions, and they should be considered. We'll come back to them later in this section.

### The Evidence

A number of studies that have focused on gender and leadership style have been conducted in recent years.<sup>48</sup> Their general conclusion is that males and females *do* use different styles. Specifically, women tend to adopt a more democratic or participative style and a less autocratic or directive style than do men. Women are more likely to encourage participation, share power and information, and attempt to enhance followers' self-worth. They lead through inclusion and rely on their charisma, expertise, contacts, and interpersonal skills to influence others. Women tend to use transformational leadership, motivating others by transforming their self-interest into the goals of the organization.<sup>49</sup>

Men are more likely to use a directive, command-and-control style. They rely on the formal authority of their position for their influence base. Men use transactional leadership, handing out rewards for good work and punishment for bad.<sup>50</sup>

There is an interesting qualifier to the above findings. This tendency for female leaders to be more democratic than males declines when women are in male-dominated jobs. Apparently group norms and stereotypes of male roles override personal preferences so that women abandon their natural styles in such jobs and act more autocratically.

### Is Different Better?

Given that males have historically held the majority of leadership positions in organizations, it may be tempting to assume that the existence of differences between males and females would automatically favor males. Not necessarily! In today's organizations, flexibility, teamwork, trust, and information sharing are rapidly replacing rigid structures, competitive individualism, control, and secrecy. The best managers listen,



ASK Computer Systems' CEO, Sandra Kurtzig, admits to using a more open and inclusive style than her male contemporaries. "Whenever possible, I try to compliment them in front of their peers and go up to them and hug them. A woman can show the warmth that a man often can't."

motivate, and provide support to their people. They inspire and influence rather than control. And, generally speaking, women seem to do these things better than men. As a specific example, the expanded use of cross-functional teams in organizations means that effective managers must become skillful negotiators. Women's leadership style makes them better at negotiating. They don't focus on wins, losses, and competition as do men. Women treat negotiations in the context of a continuing relationship—trying hard to make the other party a winner in its own and other's eyes.<sup>51</sup>

### A Few Concluding Thoughts

The research evidence we've presented suggests a general relationship between gender and leadership style. But certainly gender doesn't imply destiny. Not all female leaders prefer a democratic style. And many men use transformational leadership. Thus we need to show caution in labeling leadership styles by gender. To refer to a "feminine style of leadership," for example, may create more confusion than clarity. Additionally, the research we've reviewed has looked at leadership *styles*, not leadership *effectiveness*. Which style is effective will depend on the situation. So even if men and women differ in their leadership styles, we should be careful not to assume that one is always preferable to the other. There are, for instance, organizations with inexperienced and unmotivated workers performing ambiguous tasks in which directive leadership is likely to be most effective.

One last point. Some people are more flexible in adjusting their leadership behaviors to different situations than are others.<sup>52</sup> That said, it is probably best to think of gender as providing a behavioral *tendency* in leadership. A person may, for instance, tend toward a participative style but use an autocratic one because the situation required the latter.

## Leading Through Empowerment

One final note before we leave the topic of leadership. As we described in Chapter 2, managers are increasingly leading by empowering their employees. Millions of individual employees and teams of employees are making the key operating decisions that directly affect their work. They're developing budgets, scheduling work loads, controlling inventories, solving quality problems, and engaging in similar activities that until very recently were viewed as exclusively part of management's job.

The empowerment movement is being driven by two forces. First is the need for quick decisions by those people who are most knowledgeable about the issues. That requires moving decisions to lower levels. If organizations are to successfully compete in a global economy, they have to be able to make decisions and implement changes quickly. Second is the reality that the large layoffs in the middle-management ranks during the late 1980s and early 1990s have left many managers with considerably larger spans of control than they had a decade earlier. The same manager who today oversees a staff of thirty-five, can't micro-manage in the ways that were possible when his or her span was only ten. For instance, one manager at AT&T, a company that has undergone extensive downsizing, had to assume managerial responsibilities for three areas that had previously been handled by three people. This manager had to empower her people "because you can't know every data system and every policy. It's been a letting-go process and a stretching."<sup>53</sup>

Is the empowerment movement inconsistent with the contingency perspective on leadership? Yes and no! It is being sold, in some circles, as a universal panacea. That



is, that empowerment will work anywhere. This universal perspective is an anticontingency approach to leadership. On the other hand, where a work force has the knowledge, skills, and experience to do their jobs competently, and where employees seek autonomy and possess an internal locus of control, empowering people through delegation and participation would be consistent with contingency theories such as situational leadership and path-goal. For instance, it is not a coincidence that empowerment efforts are almost always coupled with extensive training. By giving employees enhanced skills, abilities, and confidence, management increases the likelihood that the empowerment process will succeed.

## Summary

*This summary is organized by the chapter-opening learning objectives found on page 493.*

1. Managers are appointed. They have legitimate power that allows them to reward and punish. Their ability to influence is founded upon the formal authority inherent in their positions. In contrast, leaders may either be appointed or emerge from within a group. Leaders can influence others to perform beyond the actions dictated by formal authority.
2. Six traits have been found on which leaders differ from nonleaders—drive, the desire to lead, honesty and integrity, self-confidence, intelligence, and job-relevant job knowledge. Yet possession of these traits is no guarantee of leadership because they ignore situational factors.
3. Research shows that the most effective leaders are those who are high on the traits of drive, honesty and integrity, self-confidence, intelligence, and job-relevant job knowledge.
4. Fiedler's contingency model identifies three situational variables: leader-member relations, task structure, and position power. In situations that are highly favorable or highly unfavorable, task-oriented leaders tend to perform best. In moderately favorable or unfavorable situations, relations-oriented leaders are preferred.
5. Hersey and Blanchard's situational theory proposes that there are four leadership styles—telling, selling, participating, and delegating. Which style a leader chooses depends on the follower's job maturity and psychological maturity. As followers reach higher levels of maturity, the leader responds by reducing control and involvement.
6. The path-goal model proposes two classes of contingency variables—those in the environment and those that are part of the personal characteristics of the subordinate. Leaders select a specific behavior—directive, supportive, participative, or achievement-oriented—that is congruent with the demands of the environment and the characteristics of the subordinate.
7. Leaders might not be important when individual variables replace the need for a leader's support or ability to create structure and reduce task ambiguity; when jobs are unambiguous, routine, or intrinsically satisfying; or when such organizational characteristics as explicit goals, rigid rules and procedures, or cohesive work groups act in place of formal leadership.
8. Charismatic leaders are self-confident, possess a vision of a better future, have a strong belief in that vision, engage in unconventional behaviors, and are perceived as agents of radical change.
9. Transactional leaders guide their followers in the direction of established goals by clarifying role and task requirements. Transformational leaders inspire followers to transcend their own self-interests for the good of the organization and are capable of having a profound and extraordinary effect on their followers.

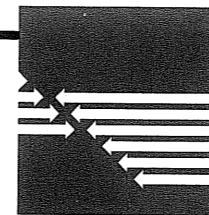
10. Research finds that women tend to adopt a more democratic or participative style of leadership, while men are more likely to use a directive, command-and-control style.

## Review Questions

1. What is the managerial grid? Contrast its approach to leadership with that of the Ohio State and Michigan groups.
2. Is "high-high" the most effective leadership style? Explain.
3. Contrast the Hersey-Blanchard situational leadership theory with the managerial grid.
4. According to the leader-participation model, what contingencies dictate the degree of participation a leader should exercise?
5. What is the attribution theory of leadership?
6. Can people learn to be charismatic leaders? Explain.
7. Is charisma always appropriate in organizations?
8. Can we say whether male or female leadership styles are better? Why or why not?

## Discussion Questions

1. What style of leadership, if any, does your instructor for this course use? Is it effective? If not, what would be more effective?
2. Which leadership theories, or parts of theories, appear to demonstrate reasonable predictive capability?
3. What similarities, if any, can you find among all the behavioral theories?
4. Do you think most managers use a contingency approach to increase leader effectiveness in practice? Discuss.
5. When average people on the street are asked to explain why a given individual is a leader, they tend to describe the person in terms such as competent, consistent, self-assured, inspiring a shared vision, invoking enthusiasm for goal-attainment, and supportive of his or her followers. Can you reconcile this description with leadership concepts presented in this chapter?



## SELF-ASSESSMENT EXERCISE

### What Kind of Leader Are You?

Instructions: The following items describe aspects of leadership behavior. Respond to each item according to the way you would be most likely to act if you were the leader of a work group. Circle whether you would be likely to behave in the described way Always (A), Frequently (F), Occasionally (O), Seldom (S), or Never (N).

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**If I Were the Leader of a Work Group . . .**

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- A F O S N \_\_\_\_\_ 1. I would most likely act as the spokesperson of the group.
- A F O S N \_\_\_\_\_ 2. I would encourage overtime work.
- A F O S N \_\_\_\_\_ 3. I would allow members complete freedom in their work.
- A F O S N \_\_\_\_\_ 4. I would encourage the use of uniform procedures.
- A F O S N \_\_\_\_\_ 5. I would permit the members to use their own judgment in solving problems.
- A F O S N \_\_\_\_\_ 6. I would stress being ahead of competing groups.
- A F O S N \_\_\_\_\_ 7. I would speak as a representative of the group.
- A F O S N \_\_\_\_\_ 8. I would needle members for greater effort.
- A F O S N \_\_\_\_\_ 9. I would try out my ideas in the group.
- A F O S N \_\_\_\_\_ 10. I would let the members do their work the way they think best.
- A F O S N \_\_\_\_\_ 11. I would be working hard for a promotion.
- A F O S N \_\_\_\_\_ 12. I would be able to tolerate postponement and uncertainty.
- A F O S N \_\_\_\_\_ 13. I would speak for the group when visitors were present.
- A F O S N \_\_\_\_\_ 14. I would keep the work moving at a rapid pace.
- A F O S N \_\_\_\_\_ 15. I would turn the members loose on a job and let them go to it.
- A F O S N \_\_\_\_\_ 16. I would settle conflicts when they occur in the group.
- A F O S N \_\_\_\_\_ 17. I would get swamped by details.
- A F O S N \_\_\_\_\_ 18. I would represent the group at outside meetings.
- A F O S N \_\_\_\_\_ 19. I would be reluctant to allow the members any freedom of action.
- A F O S N \_\_\_\_\_ 20. I would decide what shall be done and how it shall be done.
- A F O S N \_\_\_\_\_ 21. I would push for increased production.
- A F O S N \_\_\_\_\_ 22. I would let some members have authority that I could keep.
- A F O S N \_\_\_\_\_ 23. Things would usually turn out as I predict.
- A F O S N \_\_\_\_\_ 24. I would allow the group a high degree of initiative.
- A F O S N \_\_\_\_\_ 25. I would assign group members to particular tasks.
- A F O S N \_\_\_\_\_ 26. I would be willing to make changes.
- A F O S N \_\_\_\_\_ 27. I would ask the members to work harder.
- A F O S N \_\_\_\_\_ 28. I would trust the group members to exercise good judgment.
- A F O S N \_\_\_\_\_ 29. I would schedule the work to be done.
- A F O S N \_\_\_\_\_ 30. I would refuse to explain my actions.
- A F O S N \_\_\_\_\_ 31. I would persuade others that my ideas are to their advantage.
- A F O S N \_\_\_\_\_ 32. I would permit the group to set its own pace.
- A F O S N \_\_\_\_\_ 33. I would urge the group to beat its previous record.

A F O S N \_\_\_\_\_ 34. I would act without consulting the group.

A F O S N \_\_\_\_\_ 35. I would ask that group members follow standard rules and regulations.

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Turn to page SK-6 for scoring directions and key.

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