

# Introduction

Leadership is the art or process of influencing people so that they will strive willingly and enthusiastically toward the achievement of group goals

Leaders do not stand behind a group to push or prod; they place themselves before the group as they facilitate progress and inspire the group to accomplish organizational goals

Example is an orchestra leader whose function is to produce coordinated sound and correct tempo through the integrated effort of the musicians

The performance of the orchestra depends on the quality of the director's leadership

# **Ingredients of leadership**

Leaders envision the future. They inspire organizational members and chart the course of the organization

Leaders must instill values – whether they are concern for quality, honesty or concern for employees and customers

The first ingredient of leadership is power

The second ingredient of leadership is a fundamental understanding of people

A manager or any other leader who knows motivation theories and who understands the importance of motivation is more aware of the nature and strength of human needs and is better able to define and design ways of satisfying them and to administer so as to get the desired responses

## **Ingredients of leadership (contd.)**

The third ingredient of leadership is the rare ability to inspire followers to apply their full capabilities to a project

Leaders have the qualities of charm and appeal that give rise to loyalty, devotion and a strong desire on the part of followers to promote what leaders want

It is a matter of people giving unselfish support to a chosen champion

The best example of inspirational leadership come from hopeless and frightening situations like –

1. An unprepared nation on the eve of battle

# **Ingredients of leadership (contd.)**

2. A prison camp with exceptional morale
3. A defeated leader undeserted by faithful followers

The fourth ingredient of leadership has to do with the style of the leader and the organizational climate he or she develops

The primary tasks of managers are the design and maintenance of an environment for performance

The fundamental principle of leadership is that since people tend to follow those who offer them a means of satisfying their personal goals, the more managers understand what motivates their subordinates and the more they reflect this understanding in their actions, the more effective they are likely to be as leaders

# Trait Theories

- People are born with certain characteristics which make them leaders.
- – Intelligence
- – Level of energy and activity
- – Task relevant knowledge
- **Leaders are born...?**

# **Trait approaches to leadership**

Ralph M. Stogdill found that various researchers had identified specific traits related to leadership ability –

1. 5 physical traits (such as energy, appearance and height)
2. 4 intelligence and ability traits
3. 16 personality traits (such as adaptability, aggressiveness, enthusiasm and self-confidence)
4. 6 task-related characteristics (such as achievement, drive, persistence and initiative)
5. 9 social characteristics (such as cooperativeness, interpersonal skills and administrative ability)

# **Trait approaches to leadership (contd.)**

More recently, the following leadership traits have been identified –

1. Drive (including achievement, motivation, energy, ambition, initiative and tenacity)
2. Leadership motivation (the aspiration to lead but not to seek power as such)
3. Honesty and integrity
4. Self-confidence (including emotional stability)
5. Cognitive ability
6. Understanding of the business

# **Charismatic leadership approach**

According to charismatic leadership theory, followers make attributions of heroic or extraordinary leadership abilities when they observe certain behaviours

The characteristics of the charismatic leader are –

1. They have a vision
2. They are willing to take risks to achieve that vision
3. They are sensitive to both environmental constraints and follower needs
4. Exhibit behaviours that are out of the ordinary



# **Charismatic leadership approach (contd.)**

How do charismatic leaders actually influence followers?

Research indicates that it is a four-step process

1. It begins by the leader articulating an appealing vision. This vision provides a sense of continuity for followers by linking the present with a better future for the organization
2. The leader then communicates high performance expectations and expresses confidence that followers can attain them. This enhances follower self-esteem and self-confidence
3. Next, the leader conveys (through words and actions), a new set of values and by his or her behaviour, sets an example for followers to imitate

## **Charismatic leadership approach (contd.)**

4. Finally, the charismatic leader makes self-sacrifices and engages in unconventional behaviour to demonstrate courage and convictions about the vision

# Leadership behaviour and styles

3 theories are discussed here related to leadership behaviour and styles

They are –

1. Styles based on use of authority
2. The managerial grid
3. Leadership as a continuum

# Styles based on use of authority

Leaders are seen as applying three basic styles

The **autocratic leader** commands and expects compliance, is dogmatic and positive, and leads by the ability to withhold or give rewards and punishments

The **democratic or participative leader** consults with subordinates on proposed actions and decisions and encourages participation from them. This type of leader ranges from the person who does not take action without subordinates' concurrence to the one who makes decisions but consults with subordinates before doing so

The **free-rein leader** uses his or her power very little, if at all, giving subordinates a high degree of independence in their operations

## Styles based on use of authority (contd.)

Such leaders depend largely on subordinates to set their own goals and the means of achieving them and they see their role as one of aiding the operations of followers by furnishing them with information and acting primarily as a contact with the group's external environment

There are variations within this simple classification of leadership styles

Some autocratic leaders are seen as “**benevolent autocrats**”

Although they listen considerately to their followers' opinions before making a decision, the decision is their own

They may be willing to hear and consider subordinates' ideas and concerns; but when a decision is to be made, they may be more autocratic than benevolent

# Styles based on use of authority (contd.)

A variation of the participative leader is the person who is **supportive**

Leaders in this category may look upon their task as not only consulting with followers and carefully considering their opinions but also doing all they can to support subordinates in accomplishing their duties

The use of any style will depend on the situation

A manager may be highly autocratic in an emergency. For example, one can hardly imagine a fire chief holding a long meeting with the crew to consider the best way of fighting a fire

A manager dealing with a group of research scientists may give them free rein in developing their inquiries and experiments

## **Styles based on use of authority (contd.)**

But the same manager might be quite autocratic in enforcing a rule stipulating that employees wear a protective covering when they are handling potentially dangerous chemicals

# The managerial grid

It is a 9 x 9 matrix outlining 81 different leadership styles. It was developed by Robert Blake and Jane Mouton.

The grid has 2 dimensions – concern for people and concern for production. Concern for production is gauged on parameters like –

1. Quality of policy decisions, procedures and processes
2. Creativeness of research
3. Quality of service
4. Work efficiency
5. Volume of output

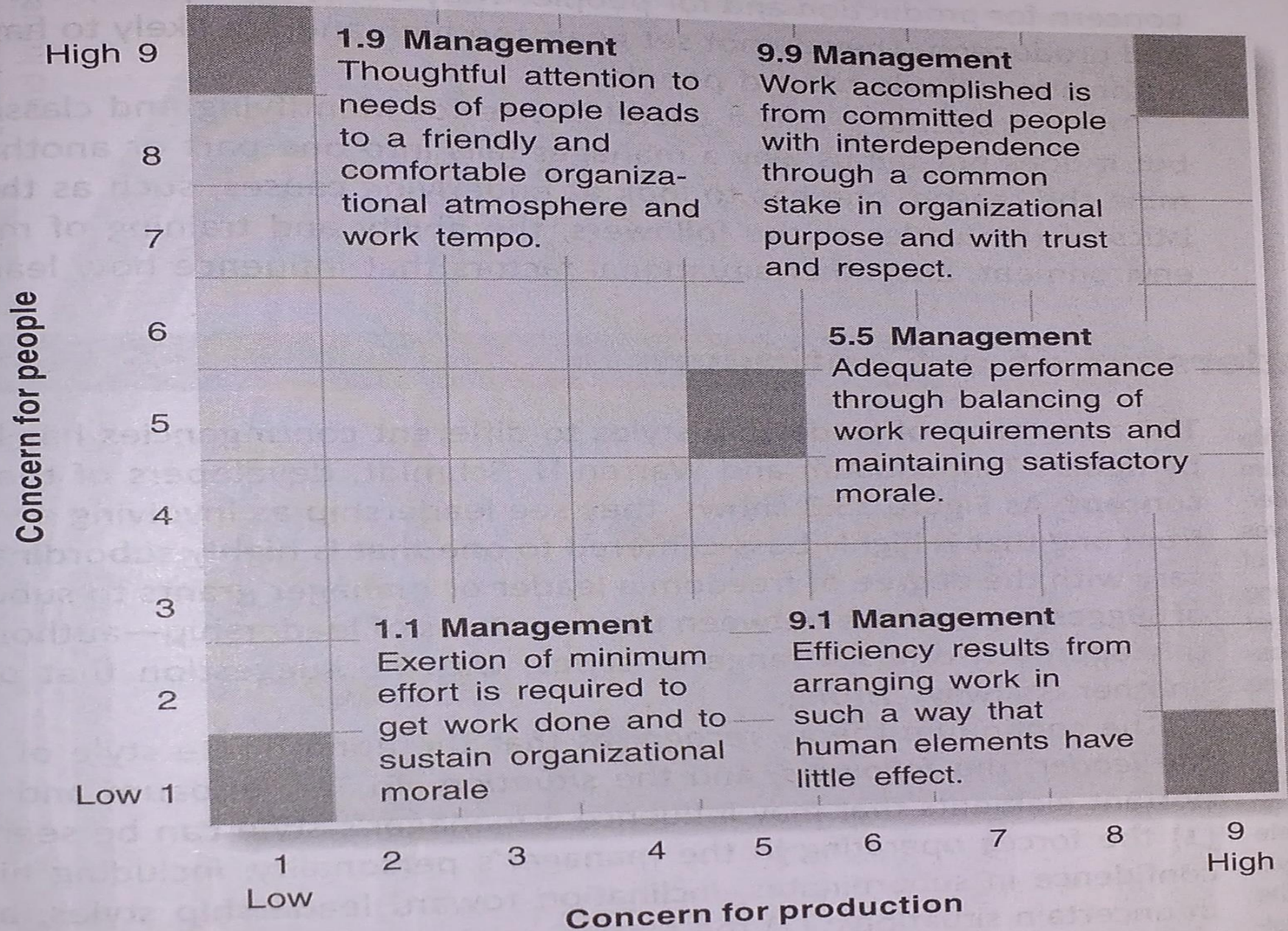


# **The managerial grid (contd.)**

Concern for people is interpreted based on –

1. Degree of personal commitment toward goal achievement
2. Maintenance of self-esteem of workers
3. Placement of responsibility on the basis of trust
4. Provision of good working conditions
5. Maintenance of satisfying interpersonal relations

## The managerial grid (contd.)



# The managerial grid (contd.)

Blake and Mouton recognize 4 extreme leadership styles

Under the 1.1 style (**impoverished management**), managers concern themselves very little with either people or production and have minimum involvement in their jobs

They have abandoned their jobs and only mark time or act as messengers communicating information from superiors to subordinates

Under the 9.9 style are managers who 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 individuals

# The managerial grid (contd.)

Another style is 1.9 management (**country club management**) 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 enterprise goals

Another extreme is the 9.1 managers (**autocratic task managers**) who 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

By using these four extremes as points of reference, every managerial technique, approach or style can be placed somewhere on the grid

# **The managerial grid (contd.)**

**5.5 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 are likely to have a rather benevolently autocratic attitude toward people

# Leadership as a continuum

The leadership continuum concept was developed by Robert Tannenbaum and Warren 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

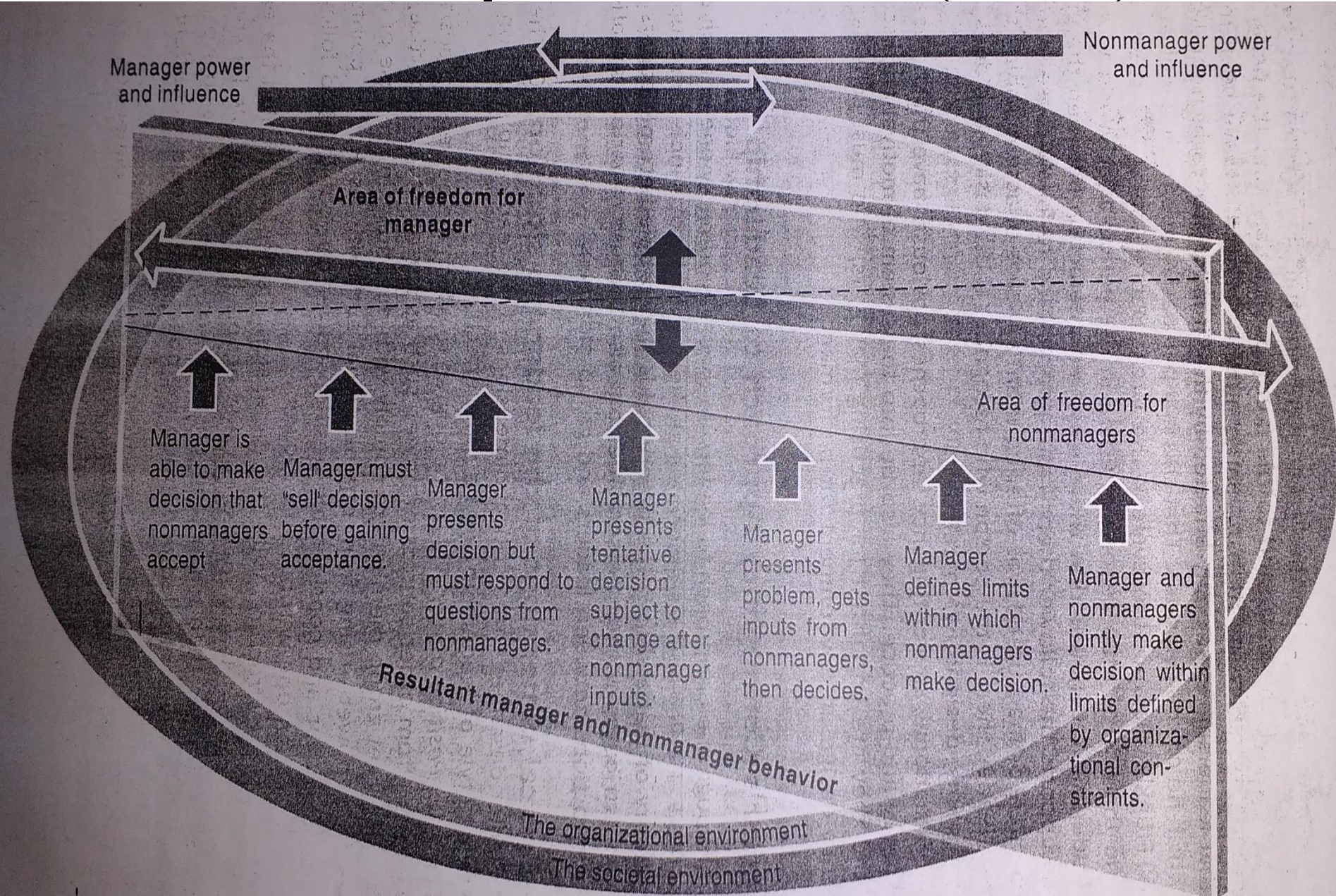
The styles vary with the degree of freedom a leader or manager grants to subordinates

Thus, instead of suggesting a choice between the two styles of leadership – authoritarian or democratic – this approach offers a range of styles with no suggestion that one is always right and another is always wrong

The continuum theory recognizes that the appropriate style of leadership depends on the *leader*, the *followers* and the *situation*

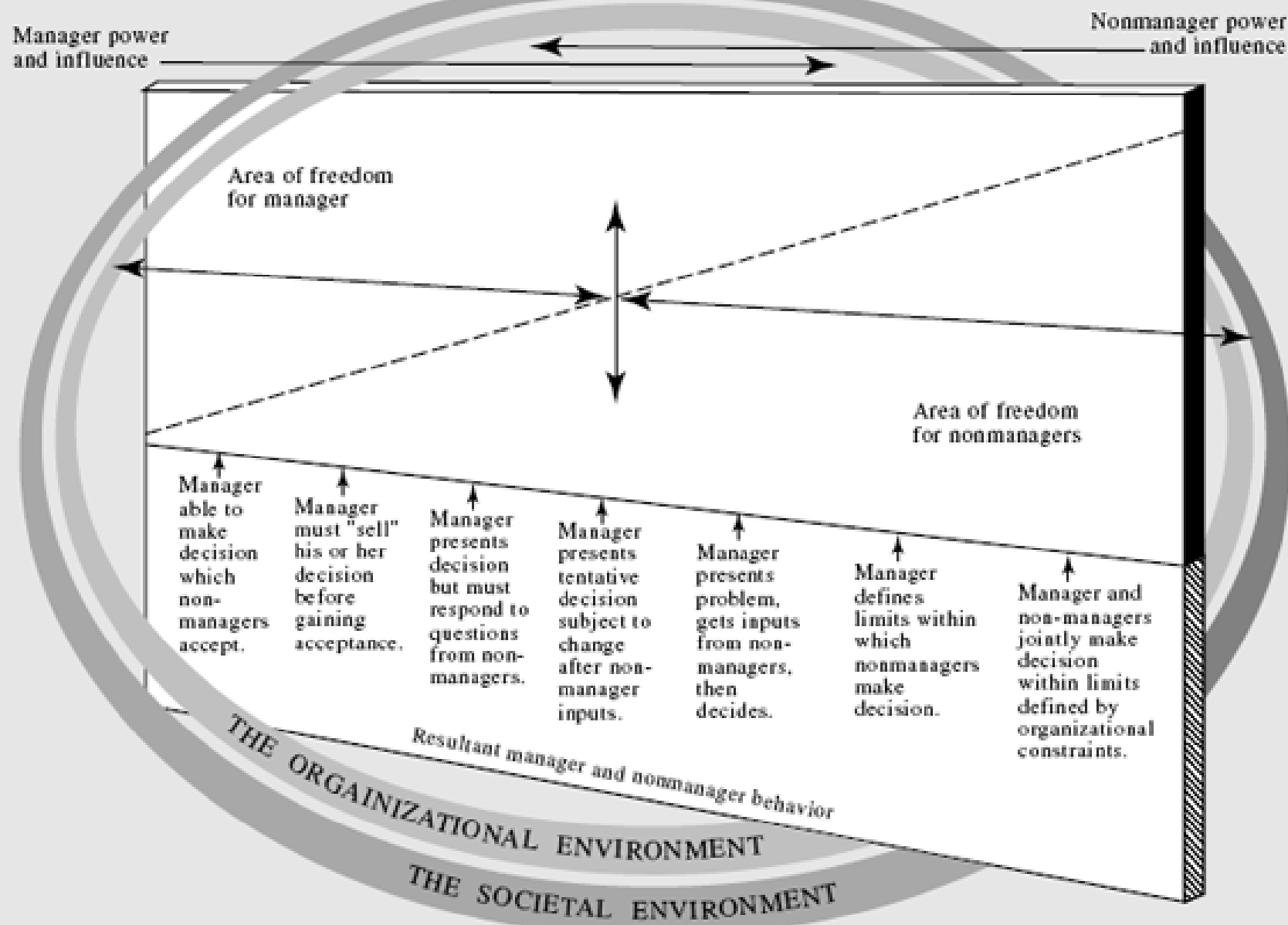


# Leadership as a continuum (contd.)





## EXHIBIT II Continuum of Manager-Nonmanager Behavior





# **Leadership as a continuum (contd.)**

As per the theory, the most important elements that may influence a manager's style can be seen along a continuum as –

1. The forces operating in the manager's personality, including his or her value system, confidence in subordinates, inclination toward leadership styles and feelings of security in uncertain situations
2. The forces in subordinates (such as their willingness to assume responsibility, their knowledge and experience and their tolerance for ambiguity) that will affect the manager's behaviour
3. The forces in the situation, such as organizational values and traditions, the effectiveness of subordinates working as a unit, the nature of a problem and the feasibility of safely delegating the authority to handle it and the pressure of time

# Leadership as a continuum (contd.)

Tannenbaum and Schmidt placed circles around the model to represent the influences on style imposed by both the organizational environment and the societal environment

This was done to emphasize the open-system nature of leadership styles and the various impacts of the organizational environment and the societal environment outside an enterprise

They put increased stress on the interdependency of leadership style and environmental forces – such as labour unions, greater pressures for social responsibility, the civil rights movement and the ecology and consumer movements – that challenge the rights of managers to make decisions or handle their subordinates without considering interests outside the organization

# **Situational or Contingency approaches to leadership**

As disillusionment with the “great man” and trait approaches to understanding leadership increased, attention turned to the study of situations and the belief that leaders are the product of given situations

The first contingency model for leadership was developed by Fred Fiedler

The Fiedler contingency model proposes that effective group performance depends on the proper match between the leader’s style and the degree to which the situation gives control to the leader

It consists of three steps –

1. Identifying leadership style
2. Defining the situation
3. Matching leaders and situations

# Identifying leadership style

Fiedler believes that a key factor in leadership success is the individual's basic leadership style

So he begins by trying to find out what that basic style is

For this, Fiedler created the Least Preferred Co-worker (LPC) questionnaire which tries to measure whether a person is task oriented or relationship oriented

The LPC questionnaire contains sets of 16 contrasting adjectives (such as pleasant-unpleasant, efficient-inefficient, open-guarded, supportive-hostile)

It asks respondents to think of all the co-workers they have ever had and to describe the one person they least enjoyed working with by rating him or her on a scale of 1 to 8 for each of the 16 sets of contrasting adjectives

## **Identifying leadership style (contd.)**

If the least preferred co-worker is described in relatively positive terms (a high LPC score), then the respondent is primarily interested in good personal relations with this co-worker

That is, if you essentially describe the person you are least able to work with in favourable terms, Fiedler would label you relationship oriented

In contrast, if the least preferred co-worker is seen in relatively unfavourable terms (a low LPC score), the respondent is primarily interested in productivity and thus would be labelled task oriented

Fiedler believes that an individual's leadership style is fixed

Thus, if a situation requires a task-oriented leader and the person in that leadership position is relationship oriented, either the situation has to be modified or the leader replaced if optimal effectiveness is to be achieved

# Defining the situation

Fiedler has identified three contingency dimensions that, he argues, define the key situational factors that determine leadership effectiveness

These are leader-member relations, task structure and position power

They are defined as below –

- 1. Leader-member relations:** The degree of confidence, trust and respect members have in their leader
- 2. Task structure:** The degree to which the job assignments are procedurized (that's, structured or unstructured)
- 3. Position power:** The degree of influence a leader has over power variables such as hiring, firing, discipline, promotions and salary increases

## Defining the situation (contd.)

Leader-member relations are either good or poor, task structure is either high or low and the position power is either strong or weak

Fiedler states that the better leader-member relations, the more highly structured the job and the stronger the position power, the more control the leader has

For example, a very favourable situation (in which the leader would have a great deal of control) might involve a payroll manager –

1. who is well respected and whose employees have confidence in her (**good leader-member relations**)
2. for which the activities to be done (such as wage computations, check writing, report filing etc.) are specific and clear (**high task structure**) and
3. the job provides considerable freedom for her to reward and punish her employees (**strong position power**)

# Defining the situation (contd.)

Altogether, by mixing the three contingency variables, there are potentially eight different situations or categories in which leaders could find themselves

Category	I	II	III	IV	V	VI	VII	VIII
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



# Matching leaders and situations

With knowledge of an individual's LPC and an assessment of the three contingency variables, the Fiedler model proposes matching them up to achieve maximum leadership effectiveness

Fiedler says that task-oriented leaders perform best in situations of high and low control while relationship-oriented leaders perform best in moderate control situations

How would you apply the Fiedler model?

Since Fiedler views an individual's leadership style as being fixed, there are really only two ways in which to improve leader effectiveness

First, you can change the leader to fit the situation

# **Matching leaders and situations (contd.)**

For example, if a group is not achieving its goals properly and is being led by a relationship-oriented leader, he can be replaced by a task-oriented leader

The second option would be to change the situation to fit the leader

That could be done by restructuring tasks or increasing or decreasing the power that the leader has to control factors such as salary increases, promotions and disciplinary actions or by improving the relations with the members

# The path-goal approach to leadership effectiveness

This theory was developed by Robert House

The path-goal theory suggests that the main function of the leader is to clarify and set goals with subordinates, help them find the best path for achieving the goals and remove obstacles

The term path-goal is derived from the belief that effective leaders clarify the path to help their followers get from where they are to the achievement of their work goals and to make the journey along the path easier by reducing roadblocks

House identified four leadership behaviours

The *directive leader* lets followers know what is expected of them, schedules work to be done and gives specific guidance as to how to accomplish tasks

# The path-goal approach to leadership effectiveness (contd.)

The *supportive leader* is friendly and shows concern for the needs of followers

The *participative leader* consults with followers and uses their suggestions before making a decision

The *achievement-oriented leader* sets challenging goals and expects followers to perform at their highest level

The theory proposes that situational factors contributing to effective leadership should be considered

These factors include –

1. The characteristics of subordinates such as their needs, self-confidence and abilities

# **The path-goal approach to leadership effectiveness (contd.)**

2. The work environment including such components as the task, the reward system and the relationship with co-workers

This theory suggests that the appropriate style of leadership depends on the situation

Ambiguous and uncertain situations can be frustrating for subordinates and may need a more task oriented style of leadership

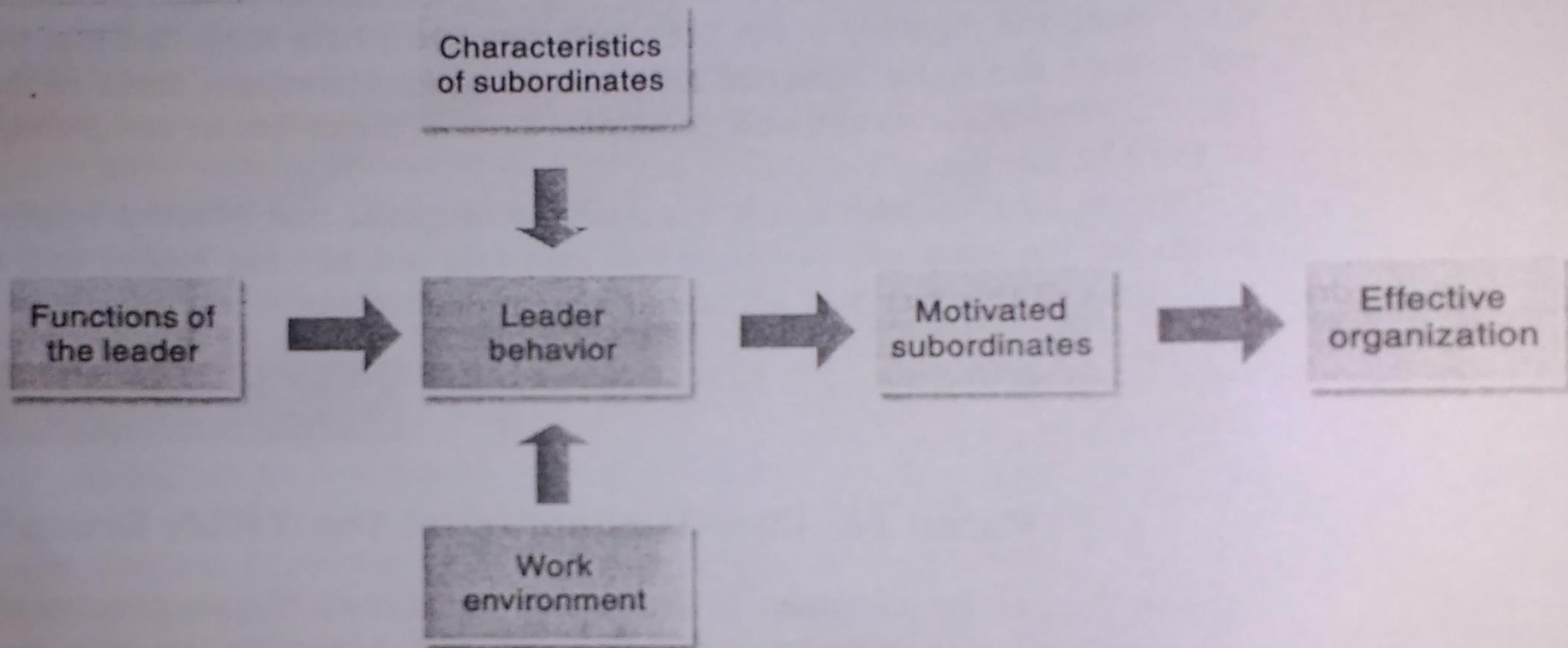
For example, when subordinates are confused, the leader may tell them what to do and show them a clear path to goals

On the other hand, for routine tasks (such as those found on the assembly line), additional structure (usually provided by a task-oriented leader) may be considered redundant

# The path-goal approach to leadership effectiveness (contd.)

Subordinates may see such efforts as over-controlling which in turn may be dissatisfying

To put it differently, employees may want the leader to stay out of their way because the path is already clear enough



# **Transactional and transformational leadership**

Transactional leaders identify what subordinates need to do to achieve objectives, clarify organizational roles and tasks, set up an organization structure, reward performance and provide for the social needs of their followers

Transformational leaders articulate a vision and inspire followers. They also have the capacity to motivate, shape the organization culture and create a climate favourable for organizational change

# Leading versus Managing

- **LEADERS**

- Innovate
- Develop
- Inspire
- Long-term view
- Ask what & why
- Originate
- Challenge status quo
- Do the right things

- **MANAGERS**

- Administer
- Maintain
- Control
- Short-term view
- Ask how & when
- Initiate
- Accept status quo
- Do things right