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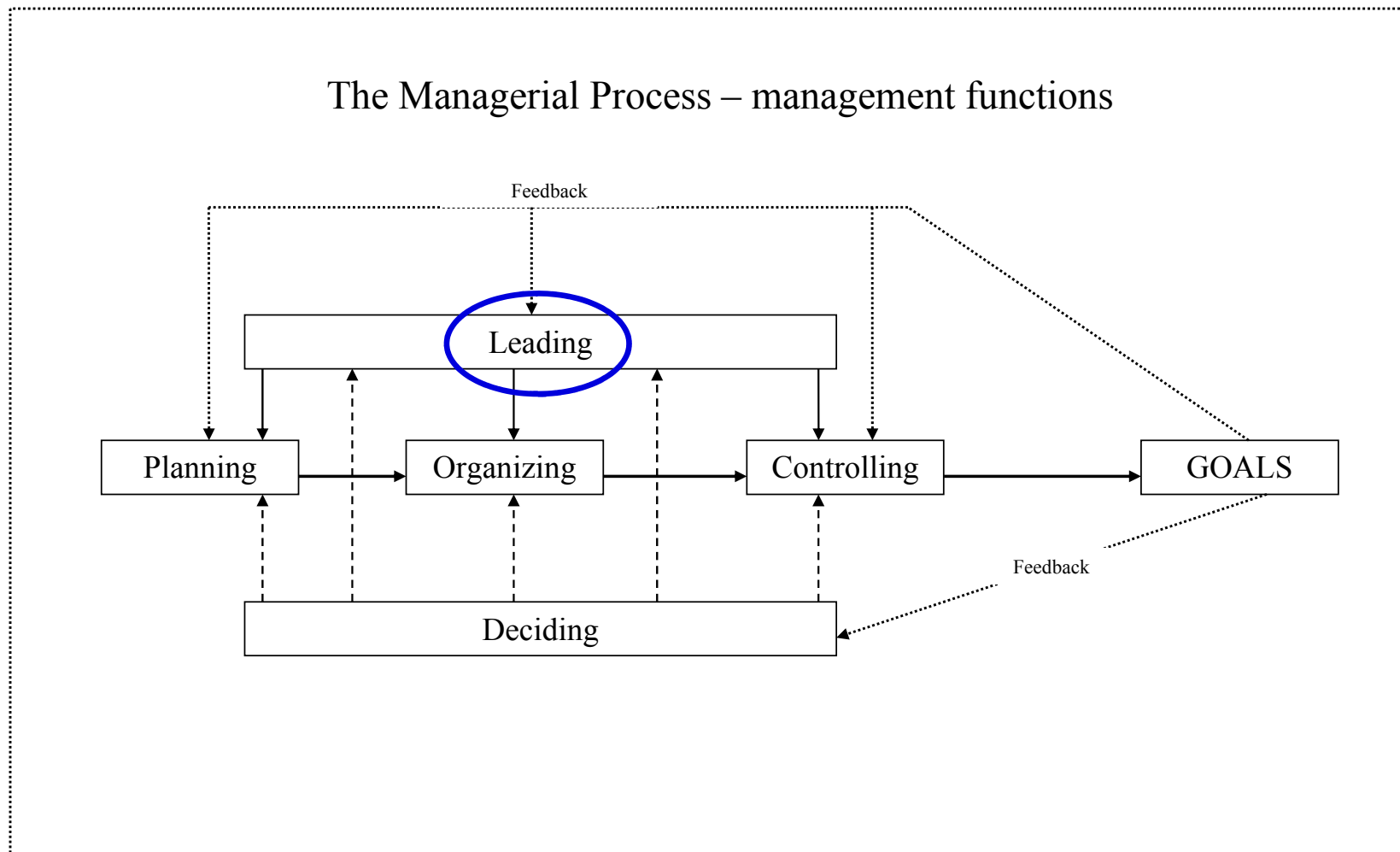
# Leading

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

# Where are we?



# 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.

# 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:

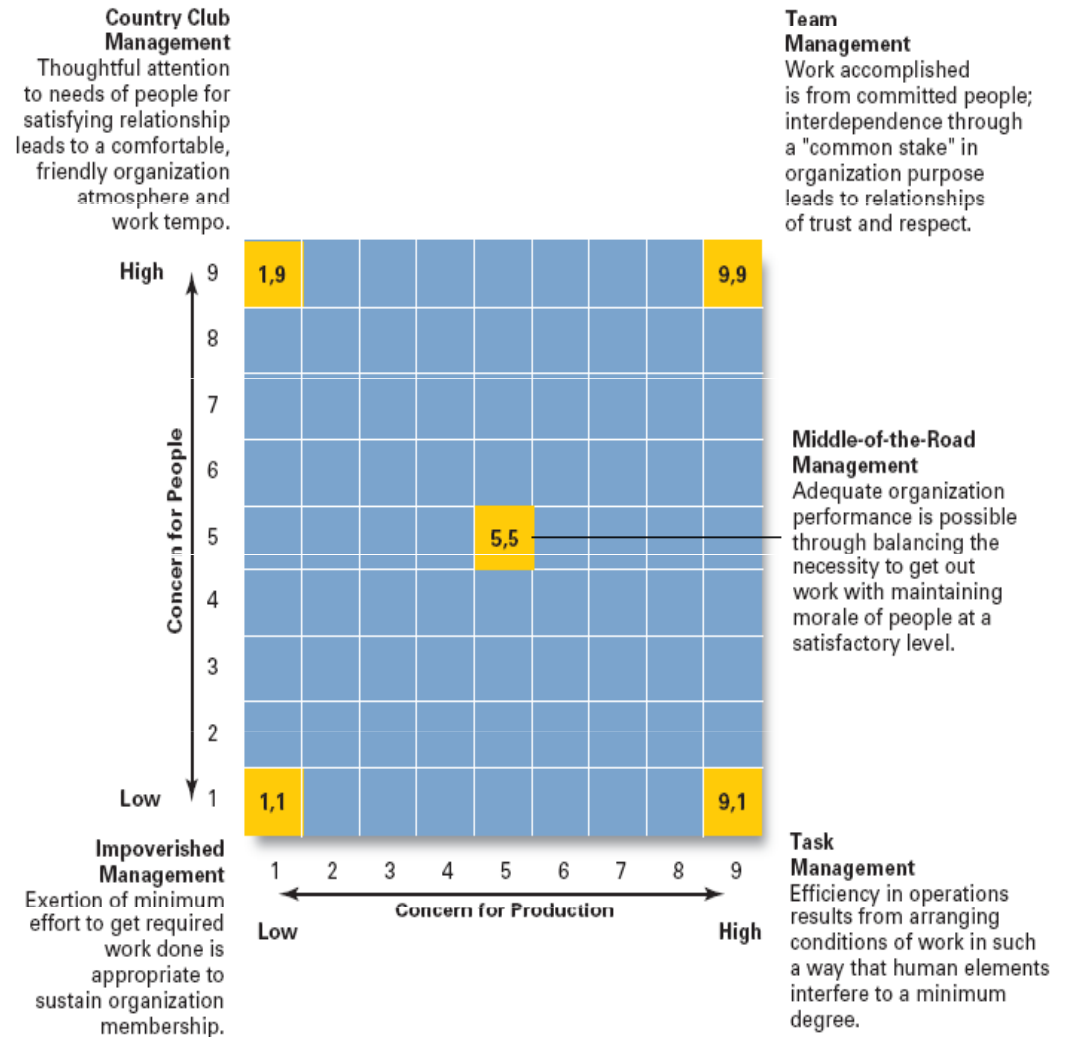
Leaders who are employee oriented are strongly associated with high group productivity and high job satisfaction.

# 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



# 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



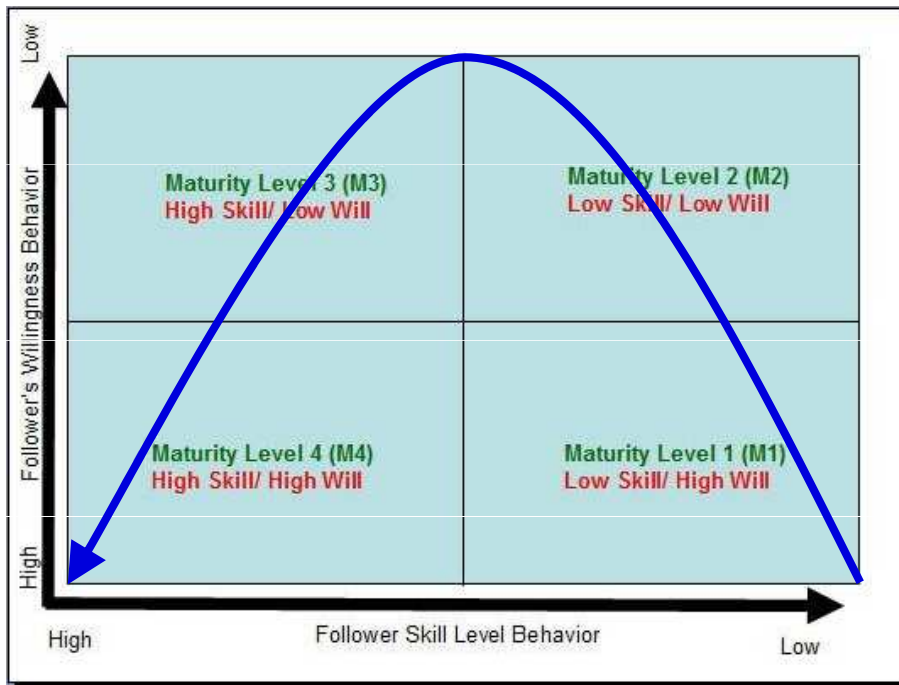
# Contingency Theories of Leadership (2/4)

## 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.

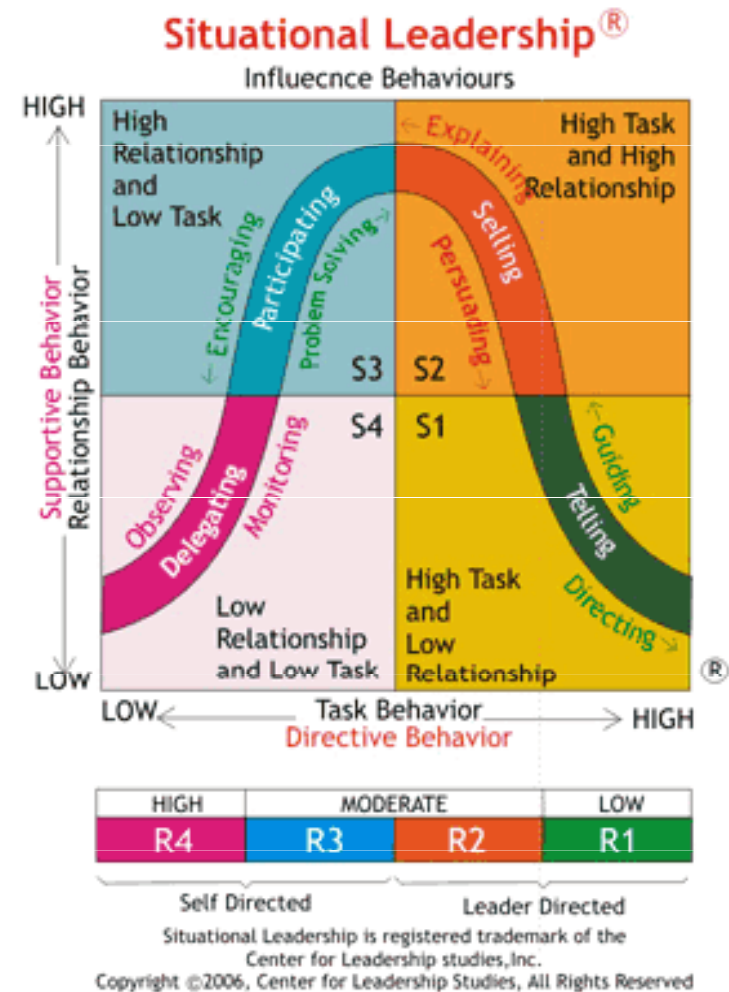
# Contingency Theories of Leadership (3/4)

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



### FOLLOWER READINESS

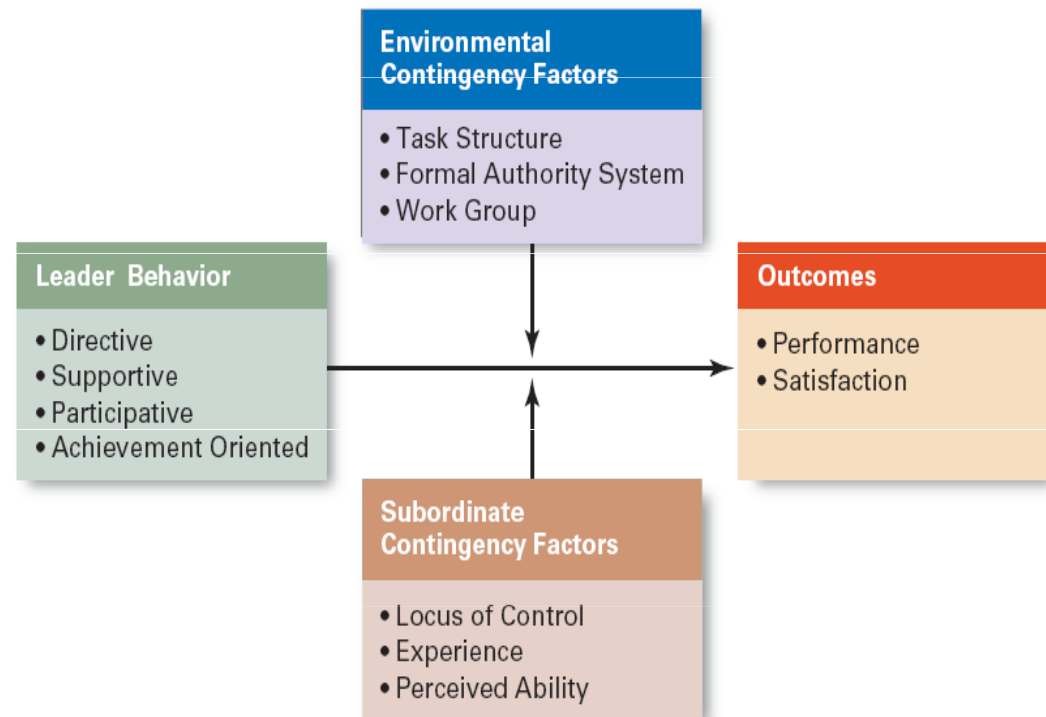
HIGH	MODERATE		LOW
<b>R4</b>	<b>R3</b>	<b>R2</b>	<b>R1</b>
Able and willing or confident	Able but unwilling or insecure	Unable but willing or confident	Unable and unwilling or insecure



# 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



# 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.

# 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.

# Leadership Issues in the 21<sup>st</sup> 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.

# Leadership Issues in the 21<sup>st</sup> Century (2/3)

## Developing Credibility and Trust

### 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.

# Leadership Issues in the 21<sup>st</sup> Century (3/3)

## Empowering Employees

### 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.



# 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  
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legitimate power  
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trust  
empowerment  
situational leadership theory  
readiness  
leader participation model