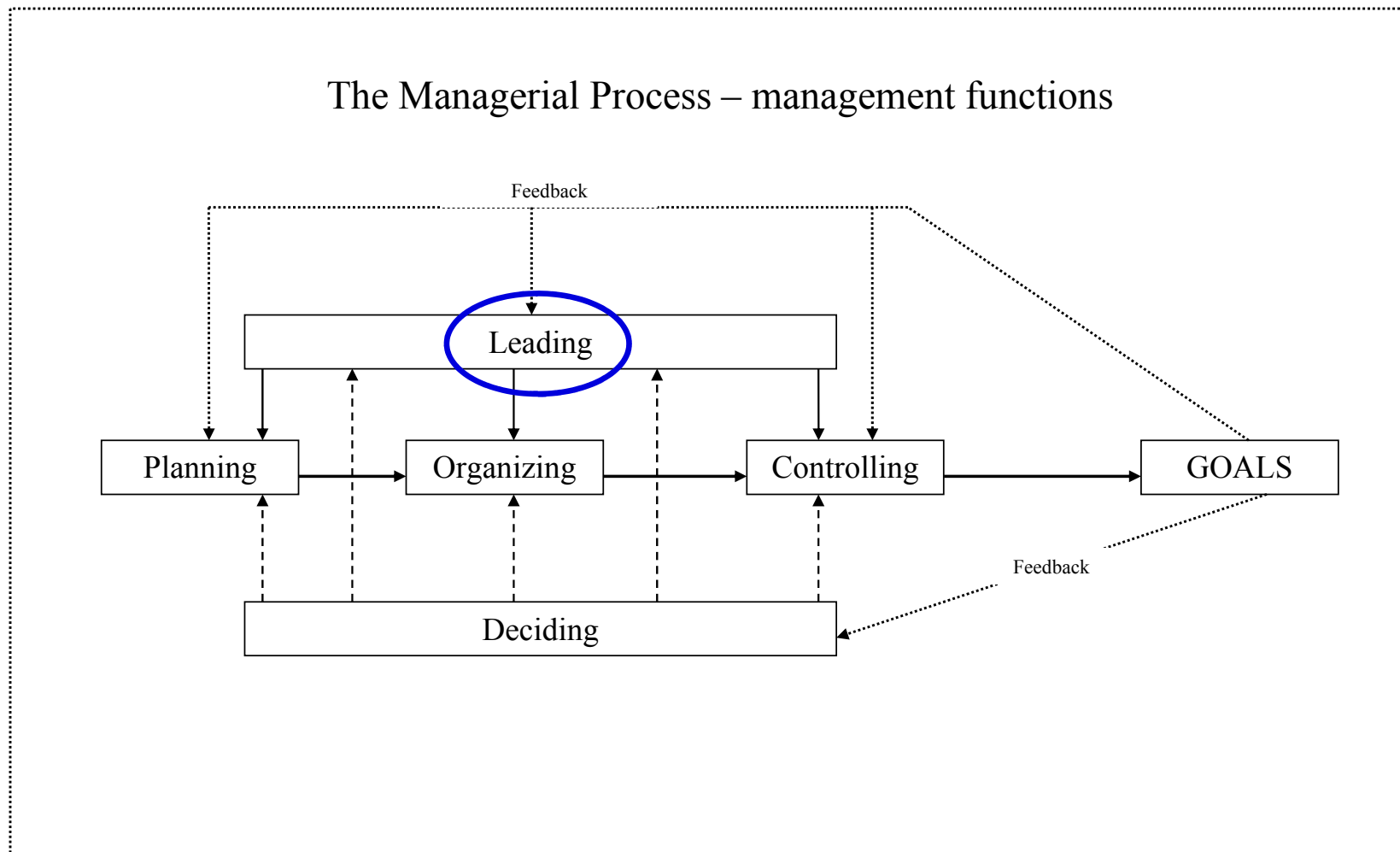# Leading

Lecture 8

Agenda for today

- Leadership defined

- Early leadership theories
  - Trait theories
  - Behavioral theories

- Contingency theories
  - Fiedler model
  - Situational leadership
  - Path-goal theory

- Contemporary views of leadership

- Leadership issues
  - Managing power
  - Developing trust
  - Empowering employees

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Where are we?

The Managerial Process – management functions

Feedback

Leading

Planning → Organizing → Controlling → GOALS

Feedback

Deciding

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Leaders and Leadership

Leader = someone who can influence others and who has managerial authority

Leadership = what leaders do; the process of influencing a group to achieve goals

Ideally, all managers **should** *be* leaders

Although groups may have informal leaders who emerge, those are not the leaders we're studying

Leadership research has tried to answer: **What is an effective leader?**

Early Leadership Theories (1/3)

Trait Theories (1920s-30s)

– Research focused on identifying **personal characteristics** that differentiated leaders from non-leaders was unsuccessful.

– Later research on the leadership process identified seven traits associated with successful leadership:

1. *Drive.* Leaders exhibit a high effort level. They have a relatively high desire for achievement; they are ambitious; they have a lot of energy; they are 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 their goals and decisions.

5. *Intelligence.* Leaders need to be intelligent enough to gather, synthesize, and interpret large amounts of information, and they need 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.

7. *Extraversion.* Leaders are energetic, lively people. They are sociable, assertive, and rarely silent or withdrawn.

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Early Leadership Theories (2/3)

Behavioral Theories

University of Iowa Studies (Kurt Lewin)

Identified 3 leadership styles:
Autocratic style: centralized authority, low participation
Democratic style: involvement, high participation, feedback
Laissez faire style: hands-off management

Research findings: mixed results
No specific style was consistently better for producing better performance
Employees were more satisfied under a democratic leader than an autocratic leader.

Ohio State Studies

Identified 2 dimensions of leader behavior
Initiating structure: the role of the leader in defining his or her role and the roles of group members
Consideration: the leader's mutual trust and respect for group members' ideas and feelings.

Research findings: mixed results
High-high leaders generally, but not always, achieved high group task performance and satisfaction.
Evidence indicated that situational factors appeared to strongly influence leadership effectiveness.

University of Michigan Studies

Identified 2 dimensions of leader behavior
Employee oriented: emphasizing personal relationships
Production oriented: emphasizing task accomplishment
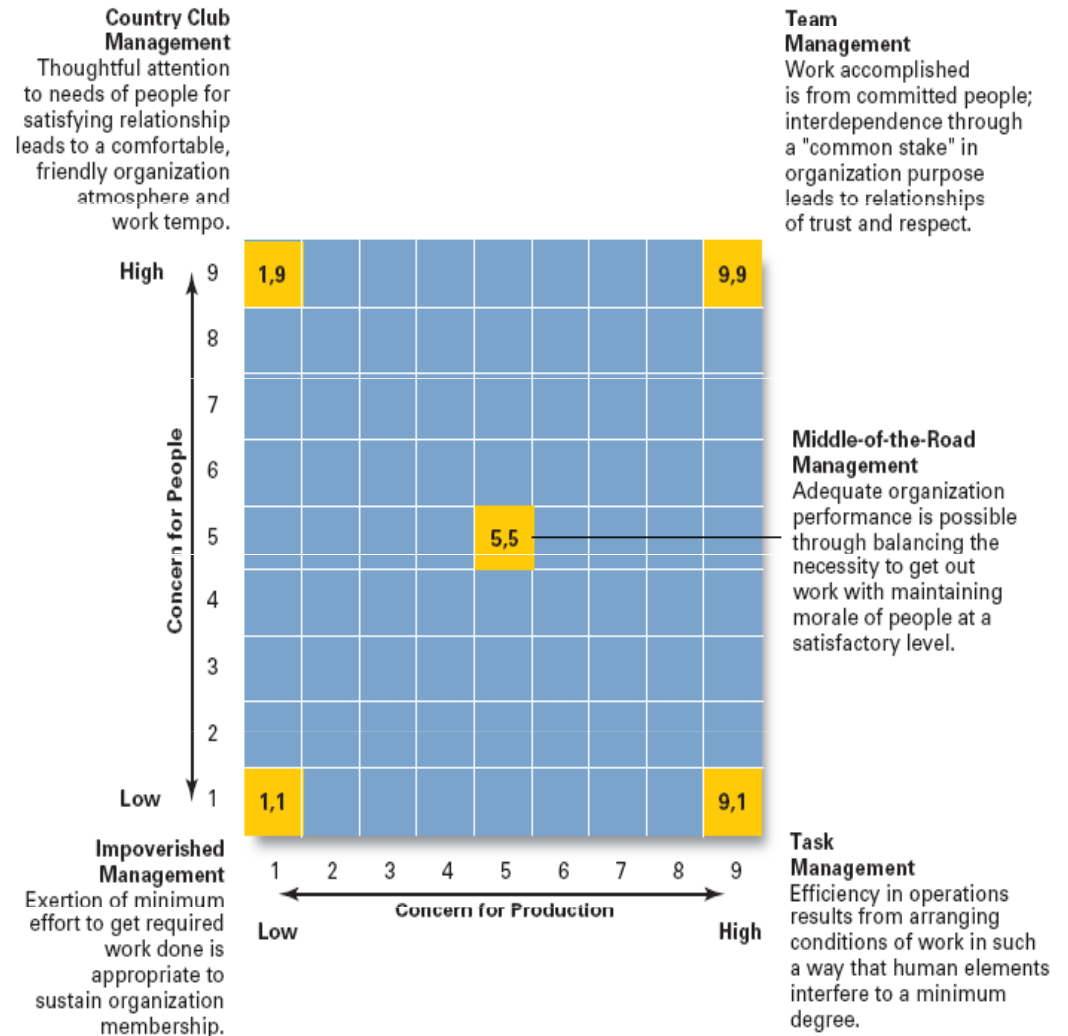
Research findings:
Leaders who are employee oriented are strongly associated with high group productivity and high job satisfaction.

Early Leadership Theories (3/3)

Behavioral Theories

Managerial Grid

– Appraises leadership styles using two dimensions:

Concern for people

Concern for production

– Places managerial styles in five categories:

1,1 Impoverished management

9,1 Task management

5,5 Middle-of-the-road management

1,9 Country club management

9,9 Team management

Country Club Management Thoughtful attention to needs of people for satisfying relationship leads to a comfortable, friendly organization atmosphere and work tempo.

Team Management Work accomplished is from committed people; interdependence through a "common stake" in organization purpose leads to relationships of trust and respect.

Middle-of-the-Road Management Adequate organization performance is possible through balancing the necessity to get out work with maintaining morale of people at a satisfactory level.

Impoverished Management Exertion of minimum effort to get required work done is appropriate to sustain organization membership.

Task Management Efficiency in operations results from arranging conditions of work in such a way that human elements interfere to a minimum degree.

Concern for People — High (9) to Low (1)

Concern for Production — Low (1) to High (9)

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Contingency Theories of Leadership (1/4)

The Fiedler Model

– Proposes that effective group performance depends upon the proper match between the leader's style of interacting with followers and the degree to which the situation allows the leader to control and influence.

– Assumptions:

A certain leadership style should be most effective in different types of situations.

Leaders do not readily change leadership styles => Matching the leader to the situation or changing the situation to make it favorable to the leader is required.

– Least-preferred co-worker (LPC) questionnaire

Determines leadership style by measuring responses to 18 pairs of contrasting adjectives.

High score: a relationship-oriented leadership style

Low score: a task-oriented leadership style

– Situational factors in matching leader to the situation:

Leader-member relations

Task structure

Position power

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Contingency Theories of Leadership (2/4)

Situational Leadership Theory (SLT) - Hersey and Blanchard's Model (1/2)

– Follower directed approach: without following, there is no leading…

– Argues that successful leadership is achieved by selecting the right leadership style which is contingent on the level of the followers' readiness.

    Acceptance: leadership effectiveness depends on whether followers accept or reject a leader.

    Readiness: the extent to which followers have the ability and willingness to accomplish a specific task.

– Posits four stages follower readiness:

    R1: followers are unable and unwilling

    R2: followers are unable but willing

    R3: followers are able but unwilling

    R4: followers are able and willing

– Creates four specific leadership styles (incorporating Fiedler's two leadership dimensions):

    Telling: high task-low relationship leadership

    Selling: high task-high relationship leadership

    Participating: low task-high relationship leadership

    Delegating: low task-low relationship leadership

– Leaders must relinquish control over and contact with followers as they become more competent.

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Contingency Theories of Leadership (3/4)

Situational Leadership Theory (SLT) - Hersey and Blanchard's Model (2/2)
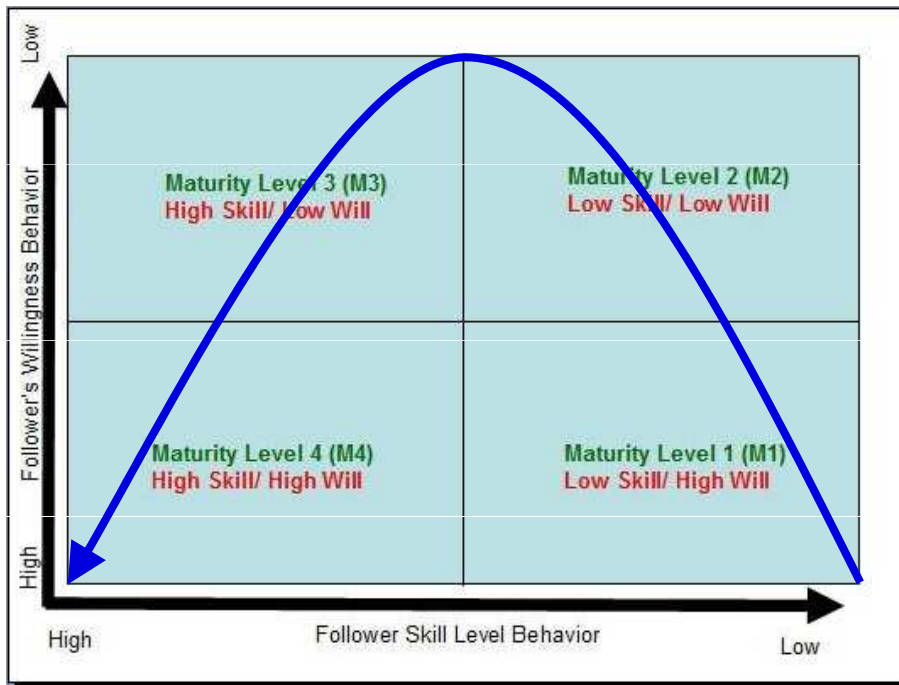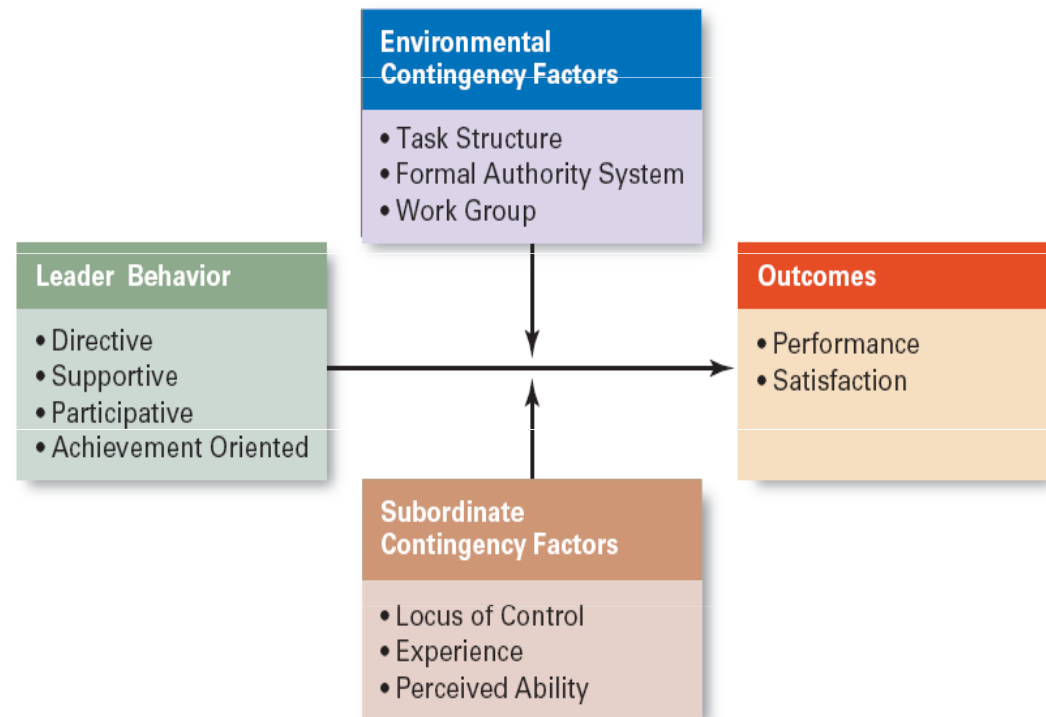

FOLLOWER READINESS

HIGH	MODERATE		LOW
R4	R3	R2	R1
Able and willing or confident	Able but unwilling or insecure	Unable but willing or confident	Unable and unwilling or insecure

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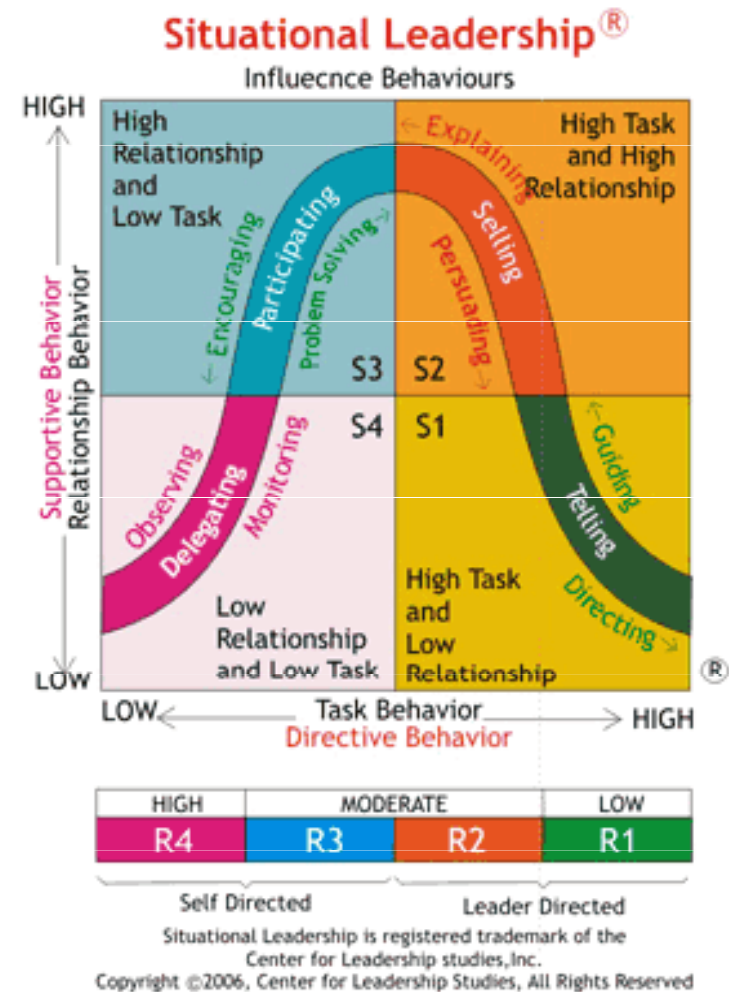
Contingency Theories of Leadership (4/4)

Path-Goal Model

- the leader's job is to assist his/her followers in attaining their goals and to provide direction or support to ensure their goals are compatible with organizational goals.

- Leaders assume different leadership styles at different times depending on the situation:

  Directive leader

  Supportive leader

  Participative leader

  Achievement oriented leader

Environmental Contingency Factors
- Task Structure
- Formal Authority System
- Work Group

Leader Behavior
- Directive
- Supportive
- Participative
- Achievement Oriented

Subordinate Contingency Factors
- Locus of Control
- Experience
- Perceived Ability

Outcomes
- Performance
- Satisfaction

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Contemporary Views on Leadership (1/2)

Transactional Leadership

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

Transformational Leadership

– Leaders who inspire followers to transcend their own self-interests for the good of the organization by clarifying role and task requirements.

– Leaders who also are capable of having a profound and extraordinary effect on their followers.

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Contemporary Views on Leadership (2/2)

Charismatic Leadership

An enthusiastic, self-confident leader whose personality and actions influence people to behave in certain ways.

Characteristics of charismatic leaders:

Have a vision.

Are able to articulate the vision.

Are willing to take risks to achieve the vision.

Are sensitive to the environment and follower needs.

Exhibit behaviors that are out of the ordinary.

Visionary Leadership

A leader who creates and articulates a realistic, credible, and attractive vision of the future that improves upon the present situation.

Visionary leaders have ability to:

- – Explain the vision to others.
- – Express the vision not just verbally but through behavior.
- – Extend or apply the vision to different leadership contexts.

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Leadership Issues in the 21st Century (1/3)

Managing Power

– Legitimate power

    The power a leader has as a result of his or her position.

– Coercive power

    The power a leader has to punish or control.

– Reward power

    The power to give positive benefits or rewards.

– Expert power

    The influence a leader can exert as a result of his or her expertise, skills, or knowledge.

– Referent power

    The power of a leader that arise because of a person's desirable resources or admired personal traits.

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Leadership Issues in the 21st Century (2/3)

Credibility (of a Leader)
The assessment of a leader's honesty, competence, and ability to inspire by his or her followers.

Trust
Is the belief of followers and others in the integrity, character, and ability of a leader.

Dimensions of trust: integrity, competence, consistency, loyalty, and openness.

Found to be related to increases in job performance, organizational citizenship behaviors, job satisfaction, and organization commitment.

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Leadership Issues in the 21st Century (3/3)

Empowerment

Involves increasing the decision-making discretion of workers such that teams can make key operating decisions in develop budgets, scheduling workloads, controlling inventories, and solving quality problems.

Why empower employees?

Quicker responses problems and faster decisions.

Addresses the problem of increased spans of control in relieving managers to work on other problems.

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Leadership Can Be Irrelevant!

Substitutes for Leadership

Follower characteristics
> Experience, training, professional orientation, or the need for independence

Job characteristics
> Routine, unambiguous, and satisfying jobs

Organization characteristics
> Explicit formalized goals, rigid rules and procedures, or cohesive work groups

Terms to Know

leader

leadership

behavioral theories

autocratic style

democratic style

laissez-faire style

high-high leader

managerial grid

leader-member relations

task structure

position power

path-goal theory

transactional leaders

Fiedler contingency model

transformational leaders

charismatic leader

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readiness

leader participation model

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