



LEARNING OUTLINE

Follow this Learning Outline as you read and study this chapter.

Who Are Leaders and What Is Leadership

- Define leaders and leadership.

Early Leadership Theories

- Discuss what research has shown about leadership traits.
- Contrast the findings of the Two behavioral leadership theories.

Contemporary Views on Leadership

- Differentiate between transactional and transformational leaders.
- Describe charismatic and visionary leadership.

Leaders and Leadership

- Leader – Someone who can influence others and who has managerial authority
- Leadership – What leaders do; the process of influencing a group to achieve goals
- Ideally, all managers *should be* leaders
- Although groups may have informal leaders who emerge, those are not the leaders we're studying

Leadership research has tried to answer: What is an effective leader?

Early Leadership Theories

- Trait Theories (1920s-30s)

- Research focused on identifying personal characteristics that differentiated leaders from nonleaders was unsuccessful.
- Later research on the leadership process identified seven traits associated with successful leadership:
 - ❖ Drive, the desire to lead, honesty and integrity, self-confidence, intelligence, job-relevant knowledge, and extraversion.

Exhibit 17–1 Seven Traits Associated with Leadership

1. *Drive.* Leaders exhibit a high effort level. They have a relatively high desire for achievement; they are ambitious; they have a lot of energy; they are tirelessly persistent in their activities; and they show initiative.
2. *Desire to lead.* Leaders have a strong desire to influence and lead others. They demonstrate the willingness to take responsibility.
3. *Honesty and integrity.* Leaders build trusting relationships between themselves and followers by being truthful or nondeceitful and by showing high consistency between word and deed.
4. *Self-confidence.* Followers look to leaders for an absence of self-doubt. Leaders, therefore, need to show self-confidence in order to convince followers of the rightness of their goals and decisions.
5. *Intelligence.* Leaders need to be intelligent enough to gather, synthesize, and interpret large amounts of information, and they need to be able to create visions, solve problems, and make correct decisions.
6. *Job-relevant knowledge.* Effective leaders have a high degree of knowledge about the company, industry, and technical matters. In-depth knowledge allows leaders to make well-informed decisions and to understand the implications of those decisions.
7. *Extraversion.* Leaders are energetic, lively people. They are sociable, assertive, and rarely silent or withdrawn.

Source: S. A. Kirkpatrick and E. A. Locke, "Leadership: Do Traits Really Matter?" *Academy of Management Executive*, May 1991, pp. 48–60; T. A. Judge, J. E. Bono, R. Ilies, and M. W. Gerhardt, "Personality and Leadership: A Qualitative and Quantitative Review," *Journal of Applied Psychology*, August 2002, pp. 765–780.

Exhibit 17–2 Behavioral Theories of Leadership

	Behavioral Dimension	Conclusion
University of Iowa	<i>Democratic style</i> : involving subordinates, delegating authority, and encouraging participation <i>Autocratic style</i> : dictating work methods, centralizing decision making, and limiting participation <i>Laissez-faire style</i> : giving group freedom to make decisions and complete work	Democratic style of leadership was most effective, although later studies showed mixed results.
Ohio State	<i>Consideration</i> : being considerate of followers' ideas and feelings <i>Initiating structure</i> : structuring work and work relationships to meet job goals	High–high leader (high in consideration and high in initiating structure) achieved high subordinate performance and satisfaction, but not in all situations.

Exhibit 17–2 (cont'd) Behavioral Theories of Leadership

	Behavioral Dimension	Conclusion
University of Michigan	<i>Employee-oriented</i> : emphasized interpersonal relationships and taking care of employees' needs <i>Production-oriented</i> : emphasized technical or task aspects of job	Employee-oriented leaders were associated with high group productivity and higher job satisfaction.
Managerial Grid	<i>Concern for people</i> : measured leader's concern for subordinates on a scale of 1 to 9 (low to high) <i>Concern for production</i> : measured leader's concern for getting job done on a scale of 1 to 9 (low to high)	Leaders performed best with a 9.9 style (high concern for production and high concern for people).

Early Leadership Theories (cont'd)

- Behavioral Theories

- University of Iowa Studies (Kurt Lewin)

- ❖ Identified three leadership styles:

- **Autocratic style:** centralized authority, low participation
 - **Democratic style:** involvement, high participation, feedback
 - **Laissez faire style:** hands-off management

- ❖ Research findings: mixed results

- No specific style was consistently better for producing better performance
 - Employees were more satisfied under a democratic leader than an autocratic leader.

Early Leadership Theories (cont'd)

- Behavioral Theories (cont'd)

- Ohio State Studies

- ❖ Identified two dimensions of leader behavior

- **Initiating structure:** the role of the leader in defining his or her role and the roles of group members
 - **Consideration:** the leader's mutual trust and respect for group members' ideas and feelings.

- ❖ Research findings: mixed results

- High-high leaders generally, but not always, achieved high group task performance and satisfaction.
 - Evidence indicated that situational factors appeared to strongly influence leadership effectiveness.

Early Leadership Theories (cont'd)

- Behavioral Theories (cont'd)

- University of Michigan Studies

- ❖ Identified two dimensions of leader behavior

- **Employee oriented:** emphasizing personal relationships
 - **Production oriented:** emphasizing task accomplishment

- ❖ Research findings:

- Leaders who are employee oriented are strongly associated with high group productivity and high job satisfaction.

Contemporary Views on Leadership

- Transactional Leadership

- Leaders who guide or motivate their followers in the direction of established goals by clarifying role and task requirements.

- Transformational Leadership

- Leaders who inspire followers to transcend their own self-interests for the good of the organization by clarifying role and task requirements.
- Leaders who also are capable of having a profound and extraordinary effect on their followers.

Contemporary Views...(cont'd)

- Charismatic Leadership

- An enthusiastic, self-confident leader whose personality and actions influence people to behave in certain ways.
- Characteristics of charismatic leaders:
 - ❖ Have a vision.
 - ❖ Are able to articulate the vision.
 - ❖ Are willing to take risks to achieve the vision.
 - ❖ Are sensitive to the environment and follower needs.
 - ❖ Exhibit behaviors that are out of the ordinary.

Contemporary Views...(cont'd)

- Visionary Leadership

- A leader who creates and articulates a realistic, credible, and attractive vision of the future that improves upon the present situation.

- Visionary leaders have the ability to:

- Explain the vision to others.

- Express the vision not just verbally but through behavior.

- Extend or apply the vision to different leadership contexts.

Empowering Employees

- Empowerment

- Involves increasing the decision-making discretion of workers such that teams can make key operating decisions in develop budgets, scheduling workloads, controlling inventories, and solving quality problems.
- Why empower employees?
 - ❖ Quicker responses problems and faster decisions.
 - ❖ Addresses the problem of increased spans of control in relieving managers to work on other problems.

Terms to Know

- leader
- leadership
- behavioral theories
- autocratic style
- democratic style
- laissez-faire style
- initiating structure
- transformational leaders
- Transactional Leadership
- charismatic leader
- visionary leadership
- empowerment