

CHAPTER 14

CONTEMPORARY ISSUES IN LEADERSHIP

Contemporary Issues in Leadership

- Oprah Winfrey leadership academy for girls
 - Pledged 71 mill to build it and spend over 286 million in its creation to make it state of the art school
 - Her vision: to develop your girls (disadvantaged backgrounds \$ circumstances) future and the future of the country excel in their academic environment and to become visionaries and leaders of tomorrow
 - What makes her an exceptional leader?
 - Her intelligence, compassion and hope
 - Her unselfish ways of giving to the community
 - she's classified as a **visionary leader**:
 - **Transmit positive energy to people giving them a new sense of hope & confidence in achieving their vision**

Inspirational approaches to leadership

To become a good and profound leader you should also be a good communicator

- **Framing:**

- is a way of communicating to shape meaning
- a way for leaders to influence how others see and understand events
- How they perceive and value what they do
- It includes selecting and highlighting one or more aspects of the subject, while excluding others

- **In summary:** It's the ability of the leader to inspire others to act beyond their immediate self-interests through the creation of meaning

Inspirational approaches to leadership

- Example:
 - An employee working at a production line of a pharmaceutical company to bottle pills
- Job crafting:
 - The physical and cognitive changes an individual make in the task or relational boundaries of their work
 - This enable employees to change the way they approach the tasks in their work, therefor increasing/decreasing no# of tasks they do as part of their job, and changing the no# & nature of the relationships they have with other people that they encounter in the work environment

Contemporary leadership theories

- 2 contemporary leadership theories with same theme:
 - Charismatic leadership
 - Transformational leadership
- What they have in common:
 - They view leaders as individuals who inspire followers through words, ideas and behaviours
- E.g: Nelson Mandela, Winnie Mandela, Walter Sisulu, Desmond Tutu, Martin Luther King Jr, Oliver Tambo etc.

Charismatic leadership

- Max Weber defines charisma as:
 - A certain quality of an individual personality, by virtue of which he/she is set apart from ordinary people and treated and endowed with supernatural, superhuman, or at least specifically exceptional powers or qualities
 - They are not accessible to the ordinary person, but are regarded as of divine origin or as exemplary, and on their basis, an individual concerned is treated as a leader
 - **Charismatic leadership theory** followers make attributions of heroic or extraordinary leadership abilities when they observe certain behaviours

Characteristics of charismatic leaders Ex14-1

- Vision and articulation
- Personal risks
- Sensitivity to follower needs
- Unconventional behaviour

Are charismatic leaders born or made?

- Are they born with it or can it be learned?
- Yes to both
- Some individuals are born with traits that make them charismatic
- Charismatic leaders are:
 - extraverts, self-confident, and achievement oriented.
e.g: Winnie Mandela: capable of charming the audience with intensity of her presence and the passion and force of her speech. She commands respect and attention wherever she goes

Are charismatic leaders born or made? (cont...)

- It can also be learned:
 - People can be trained to exhibit charismatic behaviours and can enjoy the benefits that accompany being labelled a charismatic leader
- Three steps in learning to become charismatic:
 - Individual needs to develop an aura of charisma by maintaining an optimistic view, using passion as a catalyst for generating enthusiasm: and communicating with the whole body, not just with words
 - Draws others in by creating a bond that inspires others to follow
 - Brings out the potential in followers by tapping into their emotions

How charismatic leaders influence followers

- 4 step process:
 - Leader articulating an appealing **vision** (long term strategy on how to attain a goal/goals)
 - This must be followed by a vision stmtnt (a formal articulation of an organization's vision and mission) to imprint on followers an overarching goal and purpose
 - The leader conveys through actions, new set of values and, by his actions/behaviour sets and example to followers
 - The leader engages in emotion-taking and often unconventional behaviour to demonstrate courage and convictions about a vision

Transformational leadership

- Differentiating transactional from transformational leadership
- **Transactional:** guide/motivate their followers in the direction of established goals by clarifying role and task requirements
- **Transformational:** inspire followers to transcend their own self-interests for the good of the organization and are capable of having a profound and extraordinary effect on their followers

Transformational leadership

- They pay attention to the concerns and developmental needs of individual followers
- They change followers' awareness of issues by helping them to look at old problems in new ways
- They are able to excite, arouse, and inspire followers to put out extra effort to achieve group goals
- Both should be viewed as opposing approaches of getting things done; they should also complement each other; but need not to be equally important
- **Ex 14-2** gives **characteristics** of both transactional and transformational leaders

Authentic leadership: Ethics and trust are a foundation of leadership

- **Authentic leaders:**

- Know who they are, know what they believe in and value, and act on those values and beliefs openly and candidly
- Their followers consider them to be ethical people
- They share information, encourage open communication, and stick to their ideals
- People turn to have faith in them

- Their **primary quality:**

- Is trust, which is produced by authentic leadership

Ethics and leadership

- In the past these two concepts were not given much attention which is recently changing
- Reasons:
 - Growing general interest in ethics throughout the field of management
 - Discovery by probing biographers that many of our leaders suffered from ethical shortcomings
- Companies are now tying executive compensations to ethics, to reinforce the idea that “there’s no compromise between doing things the right way and performance”

Ethics and leadership

- Leadership effectiveness needs to address the **means** a leader uses in trying to achieve goals, as well as the content of those goals
- Scholars recently have tried to integrate ethical and charismatic leadership by advancing the idea of **socialised charismatic leadership**
- **Socialized charismatic leadership:** leadership that conveys values that are other-centred versus self-centred by leaders who model ethical conduct
- **In summary:** leadership is not value free, before we judge any leader to be effective, we should consider both the means used to achieve goals and the moral content of those goals

Issues of trust and its role in shaping strong leaders

- What is trust?
 - Is a **positive expectation** (knowledge and familiarity about the other party) that another will not- through words, actions, or decisions- act **opportunistically** (the inherent risk and vulnerability in any trusting relationship)
 - It implies two important elements: **familiarity** and **risk**
 - Trust by its nature provides the opportunity of disappointment
 - We disclose intimate and confidential information to another party and rely only on that person's promise (reflects vulnerability)

Key Trust dimensions

- Integrity
 - Refers to honesty and truthfulness
- Competence
 - Encompasses an individual's technical and interpersonal knowledge and skills
- Consistency
 - Relates to an individual's reliability, predictability, and good judgement in handling situations
- Loyalty
 - The willingness to protect and save face for another person
- Openness
 - Can you rely on the person to give you the full truth

Trust and leadership

- It is the primary attribute of leadership, when broken, has serious effects on a group's performance
- Trust and trustworthiness modulate the leader's access to knowledge and cooperation
- When followers trust a leader, they are willing to be vulnerable to the leader's actions- confident that their rights and interests will not be abused
- Honesty is absolutely essential to leadership
- If people are going to follow someone willingly, whether it be into battle or into the boardroom, they first want to assure themselves that the person is worthy of their trust

Three types of trust

- Deterrence-based trust
 - Most fragile relationships are contained in this type of trust
 - One violation/contingency can destroy the relationship/trust
 - It is based on fear of reprisal(act of retaliation) if the trust is violated
 - People who are in this type of trust do what they do because they fear the consequences from not following through on their obligations

Three types of trust (cont...)

- Knowledge-based trust
 - Most org are rooted in this type of trust
 - Its based on the behavioural predictability that comes from a history of interactions
 - It exist when you have adequate information about someone to understand them as well enough to be able to accurately predict his or her behaviour
 - It relies on knowledge rather than deterrence
 - This knowledge develops over time, as a function of experience that builds on confidence of trustworthiness and predictability
 - With this type, trust is not broken by inconsistent behaviour
 - If you believe you can adequately explain or understand another's apparent violation, you can accept it, forgive the person, and move on in the relationship

Three types of trust (cont...)

- Identification-based trust
 - There is an emotional connection between parties
 - It allows one party to act as an agent for the other and substitute for that person in interpersonal transaction
 - Trust exists because the parties understand each other's wants and desires
 - Controls are minimum, no need to monitor the other party because there is unquestioned loyalty

BASIC TYPES OF TRUST

- Mistrust drives out trust
 - People who mistrust do not reciprocate
 - They conceal information and act opportunistically to take advantages of others
 - This then drives trusting people to mistrust
- Trust begets trust
 - Effective leaders increase trust in small increments and allow others to respond in kind
- Trust can be gained
 - Once it is violated, trust can be regained, but only in certain situations
- Mistrusting groups self-destruct
 - When a group mistrust each other they repel and separate and pursue their own interests rather than the groups
- Mistrust generally reduced productivity
 - It focuses attention on the differences in member interests, making it difficult for people to visualise common goals

Contemporary leadership roles

- Mentoring
 - Senior employees sponsors and support less experience employees (protégés)
 - Successful mentors are good teachers
 - They can present ideas clearly, listen well, and empathise with problems of their Protégés
- Benefits of mentoring (both personally & to the organization)
 - The mentor-protégé relationship gives the mentor unfiltered access to the attitudes and feelings of lower-ranking employees
 - Protégé can be an excellent source of early warning signals that identify potential problems

Contemporary leadership roles

- Self-leadership
 - Proposes that there are a set of processes through which individuals control their own behaviour
 - An effective leader is one who help followers to also become leaders (self-direct and self motivate)
 - Underlying assumption behind: people are responsible, capable, and able to exercise initiative without external constraints of bosses, rules, or regulations
 - individuals can monitor and control their own behaviour

Contemporary leadership roles

- Online leadership
 - Leadership through telecommunication
 - Leaders need to ensure good choices of writing words and phrases and they should structure their digital communications