**Leadership Leadership Basics**

**What is Leadership**

Leadership is a process by which an executive can direct, guide and influence the behavior and work of others towards accomplishment of specific goals in a given situation. Leadership is the ability of a manager to induce the subordinates to work with confidence and zeal.

Leadership is the potential to influence behaviour of others. It is also defined as the capacity to influence a group towards the realization of a goal. Leaders are required to develop future visions, and to motivate the organizational members to want to achieve the visions.

According to Keith Davis, “Leadership is the ability to persuade others to seek defined objectives enthusiastically. It is the human factor which binds a group together and motivates it towards goals.”

**Characteristics of Leadership**

It is a inter-personal process in which a manager is into influencing and guiding workers towards attainment of goals. It denotes a few qualities to be present in a person which includes intelligence, maturity and personality. It is a group process. It involves two or more people interacting with each other. A leader is involved in shaping and moulding the behaviour of the group towards accomplishment of organizational goals.

**Leadership is situation bound**. There is no best style of leadership. It all depends upon tackling with the situations.

Leadership is an important function of management which helps to maximize efficiency and to achieve organizational goals. The following points justify the importance of leadership in a concern.

**Initiates action**- Leader is a person who starts the work by communicating the policies and plans to the subordinates from where the work actually starts.

Motivation- A leader proves to be playing an incentive role in the concern’s working. He motivates the employees with economic and non-economic rewards and thereby gets the work from the subordinates.

Providing guidance- A leader has to not only supervise but also play a guiding role for the subordinates. Guidance here means instructing the subordinates the way they have to perform their work effectively and efficiently.

Creating confidence- Confidence is an important factor which can be achieved through expressing the work efforts to the subordinates, explaining them clearly their role and giving them guidelines to achieve the goals effectively. It is also important to hear the employees with regards to their complaints and problems.

Building morale- Morale denotes willing co-operation of the employees towards their work and getting them into confidence and winning their trust. A leader can be a morale booster by achieving full co-operation so that they perform with best of their abilities as they work to achieve goals.

Builds work environment- Management is getting things done from people. An efficient work environment helps in sound and stable growth. Therefore, human relations should be kept into mind by a leader. He should have personal contacts with employees and should listen to their problems and solve them. He should treat employees on humanitarian terms.

Co-ordination- Co-ordination can be achieved through reconciling personal interests with organizational goals. This synchronization can be achieved through proper and effective co-ordination which should be primary motive of a leader.

**Following are the main roles of a leader in an organization :**

Required at all levels- Leadership is a function which is important at all levels of management. In the top level, it is important for getting co-operation in formulation of plans and policies. In the middle and lower level, it is required for interpretation and execution of plans and programmes framed by the top management. Leadership can be exercised through guidance and counseling of the subordinates at the time of execution of plans.

Representative of the organization- A leader, i.e., a manager is said to be the representative of the enterprise. He has to represent the concern at seminars, conferences, general meetings, etc. His role is to communicate the rationale of the enterprise to outside public. He is also representative of the own department which he leads.

Integrates and reconciles the personal goals with organizational goals- A leader through leadership traits helps in reconciling/ integrating the personal goals of the employees with the organizational goals. He is trying to co-ordinate the efforts of people towards a common purpose and thereby achieves objectives. This can be done only if he can influence and get willing co-operation and urge to accomplish the objectives.

He solicits support- A leader is a manager and besides that he is a person who entertains and invites support and co-operation of subordinates. This he can do by his personality, intelligence, maturity and experience which can provide him positive result. In this regard, a leader has to invite suggestions and if possible implement them into plans and programmes of enterprise. This way, he can solicit full support of employees which results in willingness to work and thereby effectiveness in running of a concern.

As a friend, philosopher and guide- A leader must possess the three dimensional traits in him. He can be a friend by sharing the feelings, opinions and desires with the employees. He can be a philosopher by utilizing his intelligence and experience and thereby guiding the employees as and when time requires. He can be a guide by supervising and communicating the employees the plans and policies of top management and secure their co-operation to achieve the goals of a concern. At times he can also play the role of a counselor by counseling and a problem-solving approach. He can listen to the problems of the employees and try to solve them.

**Leadership: Characteristics, Principles, Types, and Issues Regarding Leadership**

**To get the work done through people, leadership is at the core of managing. Managers can get the work done either by the authority vested in them or by winning support, trust and confidence of the people.**

**To secure better performance and results from people in 21 century, a manager has to increase his influence more over them. And to do so, leadership is the answer.**

**Leadership is an art whereby an individual influences a group of individuals for achieving a common set of goals. To expand it further, leadership is a process of inter-personal relationships through which a person attempts to influence the behaviour of others for attainment of pre-determined objectives. Of the various people, who have defined leadership, influence and attainment of objectives are the common denominators.**

**Characteristics of Leadership:**

**On the basis of an analysis of different definitions, following characteristics of leadership emerge:**

**1. Leadership is a process of Influence:**

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**Influence is the ability of an individual to change the behaviour, attitude, and belief of another individual directly or indirectly. Someone has rightly defined leaderships as the “process of social influence in which one person can enlist the aid and support of others in the accomplishment of a common task”.**

**2. Leadership is not one-dimensional:**

**The Essence of leadership is Followership. Leadership is a systems thinking in multiple dimensions. In terms of systems thinking, the organizational performers (followers) are must in the leadership process. Without followers there can be no leadership.**

**3. Leadership is Multi-faceted:**

**Leadership is a combination of personality and tangible skills (drive, integrity, self-confidence, attractive personality, decisiveness, etc), styles (Authoritarian to laissez-faire), and situational factors (organisation’s internal and external environment, objectives, tasks, resources, and cultural values of leaders and the followers).**

**4. Leadership is Goal oriented:**

**Leadership is “organizing a group of people to achieve a common goal.” Thus, the influence concerns the goals only. Outside the goals, the concerns are not related to leadership.**

**5. Leadership is not primarily a Particular Personality Trait:**

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**A trait closely linked to leadership is charisma, but many people who have charisma (for example, movie actors and sports heroes) are not leaders.**

**6. Leadership is not primarily a Formal Position:**

**There have been many great leaders who did not hold high positions—for example, Mahatma Gandhi, Martin Luther King, Jr. and—and Anna Hazare . On the other hand there are people who hold high positions but are not leaders.**

**7. Leadership is not primarily a Set of Important Objectives:**

**It involves getting things done.**

**8. Leadership is not primarily a Set of Behaviours:**

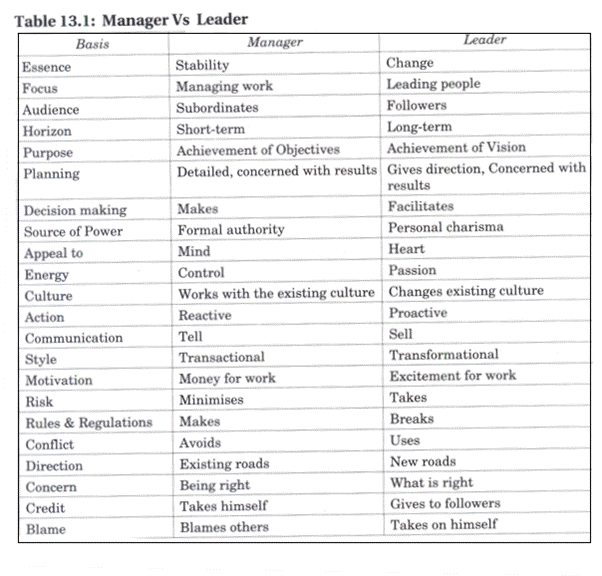
**Many leadership manuals suggest that leadership involves doing things such as delegating and providing inspiration and vision; but people who are not leaders can do these things, and some effective leaders don’t do them at all.**

**Manager vs. Leader:**

**Some questions are often being asked – Does a manager has to be a leader too? Does a leader have to be a manager as well? It is possible to be a boss in a company without being a leader. Managers are appointed but leaders may be appointed or emerge.**

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**Managers depend upon their positional authority to direct subordinates. Leaders are able to influence followers beyond their formal authority. Managers are people who do things right and leaders are people who do the right thing.**

**[](https://cdn.yourarticlelibrary.com/wp-content/uploads/2013/08/clip_image002.gif)Leadership and management must go hand in hand. They are not the same thing. But they are necessarily linked, and complementary. Any effort to separate the two is likely to cause more problems than it solves. A good manager must possess leadership qualities.**

**It is very right to conclude that task is not only to manage people, but the task is to lead people. And the goal is to make productive the specific strengths and knowledge of every individual.**

**Importance of Leadership:**

**If an organization is flourishing, its members developing, and achieving breakthrough after breakthrough, then one can be sure about one thing that there is a strong leader at the helm of the organization. If an organization is failing, the problem again relates to the leader of the organization. Thus everything rises and falls on leadership.**

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**Leadership is an important function of management which facilitates to maximize efficiency and effectiveness to achieve organizational goals. Leadership has paramount importance in present competitive business environment, because with the help of leadership a company will face all the problems very efficiently.**

**1. Guides and Inspires Subordinates:**

**A leader has to not only supervise but also to play a guiding role for the subordinates. Guidance here means instructing the subordinates the way they have to perform their work effectively and efficiently. Leadership creates among subordinates a sense of belongingness and commitment. Desire for achievement is transformed into a passion.**

**2. Secures Cooperation:**

**A leader sells rather than tells. He persuades, rather than dictates, and creates enthusiasm among his subordinates and thus, secures their cooperation.**

**3. Creates Confidence:**

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**Confidence is an important factor which can be achieved through expressing the work efforts to the subordinates, explaining them clearly their role and giving them guidelines to achieve the goals effectively. It is also important to hear the employees with regards to their complaints and problems.**

**4. Builds Work Environment:**

**Management is getting things done from people. An efficient work environment helps in sound and stable growth. Therefore, human relations should be kept into mind by a leader. He should have personal contacts with employees and should listen to their problems and solve them. He should treat employees on humanitarian terms.**

**5. Maintains Discipline:**

**By turning subordinates into followers, the job of securing order and compliance, becomes easy. He motivates the employees with economic and non- economic rewards and thereby gets the work from the subordinates voluntarily. It is this willingness on the part of subordinates which leads to maintenance of discipline.**

**6. Facilitates Integration of Organisational and Personal Goals:**

**A leader is one who is visionary, deciding the destination to be reached. Vision is the source of organisational objectives. Vision requires synchronisation of goals through integration of personal and organisational goals.**

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**A leader creates common goals and understanding among subordinates that their personal goals are related with the attainment of organisational goals. It also leads to coordination.**

**7. Works as a Change Agent:**

**No change in thinking, processes, and practices becomes possible without leadership. It is the leader who convinces actively about the change and making it part and parcel of their working and reducing resistance to change.**

**8. Boosts Morale:**

**Morale denotes willing co-operation of the employees towards their work and getting them into confidence and winning their trust. A leader can be a morale booster by achieving full co-operation so that they perform with best of their abilities as they work to achieve goals.**

**Principles of Leadership:**

**To help you be, know, and do, follow these eleven principles of leadership:**

**1. Know Yourself and Seek Self-Improvement:**

**In order to know yourself, you have to understand your be, know, and do, attributes. Seeking self-improvement means to continually strengthen your attributes. This can be accomplished through self-study, formal classes, reflection, and interacting with others.**

**2. Be Technically Proficient:**

**As a leader, you must know your job and have a solid familiarity with your employees’ tasks.**

**3. Seek responsibility and take responsibility for your actions:**

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**Search for ways to guide your organization to new heights. And when things go wrong, they always do sooner or later — do not blame others. Analyze the situation, take corrective action, and move on to the next challenge.**

**4. Make sound and timely decisions:**

**Use good problem solving, decision making, and planning tools.**

**5. Set the example:**

**Be a good role model for your employees. They must not only hear what they are expected to do, but also see. We must become the change we want to see – Mahatma Gandhi.**

**6. Know your people and look out for their well-being:**

**Know human nature and the importance of sincerely caring for your workers.**

**7. Keep your workers informed:**

**Know how to communicate with not only them, but also seniors and other key people.**

**8. Develop a sense of responsibility in your workers:**

**Help to develop good character traits that will help them carry out their professional responsibilities.**

**9. Ensure that tasks are understood, supervised, and accomplished:**

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**Communication is the key to this responsibility.**

**10. Train as a team:**

**Although many so called leaders call their organization, department, section, etc. a team; they are not really teams…they are just a group of people doing their jobs.**

**11. Use the full capabilities of your organization:**

**By developing a team spirit, you will be able to employ your organization, department, section, etc. to its fullest capabilities.**

**Theories of Leadership:**

**During the 20th Century, there has been a great interest in research on leadership. Early leadership theories focused on what qualities distinguished between leaders and followers (i.e., traits), while subsequent theories looked at other variables such as behavioural and situational factors and skill levels.**

**While many different leadership theories have emerged, most can be classified as one of eight major types:**

**1. “Great Man” Theories:**

**Great man theories assume that the Leaders are born and not made. Great leaders will arise when there is a great need, like Rama, Krishna, Buddha, Mahatma Gandhi, Eisenhower, and Winston Churchill.**

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**These theories often portray great leaders as heroic, mythic and destined to rise to leadership when needed. The term “Great Man” was used because, at the time, leadership was thought of primarily as a male quality, especially in terms of military leadership.**

**Early research on leadership was based on the study of people who were already great leaders. These people were often from the aristocracy, as few from lower classes had the opportunity to lead. Gender issues were not on the table when the ‘Great Man’ theory was proposed because most leaders were male.**

**2. Trait Theories:**

**Similar in some ways to “Great Man” theories, trait theories assume that People are born with inherited qualities and traits that make them better suited to leadership. Some traits are particularly suited to leadership. Trait theories often identify particular personality or behavioral characteristics shared by leaders. People who make good leaders have the right (or sufficient) combination of traits.**

**Early research on leadership was based on finding the traits which differentiated leaders from non-leaders. If we look at Ratan Tata of Tata Sons, Kumar Mangalam Birla of Aditya Birla Group, Azim Premji of Wipro, Kamath of Infosys, Anand Mahindra of Mahindra and Mahindra, all these leaders possess some common traits.**

**The traits are vision, self confidence, simplicity, integrity, and adherence to values. Traits are matched by skills. There have been many different studies of leadership traits and they agree only in the general saintly qualities needed to be a leader.**

**Perhaps a day may come when the researchers will find a ‘leadership gene’. But traits alone do not explain leadership clearly as situational factors are ignored.**

**3. Behavioral Theories:**

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**Behavioural theories of leadership are based upon the beliefs that great leaders are made, not born (a big leap from Trait Theory) and exhibit something unique in their behaviour. Behavioural theories of leadership do not seek inborn traits or capabilities. Rather, they look at what leaders actually do, like democratically or autocratically. People can learn to become leaders through learning and observation. This is the crux behind leadership development programmes.**

**Three important researches on behavioural theories need mention – University of Iowa studies by Kurt Lewin (democratic leadership style can contribute good and high quality of work), Ohio State University Studies by Edwin A. Fleishman in 1945(a leader high on initiating structure – defines his own and subordinates’ roles to achieve goals; and consideration- mutual trust and respect for employees’ ideas and feelings); and University of Michigan Studies by Renesis Likert (identified two types of leadership behaviour – job- centred behaviour and employee-centred behaviour and later on Black and Mouton developed management grid).**

**4. Contingency and Situational Theories:**

**During researches it has been realised that leadership phenomenon is more than isolating a few traits or behaviours. According to contingency theory, no leadership style is best in all situations. Success depends upon a number of variables, including the leadership style, capabilities and behaviour of the followers and other situational factors.**

**It means a leadership style that is effective in some situations may not be successful in others. This is the reason that some leaders who seem to have the ‘Midas touch’ in one situation suddenly appear to be very unsuccessful in another situation.**

**Situational theory proposes that the best action of the leader depends on a range of situational factors. An effective leader does not just fall into a single preferred style, different are the situations different are the styles of decision-making. Factors that affect situational decisions include motivation and capability of followers.**

**Contingency theory is similar to situational theory. Both believe in that there is no one right way. But they differ as the situational theory tends to focus more on the behaviours adopted by the leader, given situational factors (often about follower behaviour), whereas the contingency theory takes a broader view that includes contingent factors about leader capability and other variables within the situation.**

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**In case of situational theory the leaders’ perception of the follower and the situation will affect what they do rather than the truth of the situation. The leader’s perception of themselves and other factors such as stress and mood will also modify the leaders’ behaviour.**

**Four important approaches in isolating key situational variables have been very important. These studies include – Fiedler’s Contingency Model (leadership effectiveness depends on the proper match between the leader’s style and the degree to which situation gives control to the leader); Robert House’ Path-goal theory (leader’s job is to assist followers to attain their goals and to provide necessary support and direction to ensure compatibility of their goals with that of the organisation – like E. Sreedharan, of Delhi Metro); Victor Vroom and Phillip Yetton’s leader-participation model(leader can adapt his style to different situation); and Paul Hersey and Kenneth Blanchard’s Situational Leadership (a leader must assess the maturity levels of followers to determine which combination of leader behaviours to use in a given situation.**

**Types of Leadership:**

**1. Bureaucratic Leadership:**

**Bureaucratic leadership follows a close set of standards. Everything is done in an exact, specific way to ensure safety and/or accuracy. One will often find this leadership role in a situation where the work environment is dangerous and specific sets of procedures are necessary to ensure safety.**

**A natural bureaucratic leader will tend to create detailed instructions for other members of a group. The bureaucratic leadership style is based on following normative rules and adhering to lines of authority**

**2. Charismatic leadership:**

**“Charismatic leadership emphasises primarily the magnetic personality and behaviour of leaders and their effects on followers, organizations, and society. Sociologists, political historians, and political scientists have widely accepted the theory of charismatic leadership originally advanced by Weber (1947). Charisma is regarded as of divine origin or as exemplary, and on the basis of them the individual concerned is treated as a leader.**

**Mahatma Gandhi, Jawaharlal Ne**hru, Indira Gandhi, Lai Bahadur Shashtri, and Mother Teresa were charismatic leaders. Charismatic leaders inspire via persona, reputation, and communications and also show courage, competence, and idealistic vision.

Late President John F Kennedy and his look-alike Fmr. President Bill Clinton have often been called “The most charismatic leaders of 20th century” Another good example would be Adolf Hitler, who rose from a “Bohemian corporal” to “Herr Fuhrer” due to his ability to captivate people into following him.

**3. Visionary Leadership:**

A visionary leader perceives challenges and growth opportunities before they happen, positioning people to produce extraordinary results that make real contributions to life. Some of the visionary leaders include – Dalai Lama (for his ability to incorporate new ideas into his traditional framework while being a messenger for peace and enlightenment for the world), Mahatma Gandhi and Nelson Mandela (for his courage and conviction and perseverance against all odds to free and unite people for justice), and President Obama (for his ability to galvanize and inspire people with the vision that we can transform our consciousness & world). The list is endless.

**4. Strategic Leadership:**

Strategic leadership refers to a manger’s potential to express a strategic vision for the organization, and to motivate and persuade others to acquire that vision.

Strategic leadership can also be defined as utilizing strategy in the management of employees. It is the potential to influence organizational members and to execute organizational change. Strategic leaders create organizational structure, allocate resources and express strategic vision.

Thus, this type of leadership relates to the role of top management. Strategic leaders work in an ambiguous environment on very difficult issues that influence and are influenced by occasions and organizations external to their own.

The main objective of strategic leadership is strategic productivity. Another aim of strategic leadership is to develop an environment in which employees forecast the organization’s needs in context of their own job. Strategic leaders encourage the employees in an organization to follow their own ideas.

Strategic leaders make greater use of reward and incentive system for encouraging productive and quality employees to show much better performance for their organization. Functional strategic leadership is about inventiveness, perception, and planning to assist an individual in realizing his objectives and goals.

**5. Servant leadership:**

The term “Servant Leadership” was coined by Robert K. Greenleaf in The Servant as Leader, an essay that he first published in 1970. Leaders have a responsibility towards society and those who are disadvantaged. People who want to help others best do this by leading them. The servant-leader is servant first and leader next.

The servant leader serves others, rather than others serving the leader. Serving others thus comes by helping them to achieve and improve. Famous examples of servant leaders include George Washington (America), Gandhi (India), and Cesar Chavez (Venezuela).

**6. Substitutes for Leadership:**

The term has been brought to light by Kerr and Jermier in 1978. According to them there are aspects of the work setting and the people involved that can reduce the need for a leader’s personal involvement, because leadership is already provided from within. The term substitutes mean the situation where leader behaviours are replaced by characteristics of subordinates, the task at hand, and the organisation.

**7. Transactional and Transformational Leadership:**

Transactional leadership is based upon the assumptions that people are motivated by reward and punishment (Rational Man), social systems work best with a clear chain of command, when people have agreed to do a job, a part of the deal is that they cede all authority to their manager, and the basic purpose of a subordinate is to do what their manager tells them to do.

The style of a transactional leader is that he works through creating clear structures whereby it is made clear as to what is required of subordinates and the rewards that they get for following orders. Punishments are not always mentioned, but they are also well- understood and formal systems of discipline are usually in place.

To begin with, Transactional Leadership negotiates the contract whereby the subordinate is given a salary and other benefits, and the company gets authority over the subordinate.

While the leader allocates work to a subordinate, they are considered to be fully responsible for it, whether or not they have the resources or capability to carry it out.

When things go wrong, then the subordinate is considered to be personally at fault, and is punished for their failure (just as they are rewarded for succeeding).

The leader often uses management by exception, working on the principle that if something is operating to defined (and hence expected) performance then it does not need attention. Exceptions to expectation require praise and reward for exceeding expectation, whilst some kind of corrective action is applied for performance below expectation.

In management versus leadership spectrum, it is more towards the management end. Transactional leadership is based in contingency, in that reward or punishment is contingent upon performance.

Transactional Leadership is still a popular approach with many managers, despite its limitation of ignoring complex emotional factors and social values.

When the demand for a skill outstrips the supply, then Transactional Leadership often is insufficient. Transformational leadership is the answer. It “recognizes and exploits an existing need or demand of a potential follower… (And) looks for potential motives in followers, seeks to satisfy higher needs, and engages the full person of the follower”

Transformational leadership is based upon the assumptions that people will follow a person who inspires them, a person with vision and passion can achieve great things, and the way to get things done is by injecting enthusiasm and energy.

These leaders are focused on the performance of group members, but also want each person to fulfil his or her potential. Leaders with this style often have high ethical and moral standards.

Transformational Leadership starts with the development of a vision. This vision may be developed by the leader, by the senior team or may emerge from a broad series of discussions. The next step is to constantly sell the vision. While doing so, he must create trust and personal integrity. Along with selling, the leader finds the way forward.

And finally, transformation leaders remain upfront and central during the action and visible – constantly doing the rounds, listening, soothing and enthusing.

Transformational Leader seeks to infect and reinfect their followers with a high level of commitment to the vision. They are people- oriented and believe that success comes first and last through deep and sustained commitment.

Transformational Leaders are often charismatic, but are not as narcissistic as pure Charismatic Leaders, who succeed through a belief in themselves rather than a belief in others.

Whilst the Transformational Leader seeks overtly to transform the organization, there is also a tacit promise to followers that they also will be transformed in some way

One of the traps of Transformational Leadership is that passion and confidence can easily be mistaken for truth and reality. Paradoxically, the energy that gets people going can also cause them to give up.

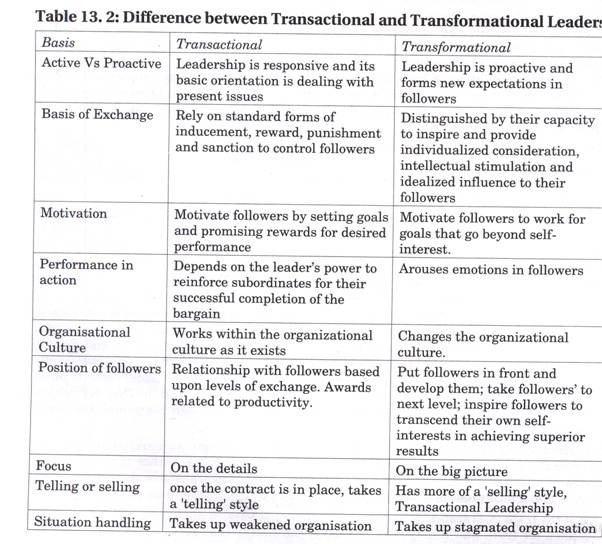
Transformational Leaders also tend to see the big picture, but not the details, where the devil often lurks. If they do not have people to take care of this level of information, then they are usually doomed to fail.

Finally, transformational leaders, by definition, seek to transform. When the organization does not need transforming and people are happy as they are, then such a leader will be frustrated.

It is important for the follower to understand the difference between Charismatic Leaders and Transformational Leaders. They both are Inspiring and both have a Vision and both are not as caring about people as followers might want them to be.

Charismatic Leaders are Inspiring in order to lead for their own purpose which may or may not benefit the organization or people. “It’s all about me.” Transformational Leaders are inspiring in order to support a shared vision of improvement for the organization and its people.

“It’s all about the organization.” The visions of transformational Leaders are practical and achievable in order to improve organization. Transformational Leaders often “downsize” the work force to

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improve the organization. Transformational Leaders often “downsize” the work force to improve organizational efficiency for the good of the organization. On the other hand, Charismatic Leaders abuse or fire persons who do not agree with them, or who question their vision or otherwise inhibit their personal accomplishment as Leaders improve organizational efficiency for the good of the organization.

On the other hand, Charismatic Leaders abuse or fire persons who do not agree with them, or who question their vision or otherwise inhibit their personal accomplishment as Leaders

To conclude, transformational and transactional leadership are not opposite to each other, rather they are complementary. A great transformational leader has to be a great transactional leader as well.

**Leadership Styles:**

Before we delve into describing leadership styles, it would be proper to distinguish between types of leaders and styles of leadership. Type of leader is determined and identified by the “personality” displayed by the leader in terms of core trait along with other traits and personal qualities being displayed and used to gain the trust of the people and lead them to commit to undertake the major task facing the organization.

On the other hand, “style” of leadership is defined and identified by the competencies and skills that the leader “applies” to guide facilitate and support the people of the organization in their efforts to accomplish the task.

Leadership style reflects a leader’s decision making behaviour. It is the result of the philosophy, personality and experience of the leader. Leadership style refers to how decisions are made to providing direction, implementing plans, and motivating people.

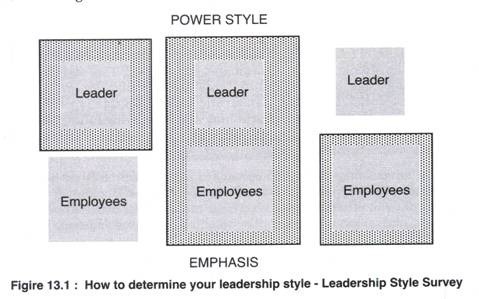
**Types of Leadership Styles**

**Three major leadership styles are:**

1. Authoritarian or Autocratic

2. Participative or Democratic

3. Free-rein or Delegate

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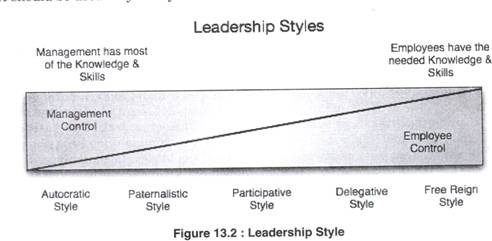
**Authoritarian Style:**

When the leaders tell their subordinates/followers at their own what work they want to get done, and how – it is known as authoritarian or autocratic leadership style.

It works well if the leader is competent and knowledgeable enough to decide about each and every thing. All decision-making powers are centralised in the leader, as with autocratic leaders. No suggestions or initiatives from subordinates are acceptable.

Authoritarian or autocratic leadership does not mean using foul language and leading by threats. This unprofessional style is known as “bossing people around”.

This style should be used only when the leader has all the information and is short of time and the employees are well motivated. If the leader wants to gain greater commitment and motivate his subordinates, then it should be used very rarely.

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**Participative Style:**

In the authoritarian style the leader used to say – “I want you to….”, but in participative style the leader says – “let us work together to solve this problem”.

A Participative Leader, rather than taking autocratic decisions, seeks to involve other people including subordinates, peers, superiors and other stakeholders in the process.

Here the leader takes his subordinates into confidence about what to do and how to do, but the final authority vests in the leader. This style can be divided into two – one, where leader consults, and two, where decision is taken through consensus. Use of this style by a leader is not a sign of weakness.

It is the strength, your subordinates will respect. This style is used when the employees are knowledgeable and skilful. This style is also known as consultative, empowerment, joint decision-making, democratic leadership, Management by Objective (MBO) and power-sharing.

It helps in ascertaining and identifying future leaders among the subordinates. Also, it keeps a team’s spirit and morale high, as the team members feel that their opinions are valued by their leader.

To illustrate, an advertising manager approaches his subordinates on how to promote a particular product of a company. The team members brain storm over the issue, some suggest print media and others suggest electronic media. The participative leader takes all these suggestions, and makes a decision after weighing their pros and cons.

**Free-rein Leadership Style:**

In this style the leader says – “you take care of the problem”. Final responsibility always remains with the leader. A free-rein leader does not lead, but leaves the group entirely to itself.

Such a leader allows maximum freedom to subordinates, i.e., they are given a free hand in deciding their own policies and methods. It is used when the leader has full trust and confidence in the abilities of his subordinates.

Since a leader cannot do everything. He prioritises the work and delegates certain tasks. This style may be used but with caution. This style is also known as laissez faire (non-interference in the affairs of others).

To illustrate, a manager has newly joined a firm. He is still learning how various things move in the organization. In such a situation, he relies on the suggestions and opinions of his team members and lets them do the things the way they are used to, till the time he is able to gain sufficient knowledge and can suggest some more feasible changes.

**Forces influencing the Styles:**

1. Availability of time

2. Relationships between leader and subordinates (based on trust or on disrespect?)

3. The information is with whom (the leader, employees or both? If the leader knows the problem but does not have all the information – use participative style)

4. How well the leader knows the task and employees well versed? (Use participative style if the employees know the job well)

5. Internal Conflicts

6. Levels of stress

7. Type of task (structured, unstructured, complicated or simple?)

8. Systems and procedures (are they well established?)

9. If an employee is just learning the job – use authoritarian style, and if employees know more than the leader about the job use free-rein style)

Good leaders should be able to master all the styles, to be a better leader. He must be able to use all the styles depending upon the forces in operation among the leader, followers and the situation. If the existing procedure is not working go in for authoritarian to establish a new one; if their ideas and input are to be taken use participative and using delegative style while delegating the procedure to them for execution. Normally one of styles will be dominant. But bad leaders tend to stick to one style only.

Before deciding which style to use, a leader should ask two questions, the first is to ask what my leadership style is. This is to focus on what you enjoy, what you might be good at, what strengths and weaknesses you have.

The second is to ask what leadership style is best for the people, team or organisation that I’m leading. This is to focus on the needs of the situation, on the criteria for success, on the approach that will bring about the maximum impact. Modern leadership demands both.

**Managerial Grid:**

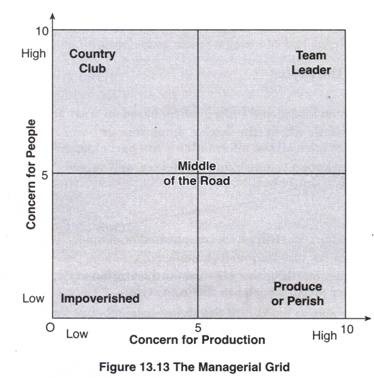
The Managerial Grid, a behavioural leadership model, has been developed by Robert R. Blake and Jane Mouton. This model originally identified five different leadership styles based on the concern for people and the concern for production. The optimal leadership style in this model is based on Theory Y of motivation.

The model is represented as a grid with concern for production (on the X-axis) and concern for people (on the Y-axis); each axis ranges from 1 (Low) to 9 (High). The resulting leadership styles are as follows:

**a. The indifferent (also called as impoverished) style (1, 1):**

Evade and elude or low production/low people. In this style, managers have low concern for both people and production. This leader is mostly ineffective. Managers use this style to preserve job and job seniority, protecting themselves by avoiding getting into trouble.

The main concern for the manager is not to be held responsible for any mistakes, which results in less innovative decisions. The leader has no regard for either work or people.

**[](https://cdn.yourarticlelibrary.com/wp-content/uploads/2013/08/clip_image0108.jpg)**

**b. The accommodating (also called as country club) style (1, 9):**

Yield and comply or high people/low production. This style has a high concern for people and a low concern for production. Managers using this style are more concerned about needs and feelings to the security and comfort of the employees, in hopes that this will increase performance. The resulting atmosphere is usually friendly, but not necessarily very productive due to lack of direction and control.

**C. The dictatorial (also called as produce or perish) style (9, 1):**

Control and dominate or high production/low people. With a high concern for production, and a low concern for people, managers using this style find employee needs unimportant; they provide their employees with money and expect performance in return.

Managers using this style also pressure their employees through rules and punishments to achieve the company goals. This dictatorial style is based on Theory X of Douglas McGregor, and is commonly applied by companies on the edge of real or perceived failure. This style is often used in cases of crisis management.

**d. The status quo (also called as middle-of-the-road) style (5, 5):**

Balance and compromise or medium production/medium people. Managers using this style try to balance between company goals and workers’ needs. By giving some concern to both people and production, managers who use this style settle for average performance and often believe that this is the most anyone can expect.

**e. The sound (also called as team style) (9, 9):**

Contribute and commit or high production/high people. In this style, high concern is paid both to people and production. As suggested by the propositions of Theory Y, managers choosing to use this style encourage teamwork and commitment among employees. This method relies heavily on making employees feel themselves to be constructive parts of the company.

The grid has been evolving continuously. It has added two more leadership styles -the paternalistic style: prescribe and guide (alternates between the (1,9) and (9,1) locations on the grid- managers using this style praise and support, but discourage challenges to their thinking ) and Opportunistic style: exploit and manipulate(does not have a fixed location on the grid- leaders adopt whichever behaviour offers the greatest personal benefit). These styles were added to the grid theory before 1999.

**Contemporary Leadership Issues:**

Leadership is probably the single most subject in management getting the most attention of business leaders. Some of the current issues relating to leadership development are as under;

**1. Emotional Intelligence:**

Should a leader have high Intelligence Quotient (IQ) and technical intelligence? Off course, they are necessary. But more important is to possess Emotional Intelligence (EI).

The five components of EI are self-awareness, self- regulation, self-motivation, empathy and social skills. Without EI one cannot be a great leader. Indira Nooyee has become President of PepsiCo because she has shown EI.

**2. Gender and Leadership:**

Does gender make any difference to leadership? Victor vroom and others in their leader-participation model under contingency theories of leadership find that women managers are significantly more participative than their male counterparts.

The women managers show more interactive leadership, and thus, better rating from peers, supervisors, and subordinates. Shikha Sharma of Yes bank and Chanda Kochar of ICICI bank are examples of women managers and best leaders.

**3. Cross-cultural Leadership:**

Of late the corporations are appointing expatriates as the CEOs or managers. Very recently, GoAir of Wadia Group has appointed Giorgio De Roni as its CEO, a former chief Revenue officer of Italian airline, Air One.

Mahindra and Mahindra also as a matter of policy sends Indian managers to its foreign companies and managers from foreign companies are put in India-based companies.

The purpose is to train them in different cultures to avoid any culture shock..Culture plays an important role, and managers must understand the culture of subordinates.

Ratan Tata has rightly pointed a finger at British managers that they are not like Indian managers, who stay till midnight, if the situation so warrants.

**4. Building Trust:**

Coca Cola and PepsiCo were accused of pesticides, Reliance Energy of soil pollution, Dow Chemical’s of Bhopal tragedy, Satyam of accounting fraud, and Indian call centres of encroaching upon privacy of clients.

All these incidents show the decresing public trust in corporate leaders. Trust involves integrity, competence, consistency, loyalty, and openness. Trust is very critical to leadership. Knowledge and information can be accesses by a leader only if he is trust worthy. What people talk about ethical leadership is the same thing