

NETA PowerPoint Slides
to accompany

Williams/Champion/Hall

MGMT

Fourth Canadian Edition



CHAPTER 13

Leadership

13 Feb 2025

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Leadership

Leadership: the process of influencing others to achieve group or organizational goals



Amazon founder, Jeff Bezos

Leaders versus Managers

MANAGERS	VS.	LEADERS
<ul style="list-style-type: none">• Do things right• Focused on productivity and efficiency• Preserve status quo• Short-term perspective• Means (how to get things done)• Control and limit choices of others• Builders• Problem solving		<ul style="list-style-type: none">• Do the right thing• Focused on vision, mission, goals, and objectives• Promote change and challenge the status quo• Long-term perspective• Ends (what gets done)• Expand people's choices and options• Architects• Inspiring and motivating

Leadership Traits

Trait theory: a leadership theory that suggests that effective leaders possess a similar set of traits or characteristics



Prime Minister Justin Trudeau

Leadership traits:

- Drive
- Desire to lead
- Honesty and integrity
- Self-confidence
- Emotional stability
- Emotional intelligence
- Cognitive ability
- Knowledge of the business

Leadership Behaviours

Initiating structure

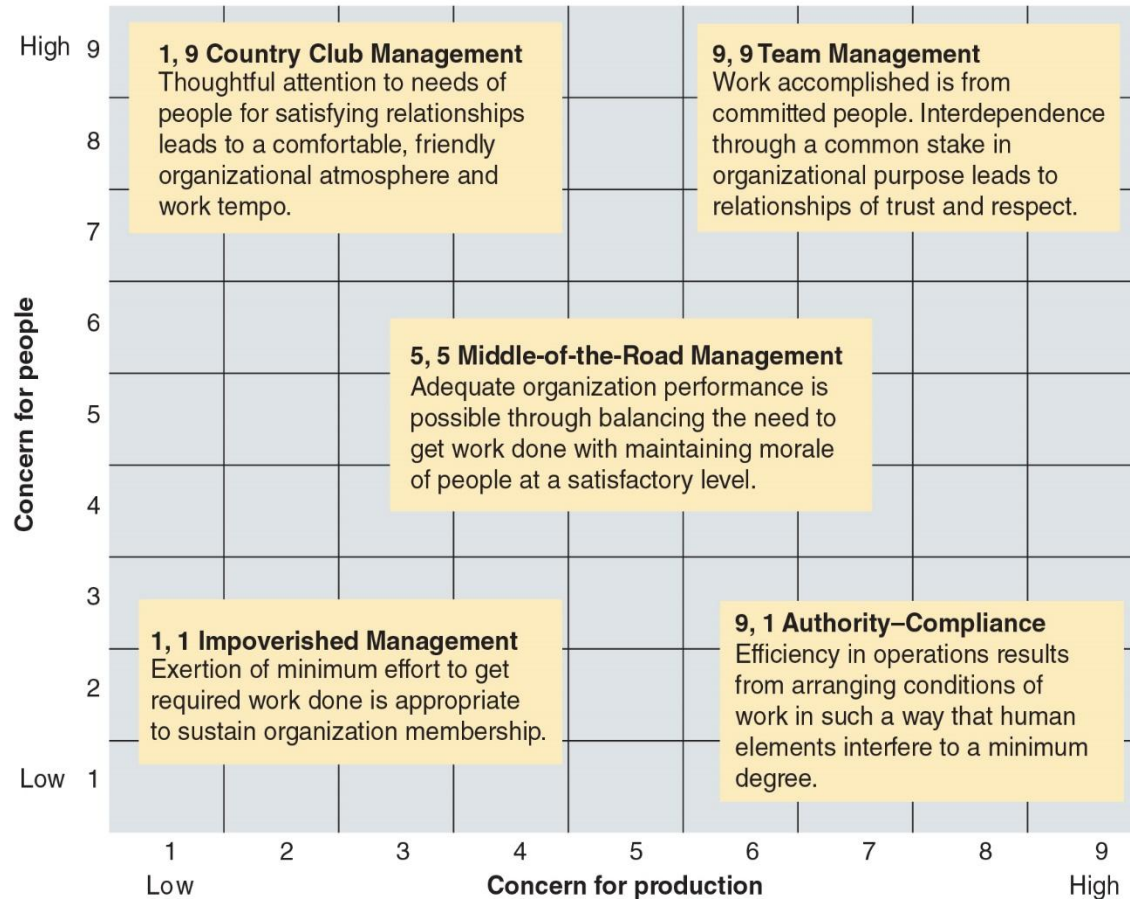
- Job-centred leadership
- Concern for production

Considerate leader behaviour

- Employee-centred leadership
- Concern for people

Exhibit 13.1

Blake/Mouton Leadership Grid



Source: R. R. Blake and A. A. McCanse, "The Leadership Grid," *Leadership Dilemmas—Grid Solutions* (Houston: Gulf Publishing Company), 21.
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Situational Approaches to Leadership

- Fiedler's contingency theory
- Hersey and Blanchard's Situational Leadership theory
- Path-goal theory
- Vroom, Yetton, and Jago's normative decision model

Fiedler: **Situational Favourableness**

Situational Favourableness

The degree to which a particular situation either permits or denies a leader the chance to influence the behaviour of group members

Leader—
Member
Relations

Task Structure

Position Power

Fiedler: Situational Favourableness

Exhibit 13.2

Situational Favourableness

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
Situation	I	II	III	IV	V	VI	VII	VIII
	Favourable		Moderately favourable				Unfavourable	

Fiedler's Contingency Theory:

Matching Leaders to the Right Situation

1. Assess leaders in terms of the conduct and performance of the people they are leading.
2. Leaders are generally unable to change their style and they are more effective when that style fits the situation.
3. The success of a leader depends on the degree to which he or she is able to influence the behaviour of group members.

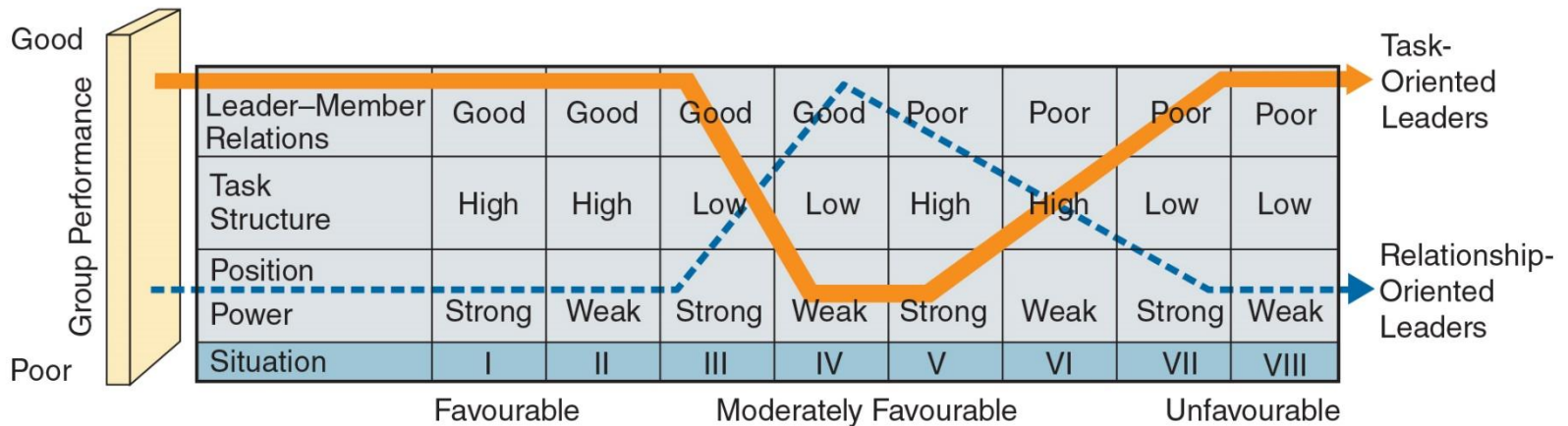
Fiedler's Leadership Style



Fiedler: Matching Leadership Styles to Situations

Exhibit 13.3

Matching Leadership Styles to Situations



Hersey and Blanchard:

Situational Leadership Theory

Situational Leadership Theory:

- Based on the idea of follower readiness
- Employees have different levels of readiness for handling different jobs, responsibilities, and work assignments
- Worker readiness
 - Job readiness: amount of knowledge, skill, ability people have to perform their jobs
 - Psychological readiness: feeling of self-confidence and respect

Situational Leadership:

Leadership Styles

1. **Telling** – based on one-way communication, in which followers are told what, how, when, and where to do particular tasks
2. **Selling** – involves two-way communication and psychological support to encourage followers to “own” or “buy into” particular ways of doing things
3. **Participating** – based on two-way communication and shared decision-making
4. **Delegating** – used when leaders basically let workers “run their own show” and make their own decisions

Adapting Leader Behaviour:

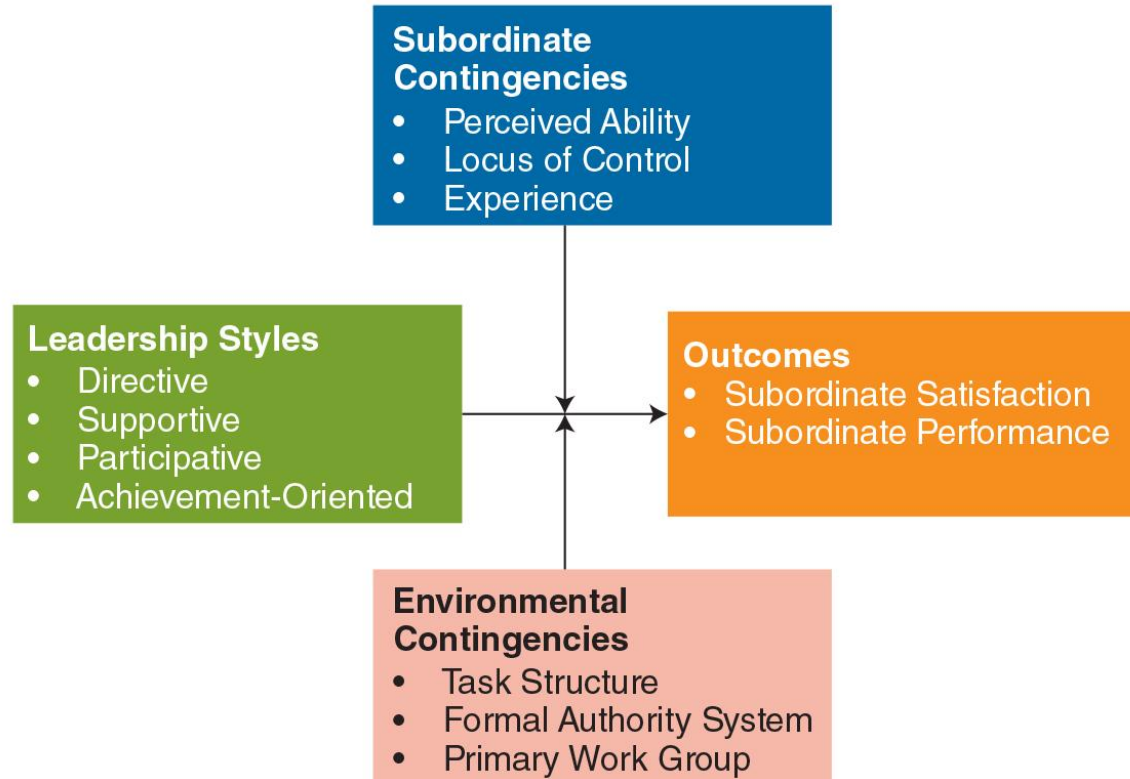
Path–Goal Theory

Path–Goal Theory:

- Leaders can increase subordinate satisfaction and performance by *clarifying and clearing* the paths to goals and by increasing the number and kinds of rewards available for goal attainment.
 - Leader's behaviour must be a source of immediate or future satisfaction for followers.
 - Leaders must offer uniqueness and value beyond what followers already experience.

Exhibit 13.4

Path–Goal Theory



Source: R. J. House and T. R. Mitchell, "Path–Goal Theory of Leadership," *Journal of Contemporary Business* 3 (1974) 81–97.

Subordinate and Environmental Contingencies

Subordinate contingencies

1. Perceived ability
2. Locus of control
3. Experience

Environmental contingencies

1. Task structure
2. Formal authority system
3. Primary work group

Exhibit 13.5

Path–Goal Theory: When to Use Directive, Supportive, Participative, or Achievement-Oriented Leadership

Directive Leadership	Supportive Leadership	Participative Leadership	Achievement-Oriented Leadership
Unstructured tasks	Structured, simple, repetitive tasks; stressful, frustrating tasks	Complex tasks	Unchallenging tasks
Workers with external locus of control	Workers lack confidence	Workers with internal locus of control	Workers with internal locus of control
Unclear formal authority system	Clear formal authority system	Workers not satisfied with rewards	
Inexperienced workers		Experienced workers	
Workers with low perceived ability		Workers with high perceived ability	Workers with high motivation

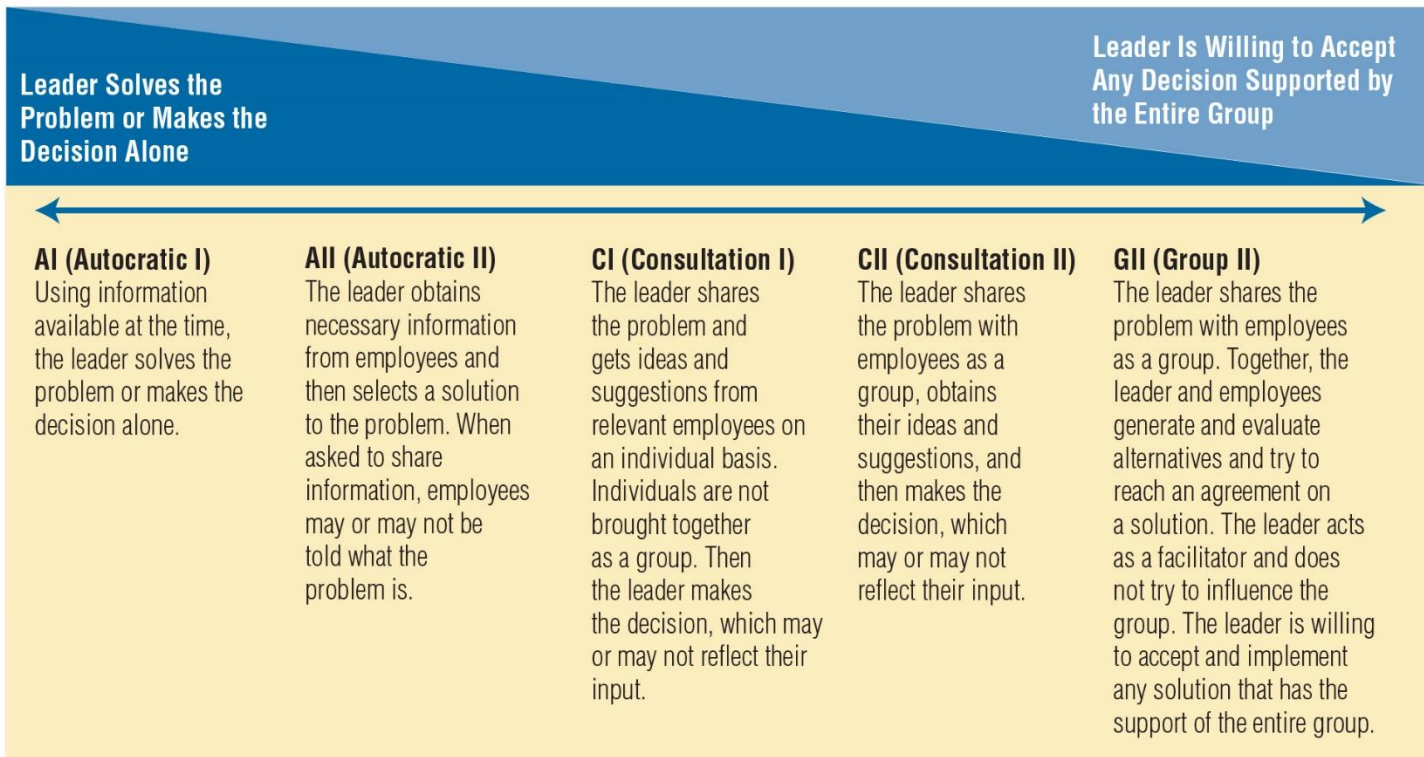
Normative Decision Theory

The Vroom-Yetton-Jago Model

- Theory that suggests how leaders can determine an appropriate amount of employee participation when making decisions
- Specifies 5 different decision styles, or ways of making decisions:
 - Autocratic (AI or AII)
 - Consultative (CI or CII)
 - Group (GII)
- Using the right degree of employee participation improves the quality of decisions and the extent to which employees accept and are committed to decisions

Exhibit 13.6

Normative Decision Theory, Decision Styles, and Levels of Employee Participation



Sources: Adapted from V.H. Vroom, "Leadership," in Handbook of Industrial and Organizational Psychology, ed. M.D. Dunnette (Chicago: Rand McNally, 1976); V.H. Vroom and A.G. Jago, The New Leadership: Managing Participation in Organizations (Englewood Cliffs, NJ: Prentice Hall, 1988).

Normative Theory Decision Rules

Decision Rules to Increase Decision Quality

- Quality Rule
- Leader Information Rule
- Subordinate Information Rule
- Goal Congruence Rule
- Problem Structure Rule

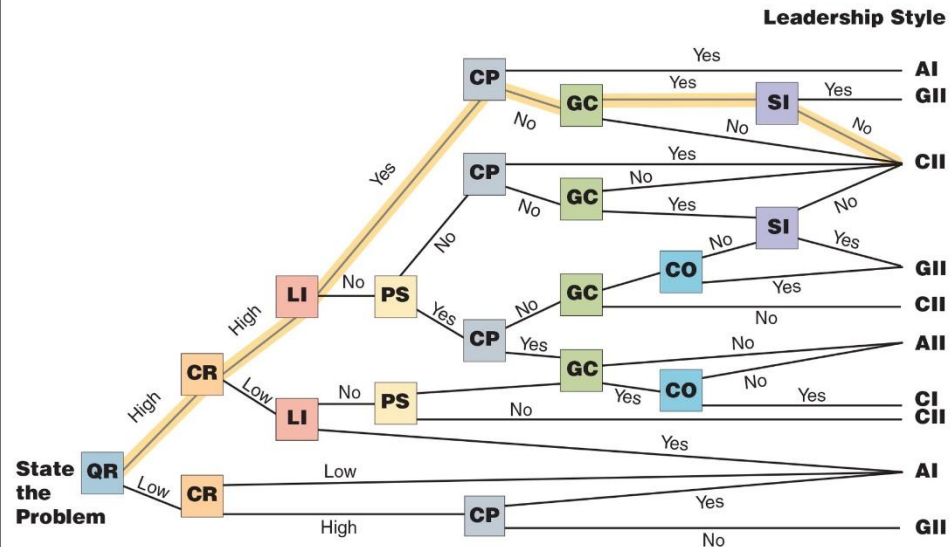
Decision Rules to Increase Decision Acceptance

- Commitment Probability Rule
- Subordinate Conflict Rule
- Commitment Requirement Rule

Sources: Adapted from V. H. Vroom, "Leadership" in *Handbook of Industrial and Organizational Psychology*, ed. M. D. Dunnette (Chicago: Rand McNally, 1976); V. H. Vroom and A. G. Jago, *The New Leadership: Managing Participation in Organizations* (Englewood Cliffs, NJ: Prentice Hall, 1988).)

Exhibit 13.8

Normative Decision Theory Tree for Determining the Level of Participation in Decision Making



QR	Quality requirement:	How important is the technical quality of this decision?
CR	Commitment requirement:	How important is subordinate commitment to the decision?
LI	Leader's information:	Do you have sufficient information to make a high-quality decision?
PS	Problem structure:	Is the problem well structured?
CP	Commitment probability:	If you were to make the decision by yourself, is it reasonably certain that your subordinate(s) would be committed to the decision?
GC	Goal congruence:	Do subordinates share the organizational goals to be attained in solving this problem?
CO	Subordinate conflict:	Is conflict among subordinates over preferred solutions likely?
SI	Subordinate information:	Do subordinates have sufficient information to make a high-quality decision?

Source: "Figure 9.3, Decision-Process Flow Chart for Both Individual and Group Problems," in *Leadership and Decision-Making* (Pittsburgh: University of Pittsburgh Press, 1973), by V.H. Vroom and P.W. Yetton.

Strategic Leadership

Strategic Leadership

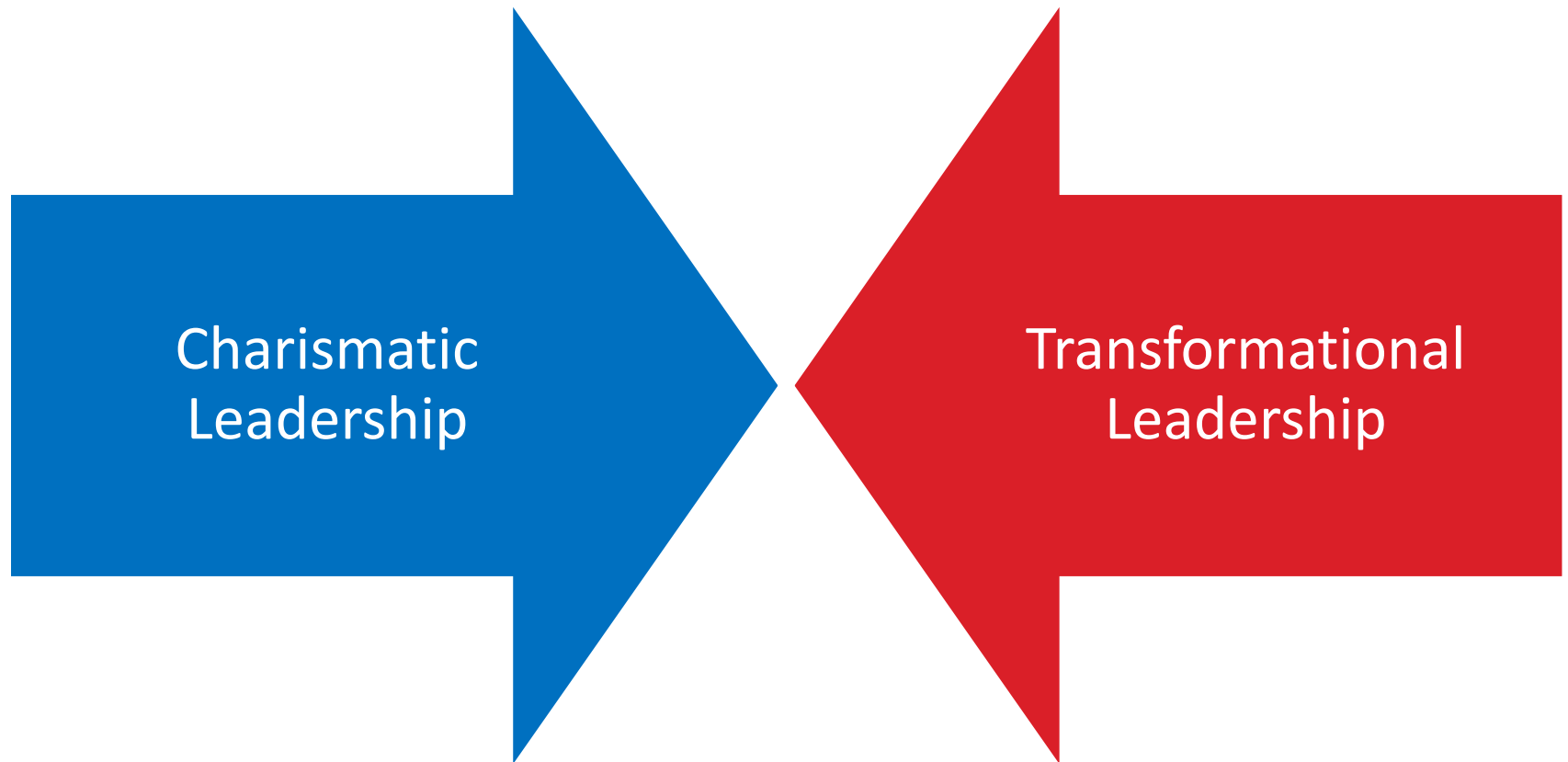
The ability to

- anticipate
- envision
- maintain flexibility
- think strategically
- work with others
- initiate changes
- create a positive future

Visionary Leadership

- Creates a positive image of the future that motivates organizational members and provides direction for future planning and goal setting.

Visionary Leadership



Charismatic Leadership

- Creates an exceptionally strong relationship
- Articulates a clear vision
- Models values consistent with that vision
- Communicates high-performance expectations
- Strong, confident, dynamic personalities
- Establishes trust and loyalty from followers
- Concern is with ego-driven charismatic leaders who take advantage of fanatical followers



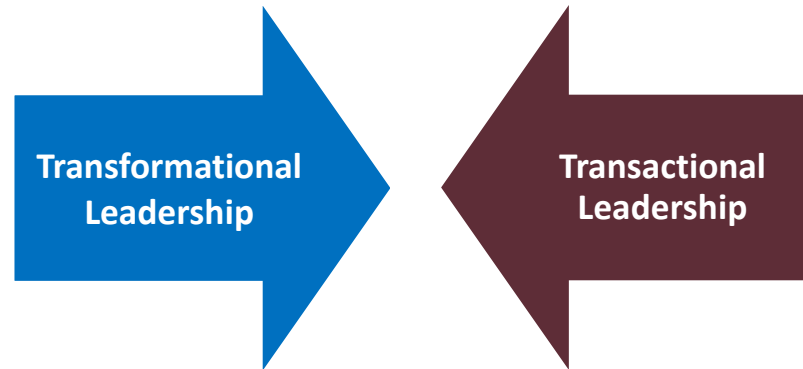
The ancient Greeks saw people with charisma as inspired by the gods and capable of incredible accomplishments.

Visionary Leadership:

Transformational Leadership



Transformational vs. Transactional Leadership



Transformational leadership uses visionary and inspirational appeals to influence followers.

Transactional leadership is based on an exchange process in which followers are rewarded for good performance and punished for poor performance.