



LECTURE 8

LEADING

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LEARNING OUTCOMES

On successful completion of this lesson, the learner will be able to:

- LO1:** Define and explain the term “Leading”, and its key differences with “Managing”.
- LO2:** Explain the importance of self awareness and self management for effective leading.
- LO3:** Explain the importance of understanding others and the factors that affect work behavior.
- LO4:** Discuss the concept of emotional intelligence and its importance for managing relationships/leading employees.
- LO5:** Discuss the leadership process and different approaches to leadership.



LEADING ?

- Leading means motivating employees and influencing their behavior to achieve organizational objectives.
- Leading focuses on managing people , such as:
 - ✓ Individual employees
 - ✓ Teams and groups (rather than tasks).
- To become effective at leading, managers must first understand their subordinates' **personalities, values, attitudes, and emotions.**
- An important part of management process/P-O-L-C framework.



KEY DIFFERENCES

➤ **Managing** focuses on:

- ✓ Tasks and processes
- ✓ Efficiency and effectiveness
- ✓ Authority and control



➤ **Leading** focuses on:

- ✓ People and relationships
- ✓ Inspiration and innovation
- ✓ Influence and persuasion



UNDERSTANDING YOURSELF AND OTHERS

- Understanding **Why people behave the way they do** is part of good management.
- Answer: **Individual differences**
- Understanding of individual differences helps:
 - ✓ managers to get the best out of each employee
 - ✓ managers to more effectively lead people through workplace challenges.
- The first requirement for being a good manager is understanding yourself.

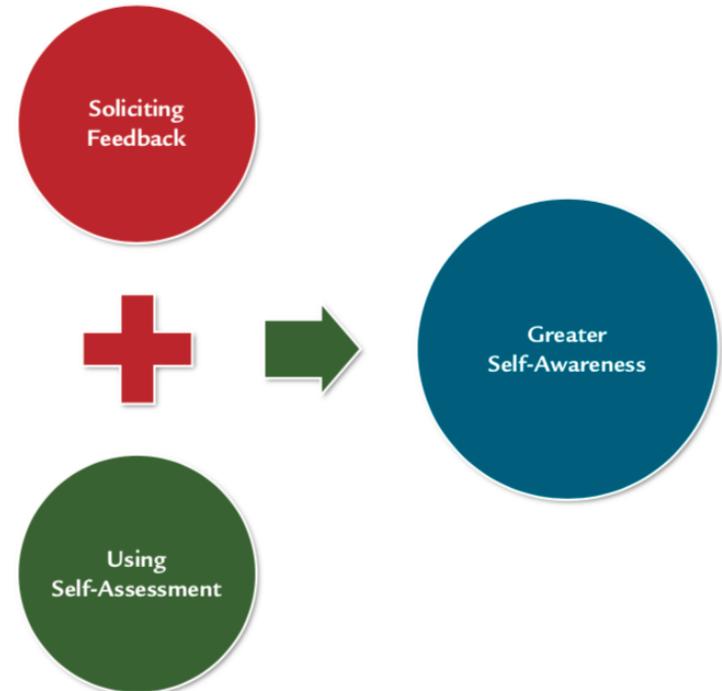


KEY TO SELF AWARENESS

- **Soliciting Feedback:** use other people as a mirror to see ourselves more clearly.

- **Self Assessment:** use self-inquiry and reflection to gain insights into yourself from the results of scores on self-assessment instruments.

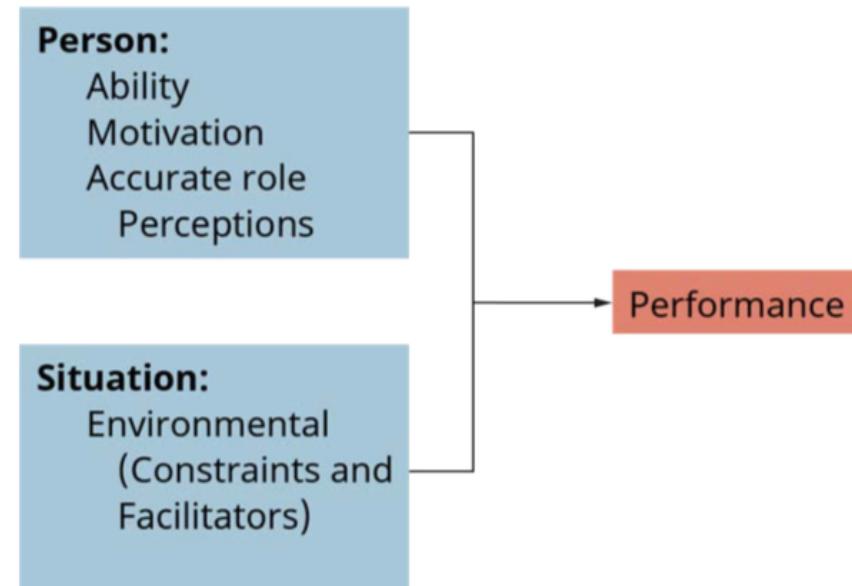
- **Self Awareness:** being aware of the internal aspects of yourself (personality traits, beliefs, emotions, perceptions) and how they affect other people.





KEY TO UNDERSTAND WORK BEHAVIOR

- **Ability:** The knowledge, skills, and receptiveness to learning that a person brings to a task or job.
- **Motivation:** The amount of effort a person exerts to achieve a certain level of job performance.
- **Role perceptions:** How well an individual understands their organizational role.
- **Work environment:** The factors that impact employees' performance but are essentially out of their control.



OTHER FACTORS TO UNDERSTAND WORK BEHAVIOR

- **Job satisfaction:** A positive feeling about one's job.
- **Trust:** Rely on someone else to do the right thing.
- **Organizational commitment:** Loyalty to and engagement with one's work organization.
- **Attributions:** Judgments about what caused a person's behavior (either characteristics of the person or characteristics of the situation).
- **Perceptions:** The cognitive process that people use to make sense out of the environment by selecting, organizing, and interpreting information.
- **Personality traits:** The set of characteristics that underlie a relatively stable pattern of behavior in response to ideas, objects, or people in the environment.
- **Emotions:** An emotion is a mental state that arises spontaneously, rather than through conscious effort, and is often accompanied by physiological changes.



HOW WE JUDGE BEHAVIOR?

Fundamental Attribution Error



Self-Serving Bias



Fundamental Attribution Error

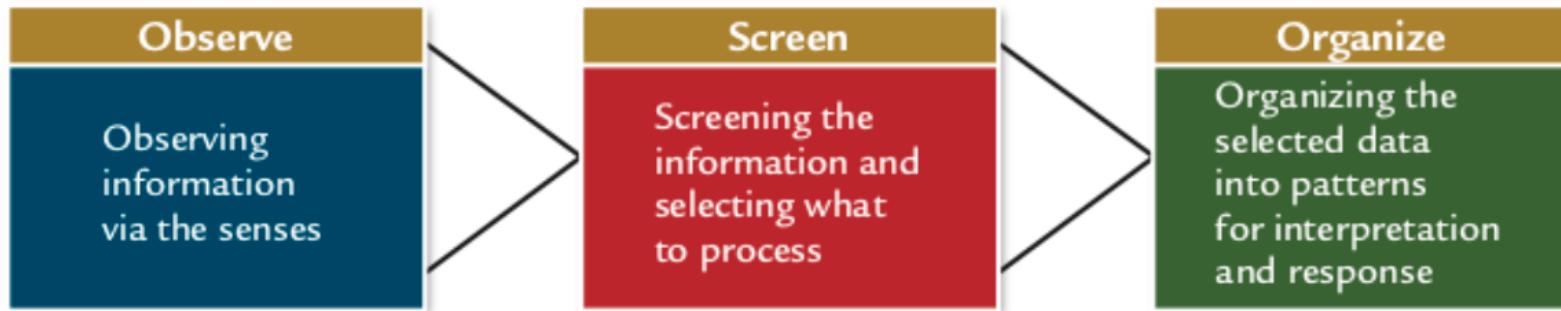
The tendency to underestimate the influence of external factors on another person's mistakes and failures and to overestimate the influence of internal factors.

Self-Serving Bias

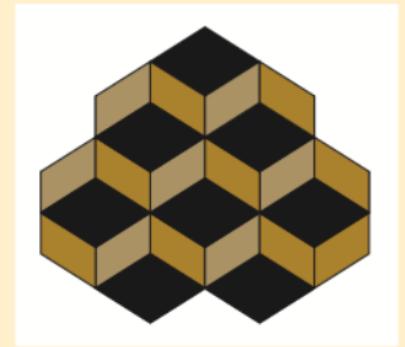
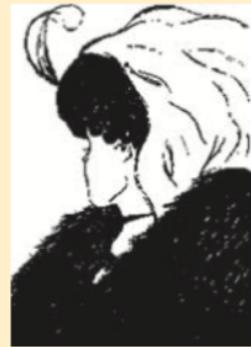
The tendency to overestimate the contribution of internal factors to one's own successes and the contribution of external factors to one's own failures.



THE PERCEPTION PROCESS



What do you see?





PERCEPTION DISTORTIONS

Perceptual distortions are errors in perceptual judgment that result from inaccuracies in any part of the perception process.

- **Stereotyping:** The tendency to assign an individual to a group or broad category and then attribute generalizations about the group to the individual.

- **Halo Effect:** The halo effect occurs when a perceiver develops an overall impression of a person or situation based on one characteristic, either favorable or unfavorable.



BIG – FIVE PERSONALITY FACTORS

Although investigators have examined thousands of traits over the years, their findings can be organized into five general dimensions

- **Openness:** How open a person is to new ideas and experiences.
- **Conscientiousness:** How goal-directed, persistent, and organized a person is.
- **Extraversion:** How much a person is energized by the outside world.
- **Agreeableness:** The tendency to agree and go along with others .
- **Neuroticism:** How sensitive a person is to stress and negative emotional triggers.

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BIG – FIVE PERSONALITY FACTORS

Trait	Facets of Trait
Openness	<ul style="list-style-type: none">• Fantasy prone• Open to feelings• Open to diverse behaviors• Open to new and different ideas• Open to various values and beliefs
Conscientiousness	<ul style="list-style-type: none">• Competent• Orderly• Dutiful• Achievement oriented• Self-disciplined• Deliberate
Extraversion	<ul style="list-style-type: none">• Gregarious (sociable)• Warm• Assertive• Active• Excitement-seeking• Positive emotionality

Trait	Facets of Trait
Agreeableness	<ul style="list-style-type: none">• Trusting• Straightforward• Altruistic• Compliant• Modest• Tender-minded
Neuroticism	<ul style="list-style-type: none">• Anxious• Angry• Depressed• Self-consciousness• Impulsive• Vulnerable



BIG – FIVE PERSONALITY FACTORS - RESULTS

Big 5 Trait	Example Behavior for LOW Scorers	Example Behavior for HIGH Scorers
Openness	Prefers not to be exposed to alternative moral systems; narrow interests; inartistic; not analytical; down-to-earth	Enjoys seeing people with new types of haircuts and body piercing; curious; imaginative; untraditional
Conscientiousness	Prefers spur-of-the-moment action to planning; unreliable; hedonistic; careless; lax	Never late for a date; organized; hardworking; neat; persevering; punctual; self-disciplined
Extraversion	Preferring a quiet evening reading to a loud party; sober; aloof; unenthusiastic	Being the life of the party; active; optimistic; fun-loving; affectionate
Agreeableness	Quickly and confidently asserts own rights; irritable; manipulative; uncooperative; rude	Agrees with others about political opinions; good-natured; forgiving; gullible; helpful; forgiving
Neuroticism	Not getting irritated by small annoyances; calm, unemotional; hardy; secure; self-satisfied	Constantly worrying about little things; insecure; hypochondriacal; feeling inadequate



FOUR PROBLEM SOLVING STYLES

Managers also need to realize that individuals solve problems and make decisions in different ways.

Personal Style	Action Tendencies	Likely Occupations
Sensation–Thinking	<ul style="list-style-type: none">• Emphasizes details, facts, certainty• Is a decisive, applied thinker• Focuses on short-term, realistic goals• Develops rules and regulations for judging performance	<ul style="list-style-type: none">• Accounting• Production• Software engineers• Market research• Engineering
Intuitive–Thinking	<ul style="list-style-type: none">• Prefers dealing with theoretical or technical problems• Is a creative, progressive, perceptive thinker• Focuses on possibilities using impersonal analysis• Is able to consider a number of options and problems simultaneously	<ul style="list-style-type: none">• Systems design• Internet security• Law• Middle/top management• Teaching business, economics
Sensation–Feeling	<ul style="list-style-type: none">• Shows concern for current, real-life human problems• Is pragmatic, analytical, methodical, and conscientious• Emphasizes detailed facts about people rather than tasks• Focuses on structuring organizations for the benefit of people	<ul style="list-style-type: none">• Directing supervisor• Counseling• Negotiating• Selling• Interviewing
Intuitive–Feeling	<ul style="list-style-type: none">• Avoids specifics• Is charismatic, participative, people oriented, and helpful• Focuses on general views, broad themes, and feelings• Decentralizes decision making, develops few rules and regulations	<ul style="list-style-type: none">• Public relations• Advertising• Human resources• Politics• Customer service

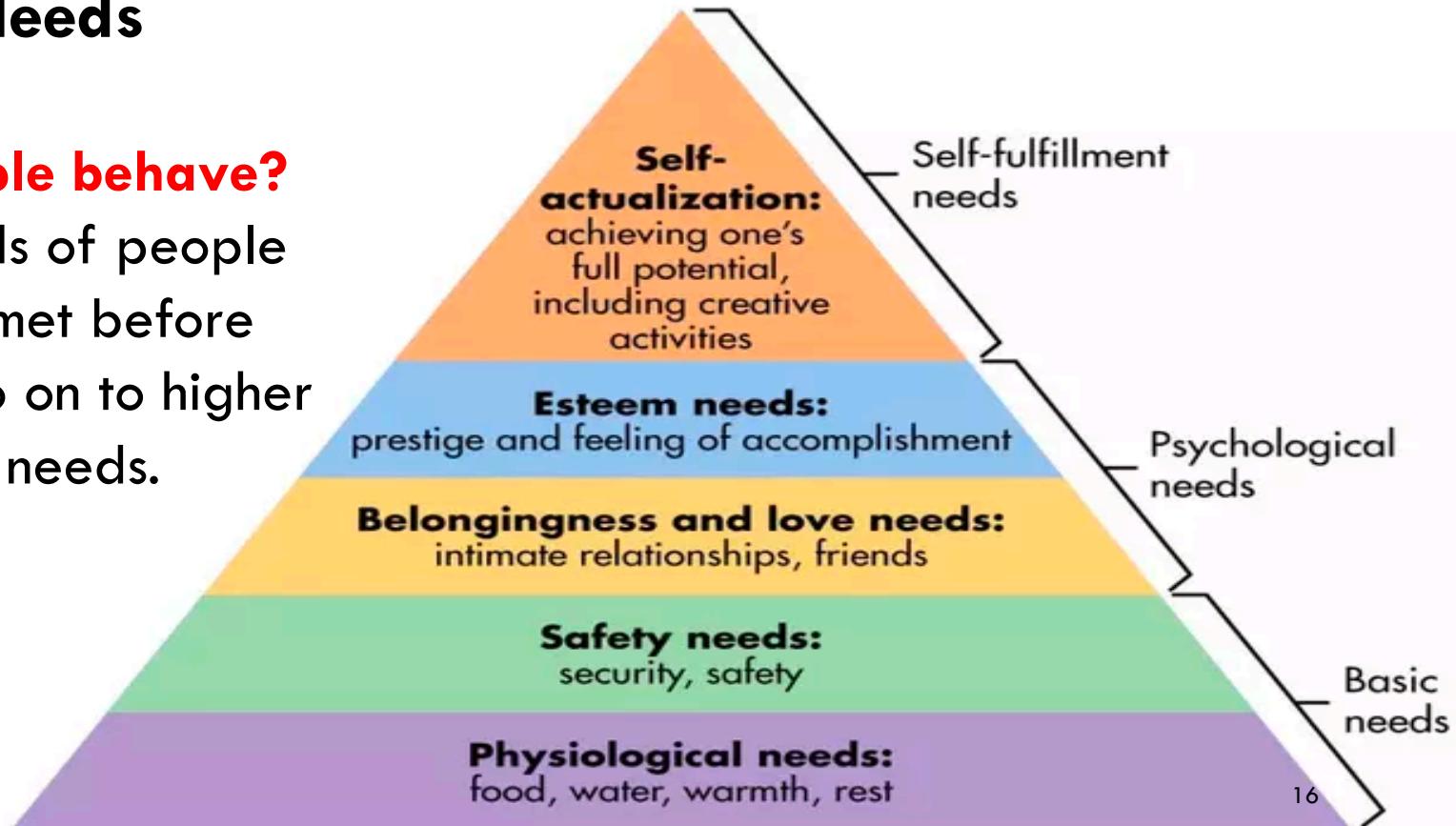


SOME THEORIES TO UNDERSTAND BEHAVIOUR (1)

Maslow's Hierarchy of Needs

How people behave?

Basic needs of people must be met before they can go on to higher level needs.



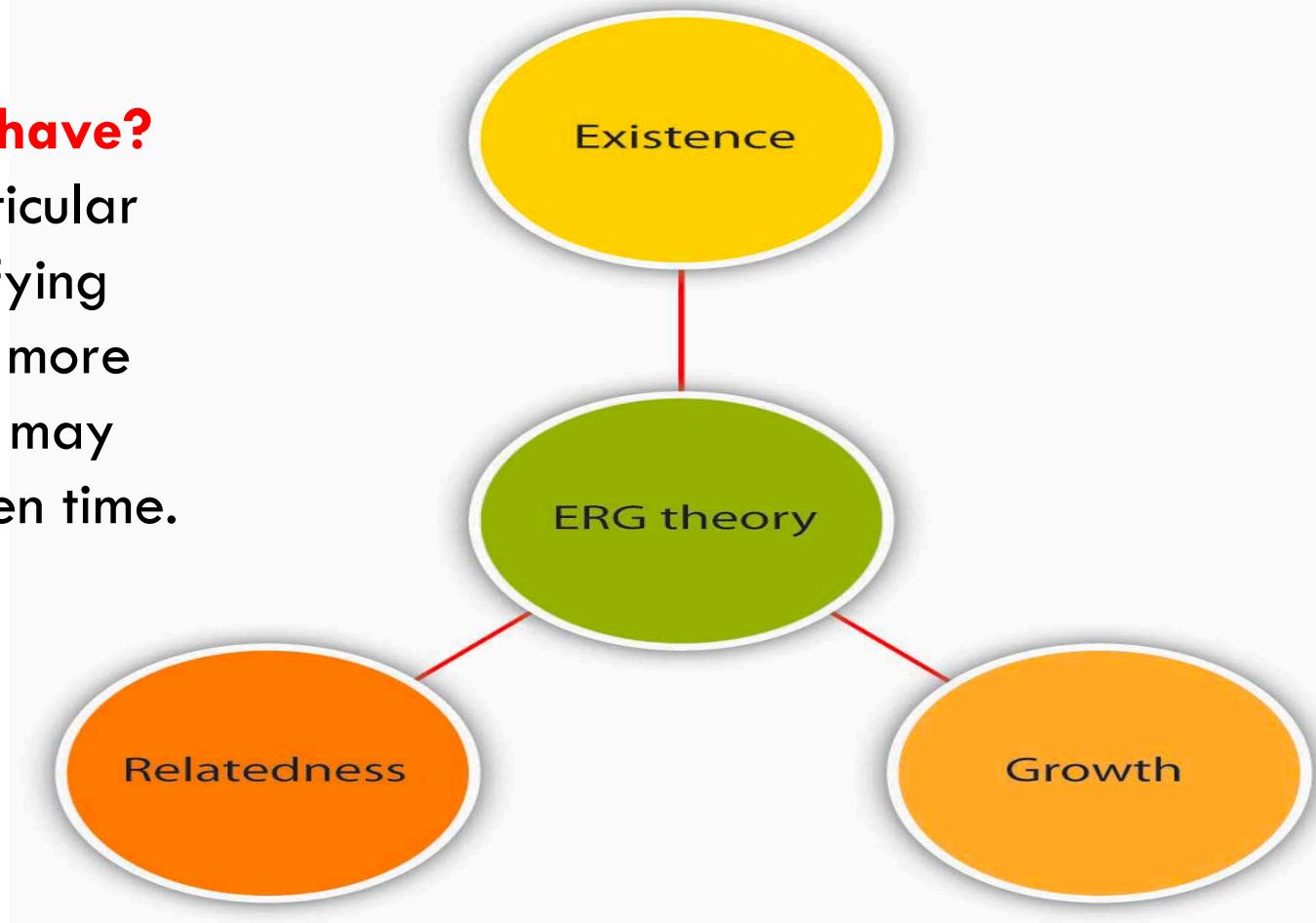


SOME THEORIES TO UNDERSTAND BEHAVIOUR (2)

ERG theory

How people behave?

There is no particular order on satisfying needs. Instead, more than one need may operate at a given time.





SOME THEORIES TO UNDERSTAND BEHAVIOUR (3)

Herzberg's Two-factor Theory

Hygiene Factors

- Company policy
- Supervision and relationships
- Working conditions
- Salary
- Security

Motivators

- Achievement
- Recognition
- Interesting work
- Increased responsibility
- Advancement and growth

Contextual Factors

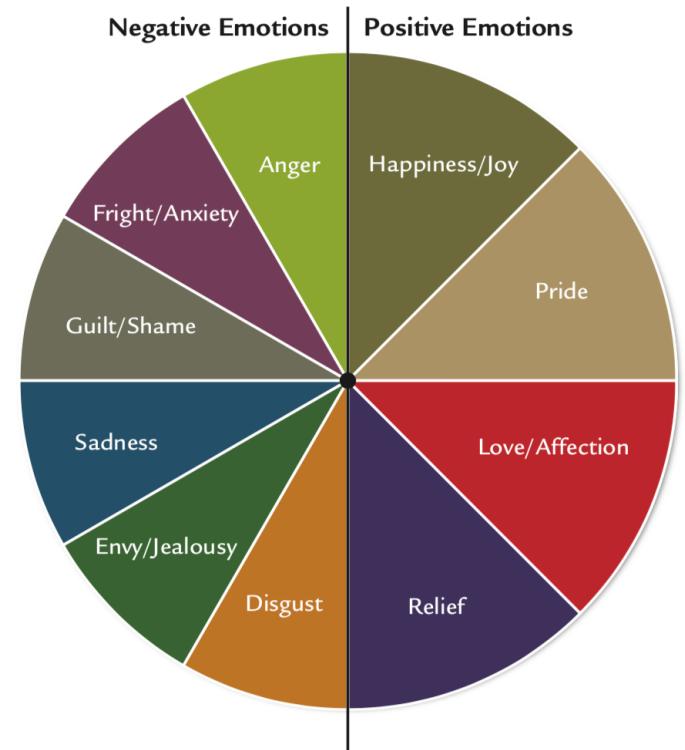
Job-intrinsic Factors



UNDERSTANDING EMOTIONS

Managers can influence whether people experience primarily positive or negative emotions at work

- **Emotional Contagion:** The tendency of people to absorb and express the emotions, moods, and attitudes of those around them.
- **Negativity Bias:** Human mind reacts more quickly and strongly to perceived bad things than it does to good things.





EMOTIONAL INTELLIGENCE

Managers who are in touch with their own feelings and the feelings of others can enhance employee and organizational performance.

- **Self-awareness:** Being aware of what you are feeling. Self-awareness is the basis for all the other components.
- **Self-management:** The ability to control disruptive or harmful emotions and balance your moods.
- **Social awareness:** The ability to understand others and practice empathy.
- **Relationship management:** The ability to connect to others, build positive relationships, respond to the emotions of others, and influence others.



SELF MANAGEMENT PRINCIPLES

Managers who are in touch with their own feelings and the feelings of others can enhance employee and organizational performance.

1. ***Clarity of mind.*** First, if you're carrying too much around in your head, your mind can't be clear. If your mind isn't clear, you can't focus. If you can't focus, you can't get anything done. Thus, anything you consider unfinished needs to be placed in some kind of trusted system *outside* your head.

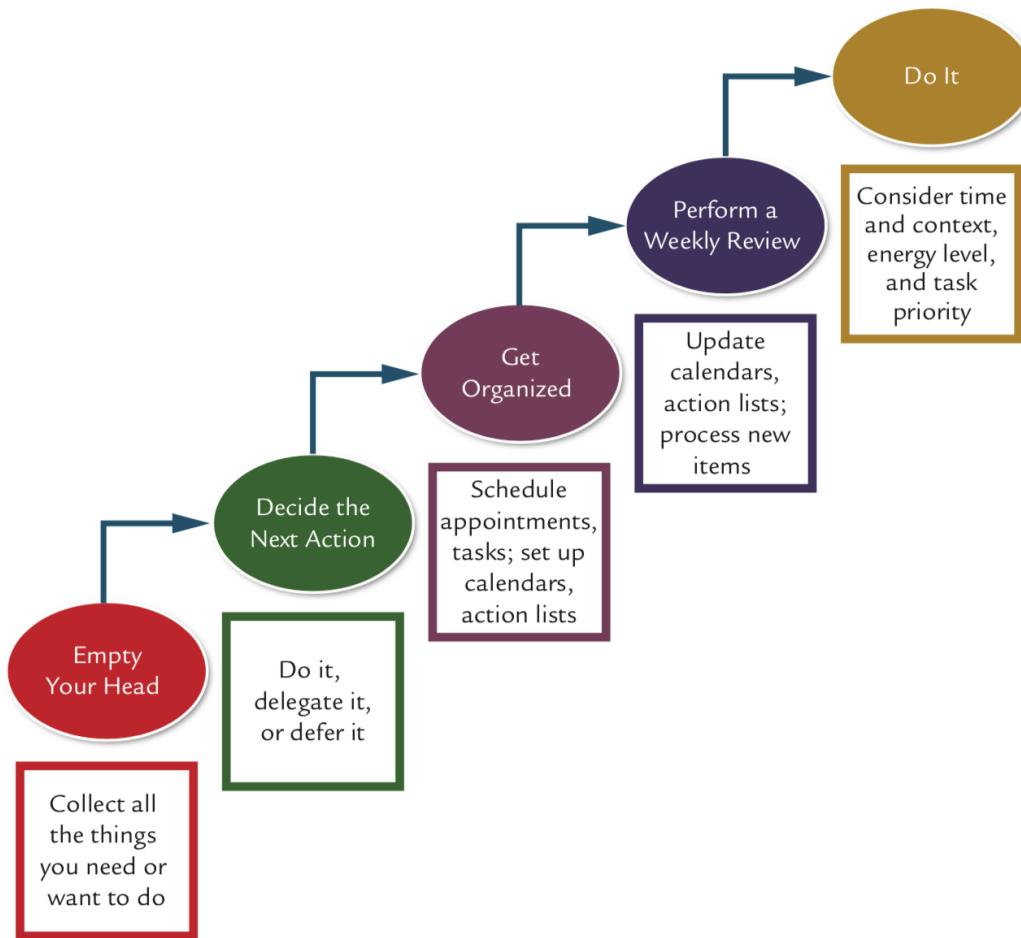
2. ***Clarity of objectives.*** Next, you have to be clear about exactly what you need to do and decide the steps to take toward accomplishing it.

3. ***An organized system.*** Finally, once you've decided the actions that you need to take, you need to keep reminders in a well-organized system.



STEPS TO GET ORGANIZED

You can gain better control over your life and the many things that you have to do by mastering some simple but powerful steps.

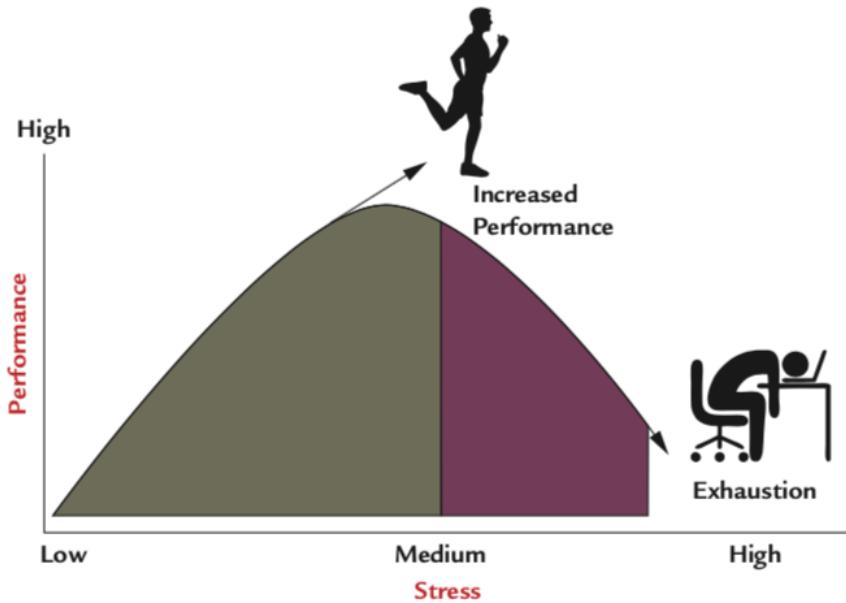


This approach to self-management can help to handle on all the various things to do and approach them in a systematic way with a clear mind and less stress



IDENTIFY CAUSES OF WORK STRESS

You can gain better control over your life and the many things that you have to do by mastering some simple but powerful steps.



Task demands, Role Ambiguity, Role Conflict

Stressors arising from the tasks required, unclear task behaviors, and incompatible role demands that are expected of a person holding a particular job.

Interpersonal Demands

Stressors associated with relationships in the organization.



ENHANCE RESILIENCE

Individuals can use a variety of techniques to enhance their resilience and avoid or manage the harmful effects of stress.

- Seek and destroy key sources of stress
- Find support
- Mediate and manage energy
- Find a work-life balance
- Give employees more control

Resilience is the capacity to persevere and to bounce back from adversity, conflict, and failure.



LEADERSHIP ?

Leadership is frequently defined as a social (interpersonal) influence relationship between two or more persons who depend on each other to attain certain mutual goals in a group situation.

- Effective leadership helps individuals and groups achieve their goals by focusing on the group's maintenance needs and task needs.
- Leadership is a process, a complex and dynamic exchange relationship between leader and follower/s.
- Organizations have two kinds of leaders:
 - ✓ A **formal leader**
 - ✓ An **informal leader**



LEADERSHIP AS AN EXERCISE OF INFLUENCE

- **Reward power:** the power a person has because people believe that he can bestow rewards or outcomes, such as money or recognition that others desire.
- **Coercive power:** the power a person has because people believe that he can punish them by inflicting pain or by withholding or taking away something that they value.
- **Referent power:** the power a person has because others want to associate with or be accepted by him.
- **Expert power:** the power a person has because others believe that he has and is willing to share expert knowledge that they need
- **Legitimate power:** the power a person has because others believe that he possesses the “right” to influence them and that they ought to obey.



LEVELS OF LEADERSHIP

The process through which an individual becomes a leader

Level 1 – Individual	Level 2 – Team Member	Level 3 – Manager	Level 4 – Leader	Level 5
Capable Contributes talent, skills, knowledge	Contributing Contributes individually; works well in group	Competent Manages team members and assets to reach set objectives	Effective Stimulates high standards; champions dedication to vision	Builds excellence through dedication and humility



TRAIT APPROACH TO LEADERSHIP

- The **great man theory of leadership** states that some people are born with the necessary attributes to be great leaders.
- The best leaders seem to possess a God-given spark.
- Among the core traits identified are:
 - ✓ **Drive:** a high level of effort, including a strong desire for achievement.
 - ✓ **Leadership motivation:** an intense desire to lead others
 - ✓ **Honesty and integrity:** a commitment to the truth
 - ✓ **Self-confidence:** an assurance in one's self
 - ✓ **Cognitive ability:** conceptually skilled to think strategically.
 - ✓ **Knowledge of the business:** a high degree of understanding of the business context.
 - ✓ **Other traits:** charisma, creativity/originality, and flexibility/adaptiveness



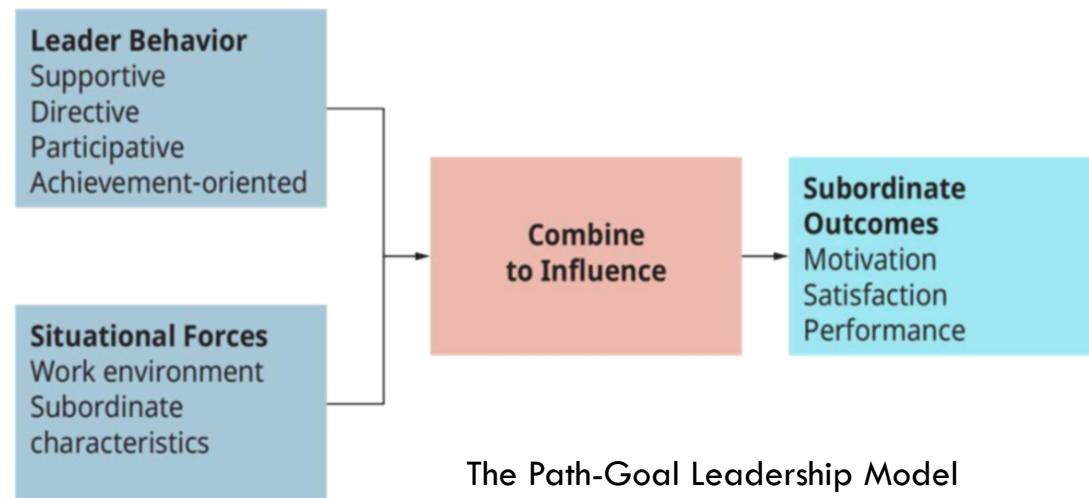
BEHAVIORAL APPROACH TO LEADERSHIP

- It is now common to think of effective leadership in terms of what leaders do.
- Effective leaders display:
 - ✓ Develop a vision
 - ✓ Trust in their employees
 - ✓ Keep them cool
 - ✓ Encourage risk
 - ✓ Bring expertise into the work setting
 - ✓ Invite dissent (opposing opinions)
 - ✓ Focus everyone's attention



SITUATIONAL APPROACH TO LEADERSHIP

- The qualities, characteristics, and skills required in a leader are determined to a large extent by the demands of the situation in which he is to function as a leader.
- Some combinations of leaders and situations work well; others do not.
- In search of the best combinations, organizations need to design job situations to fit the leader behavior.





LEADER BEHAVIOUR DIMENSIONS

- **Supportive leadership:** They are friendly, approachable, and considerate to individuals in the workplace.
- **Directive leadership:** They set goals and performance expectations, provide guidance, establish rules and procedures to guide work, and schedule and coordinate the activities of members.
- **Participative leadership:** They consult with group members about job-related activities and consider their opinions and suggestions when making decisions.
- **Achievement-oriented leadership:** They set challenging goals, seek improvement in performance, emphasize excellence, and demonstrate confidence in organizational members' ability to attain high standards.



TRANSFORMATIONAL LEADERSHIP

- Transformational leaders work with teams or followers beyond their immediate self-interests to identify needed change, creating a vision to guide the change.



Intellectual Stimulation

- Innovation
- Creativity
- Goals
- Challenge

Idealized Influence

- Role Model
- Walk the Walk
- Enthusiasm
- Embody Value

Individualized Consideration

- Mentorship
- Empathy
- Purpose
- Strength & Skills

Transformational Leadership

Inspirational Motivation

- Clear Vision
- Optimism₃₂
- Inclusion
- Productivity



TRANSACTIONAL LEADERSHIP

- Also referred to as management theories or exchange theories of leadership.
- These theories consider **rewards and punishments** as the basis for leadership actions.
- This focuses on the exchange of skills, knowledge, resources, or effort between leaders and their subordinates.
- This leadership style prioritizes individual interests and extrinsic motivation as means to obtain a desired outcome.
- Transactional leaders focus on achieving **short-term goals** and performing tasks correctly and to specifications.



VISIONARY LEADERSHIP

- The visionary leadership style involves inspiring a team to work toward a shared goal or vision.
- A visionary leader ensures the vision becomes reality by stating clear goals and outlining a strategic plan
- For achieving those goals, a visionary leader equips and empower each member to take action on the plan at the organizational, team and individual levels.
- Visionary leaders have a strong ability to drive progress and change. They inspire employees and earn trust for new ideas.
- At times, visionary leaders are also known as transformational leaders.



CHARISMATIC LEADERSHIP

- **Charisma:** a special magnetic charm and appeal that arouses loyalty and enthusiasm.
- The authority of the leader derives from the personal charisma of The Leader.
- Charismatic leadership is defined by a leader who uses his or her
 - ✓ Communication skills
 - ✓ Persuasiveness
 - ✓ Charm
 - ✓ Confidence
 - ✓ Empathy to influence others.



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Q&A