

***LEADING***

# Leadership

2

“It is defined as influence, that is the art or process of influencing people so that they will strive willingly and enthusiastically toward the achievement of group goals.”



# What is leadership?

**Leading people**

**Influencing people**

**Commanding people**

**Guiding people**

# Managers vs. Leaders

## Managers

- Focus on things
- Do things right
- Plan
- Organize
- Direct
- Control
- Follows the rules

## Leaders

- Focus on people
- Do the right things
- Inspire
- Influence
- Motivate
- Build
- Shape entities

# Ingredients of Leadership

5

- The ability to use power effectively and in a responsible manner.
- The ability to understand that human beings have different motivation forces at different times and different situations.
- The ability to inspire.
- The ability to act in a manner that will develop a climate conducive to responding to and affecting motivations.



# Qualities of an effective leader



- ❑ Shouldn't be arrogant
- ❑ Shouldn't be miserly
- ❑ Should be as open as possible with subordinates
- ❑ Should ensure his troops understand what is expected of them
- ❑ Should promote competency and inspire
- ❑ Must be able to see things from others point of view
- ❑ Must consider the needs of the organization above his or her own

# Theories on leadership behavior and styles

- ✓ Leadership based on the use of authority
- ✓ Likert's 4-systems of managing
- ✓ The managerial grid
- ✓ Leadership involving a variety of styles, ranging from a maximum to a minimum use of power and influence.

# 1. Styles based on Use of Authority:

- ❑ Leadership style is the manner and approach of providing direction, implementing plans, and motivating people.
- ❑ Kurt Lewin (1939) led a group of researchers to identify different styles of leadership.
- ❑ This early study has been very influential and established three major leadership styles.
  - ✓ Autocratic leader
  - ✓ Democratic/participative leader
  - ✓ Free rein leader



# Autocratic Leadership

9

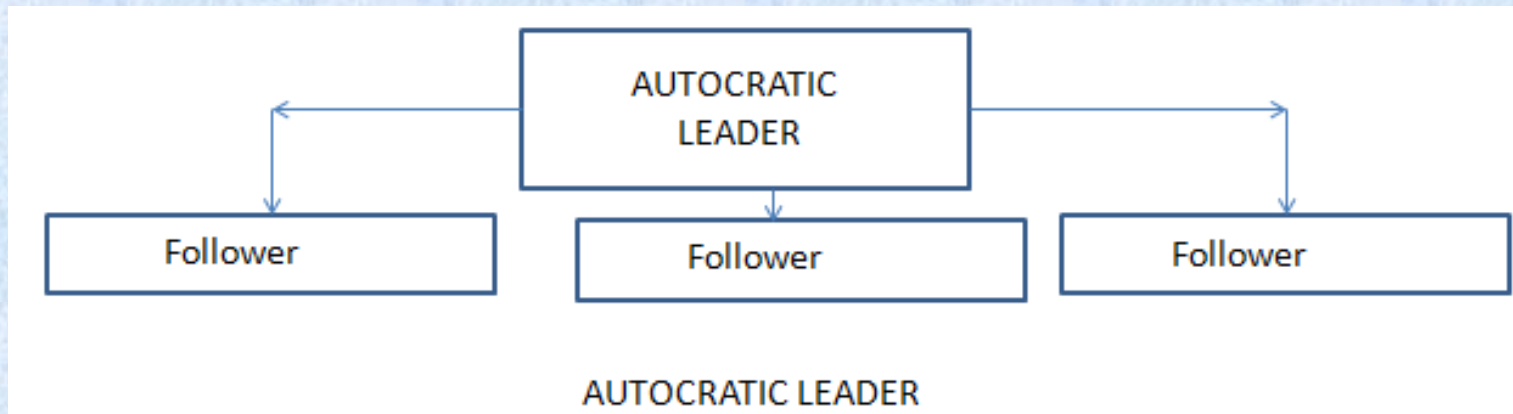
## **Authoritarian (autocratic)**



**I want both of you to. . .**

# Autocratic leadership

10



- The **Autocratic** leader commands and expects compliance, is positive and leads by ability to withhold or give rewards and punishment.

# Autocratic leadership

- This style is used when leaders tell their employees what they want and how they want it accomplished, without getting the advice of their followers.
- Some of the appropriate conditions to use it is when you have all the information to solve the problem, you are short on time, and your employees are well motivated.

# Autocratic leadership

12

- The autocrat leadership style manages the direction of all goals and work, with little to no input from the team.
- They have all the power to make decisions, and they use it.
- They don't worry about input, and do not leave room for subordinates to sub-manage.
- The authoritarian style should normally only be used on rare occasions.
- *For example: Military, manufacturing, construction*



# Democratic/Participative leader

13

**Participative (democratic)**

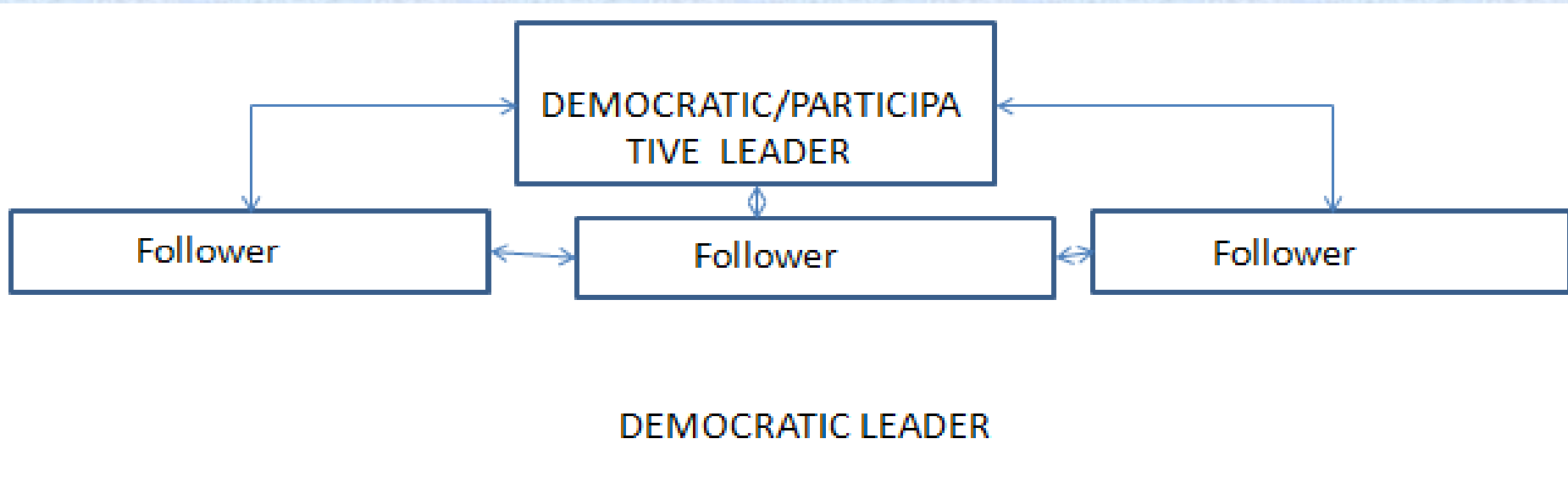


**Let's work together to solve this. . .**



# Democratic/Participative leader

14



- ✓ The **Democratic/Participative** leader consults with subordinates on proposed actions and decisions and encourages participation from them.

# Democratic/Participative leader

15

- This style involves the leader including one or more employees in the decision making process (determining what to do and how to do it).
- However, the leader maintains the final decision making authority.
- Using this style is not a sign of weakness, rather it is a sign of strength that your employees will respect.

# Democratic/Participative leader

16

- This is normally used when you have part of the information, and your employees have other parts.
- Note that a leader is not expected to know everything — this is why you employ *knowledgeable* and *skillful* employees.
- Using this style is of mutual benefit — it allows them to become part of the team and allows you to make better decisions.

# Delegative/free reign leader

17

## Delegative (free reign)



You two take care of the problem while I go. . .





# Delegative/free reign leader

18



✓The **Free-rein** leader uses his/her power very little, if at all giving subordinates a high degree of independence in their operations. Such leaders depend largely on subordinates to set their own goals and the means of achieving them.



# Delegative/free reign leader

19

- In this style, the leader allows the employees to make the decisions.
- However, the leader is still responsible for the decisions that are made.
- This is used when employees are able to analyze the situation and determine what needs to be done and how to do it.

# Forces that influence the style to be used included:

20

- How much time is available.
- Are relationships based on respect and trust or on disrespect?
- Who has the information — you, your employees, or both?
- How well your employees are trained and how well you know the task.
- Internal conflicts.
- Stress levels.
- Type of task. Is it structured, unstructured, complicated, or simple?
- Laws or established procedures such as training plans.

## 2. Likert's 4 systems of managing

21

Prof. Likert of University of Michigan has suggested the following four systems of management

- System 1 management – “exploitative–authoritative”
- System 2 management – “*Benevolent Authoritative*”.
- System 3 management – “Consultative”.
- System 4 management – “Participative”

# System 1 – Exploitative Authoritative

22

- Responsibility lies in the hands of the people at the upper levels of the hierarchy.
- The superior has *no trust and confidence* in subordinates.
- The decisions are imposed on subordinates and they do not feel free at all to discuss things about the job with their superior.
- The teamwork or communication is very little and the motivation is based on threats.



# System 1 – Exploitative Authoritative

23

- System 1 management is described as “exploitive–authoritative”, its managers are highly autocratic, have little trust in subordinates, motivate people through fear and punishment and only occasional rewards, engage in downward communication, and limit decision making to the top.



# System 2 - Benevolent Authoritative

24

- The responsibility lies at the managerial levels but not at the lower levels of the organizational hierarchy.
- The superior *has confidence and trust* in subordinates.
- Here again, the subordinates do not feel free to discuss things about the job with their superior.
- The teamwork or communication is very little and motivation is based on a system of rewards.

*Meaning of Benevolent is compassionate, caring*

# System 2 - Benevolent Authoritative

25

- System 2 management is called *“Benevolent Authoritative”*. Its managers have a patronizing confidence and trust in subordinates, motivate with rewards and some fear and punishment, *permit some upward communication*, ask some ideas and opinions from subordinates, and allow some delegation of decision making but with close control.

# System 3 - Consultative

26

- Responsibility is spread widely through the organizational hierarchy.
- The superior has substantial but not complete confidence in subordinates.
- Some amount of discussion about job related things takes place between the superior and subordinates.
- There is a fair amount of teamwork, and communication takes place vertically and horizontally.
- The motivation is based on rewards and involvement in the job.

# System 3 - Consultative:

27

- **System 3 management** is referred to as “Consultative”. Managers in this system have substantial but not complete confidence and trust in subordinates, usually try to make use of subordinates ideas and opinions, use rewards for motivation with occasional punishment and some participation, engage in communication flow both up and down, make broad policy and general decisions at the top while allowing specific decisions to be made at lower levels, and act consultatively in other ways.



# System 4 - Participative

28

- Responsibility for achieving the organizational goals is widespread throughout the organizational hierarchy.
- There is a high level of confidence that the superior has in his subordinates.
- There is a high level of teamwork, communication, and participation.



# System 4 - Participative

29

- **System 4 management.** As the most participative of all and referred to as *“Participative group”*. Here managers have complete trust and confidence in subordinates in all matters, they always get ideas opinions from subordinates and constructively use them. They engage in much communication down and up with peers, encourage decision making throughout the organization, and operate among themselves and with their subordinates as a group.

# Likert's 4 systems of managing

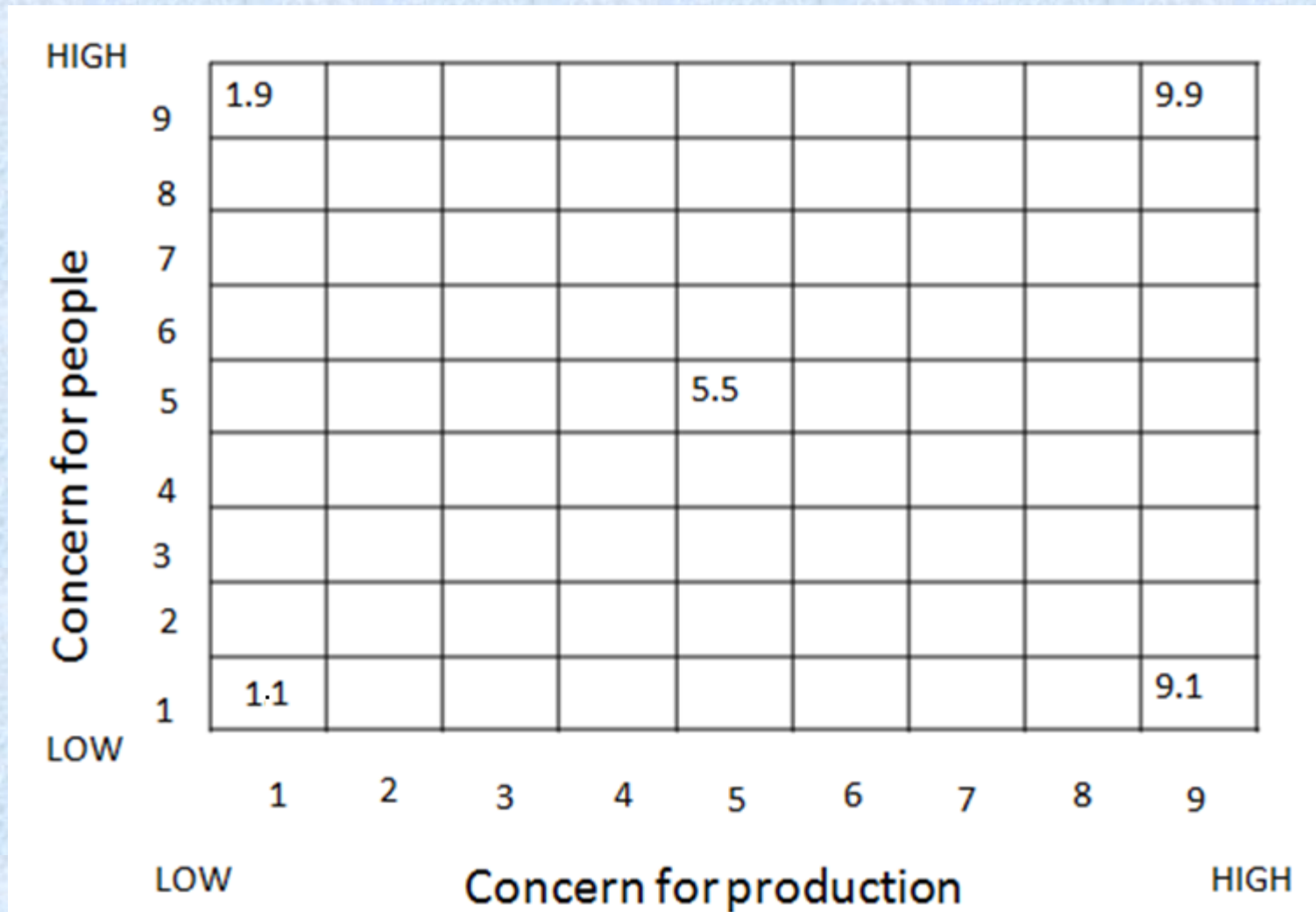
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In general, Likert found that those managers who applied the system 4 approach to their operations had greatest success as leaders. Moreover, he noted that departments and companies managed by the system 4 approach were more effective in setting goals and achieving them and were generally more productive.

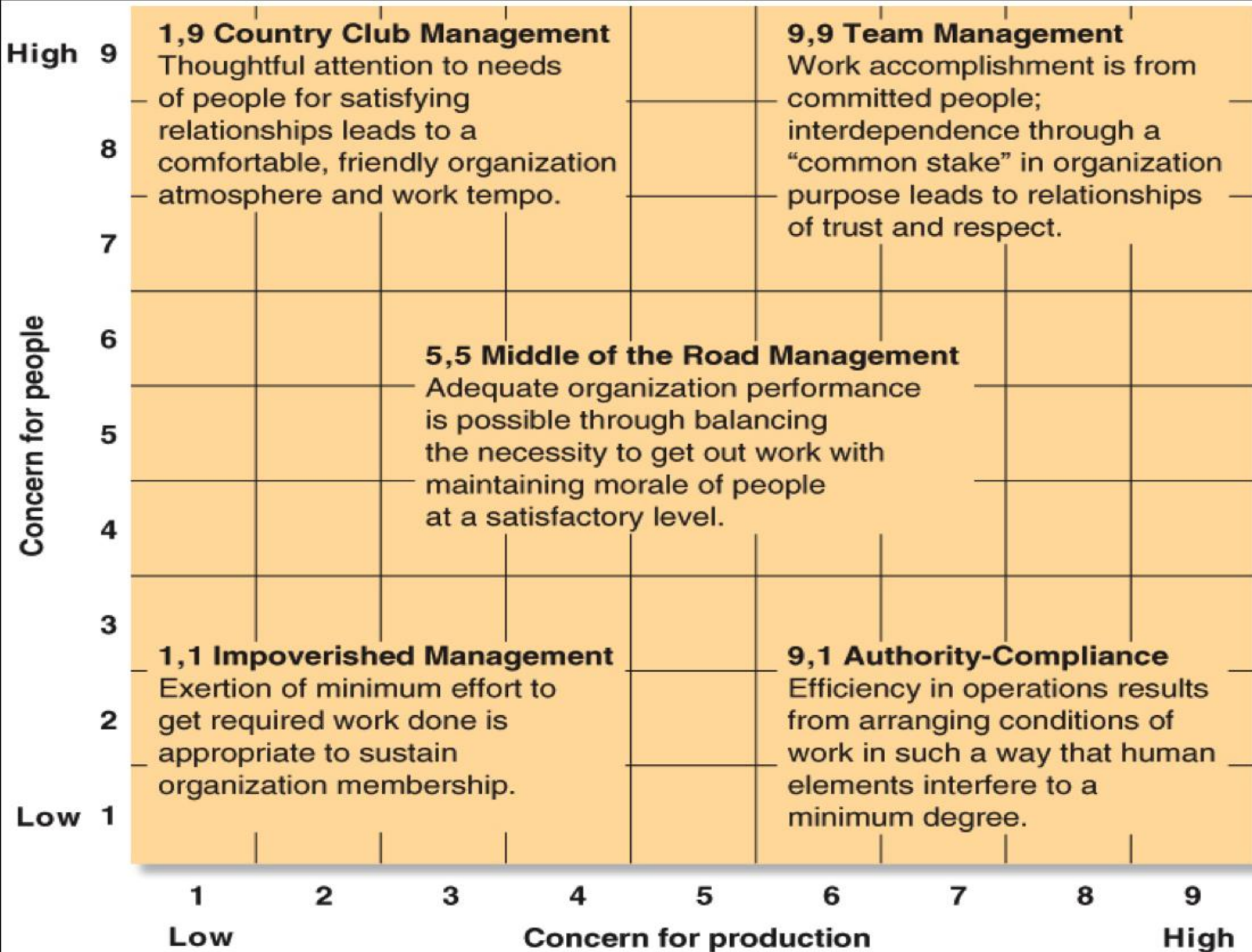
# 3. The Managerial Grid

31

- A well known approach to leadership, developed by Robert Blake and J. Mouton.
- The grid shown in the figure, has been used throughout the world as a means of training managers and of identifying various combinations of leadership styles.







# The Managerial Grid

34

- ✓ 1.1 Management – minimum effort is required to get work done and sustain organizational morale.
- ✓ 1.9 Management – thoughtful attention to needs of people leads to a friendly and comfortable organizational atmosphere and work tempo.
- ✓ 9.1 Management – efficiency results from arranging work in such a way that human elements have little effort.
- ✓ 9.9 Management – work accomplished is from committed people with interdependence through a common stake in organization purpose & with trust and respect.
- ✓ 5.5 Management – adequate performance through balance of work requirements & maintaining satisfactory morale.

# 4. Extreme styles of managing

35

1.1 Style (Referred to as “ Impoverished management”). Here managers concern themselves very little with either people or production and have minimum involvement in their jobs, to all intents and purposes, they have abandoned their jobs and only act as messengers communicating information from superiors to subordinates.



# Extreme styles of managing

36

1.9 Style of management (Referred to as “Country club management”). It is one in which managers have little or no concern for production but are concerned only for people. They promote an environment in which everyone is relaxed, friendly and happy and no one is concerned about putting forth coordinated effort to accomplish the enterprise objectives.



# Extreme styles of managing

37

9.1 Style of management (Referred to as “Autocratic task managers”. Here the managers are concerned only with developing an efficient operation, who have little or no concern for people, and who are quite autocratic in their style of leadership.

# Extreme styles of managing

38

**9.9 Style management (Referred to as “Team managers”)**. This is on the other extreme. The managers here display in their actions the highest possible dedication both to people and to production. They are real team managers who are able to mesh the production needs of the enterprise with the needs of the individuals.

# Extreme styles of managing

39

By using these 4 extreme styles as points of reference, every managerial technique, approach or style can be placed somewhere on the grid clearly.

5.5 style of management (Referred to as “ Middle of the roads”). Here the managers have medium concern for production and for people. They obtain adequate, but not outstanding morale and production. They do not set goals too high and they are likely to have rather benevolently autocratic attitude toward people.

# Leadership as a continuum

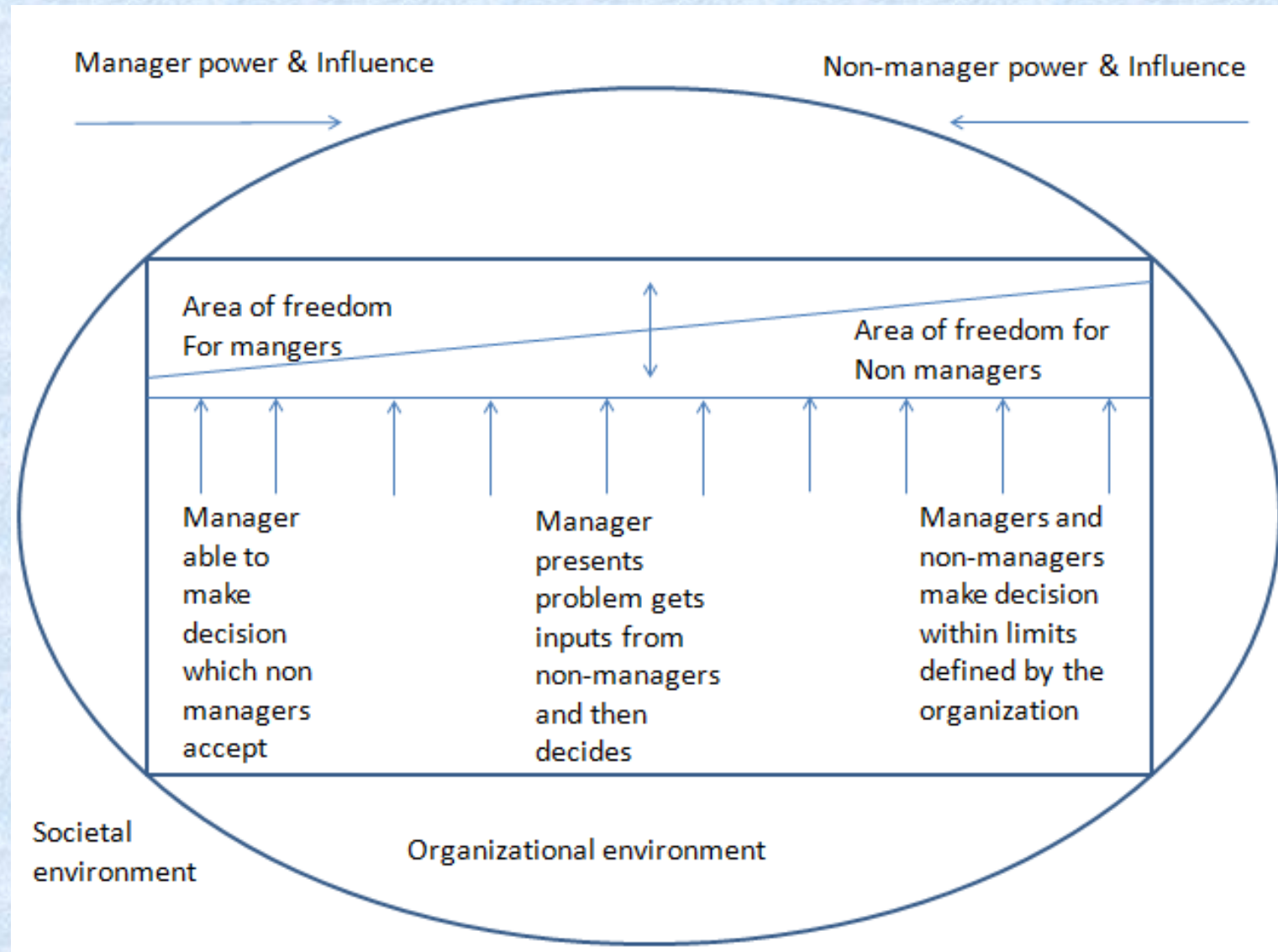
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Developed by Robert Tannenbaum and W. H. Schmidt. They see leadership as involving a variety of styles, ranging from one that is highly boss centred to one that is highly subordinate centred. The styles vary with the degree of freedom a leader/manager grants to subordinates. Thus instead of suggesting a choice between the two styles of leadership – Authoritarian and democratic – this approach offers a range of styles.



# Leadership as a continuum

41



# Leadership as a continuum

42

- The continuum theory recognizes which style of leadership is appropriate, depending on the leader, followers and the situation faced by the organization.
- Ellipse is placed around the model to represent the influences on style imposed by both the organizational environment and societal environment.