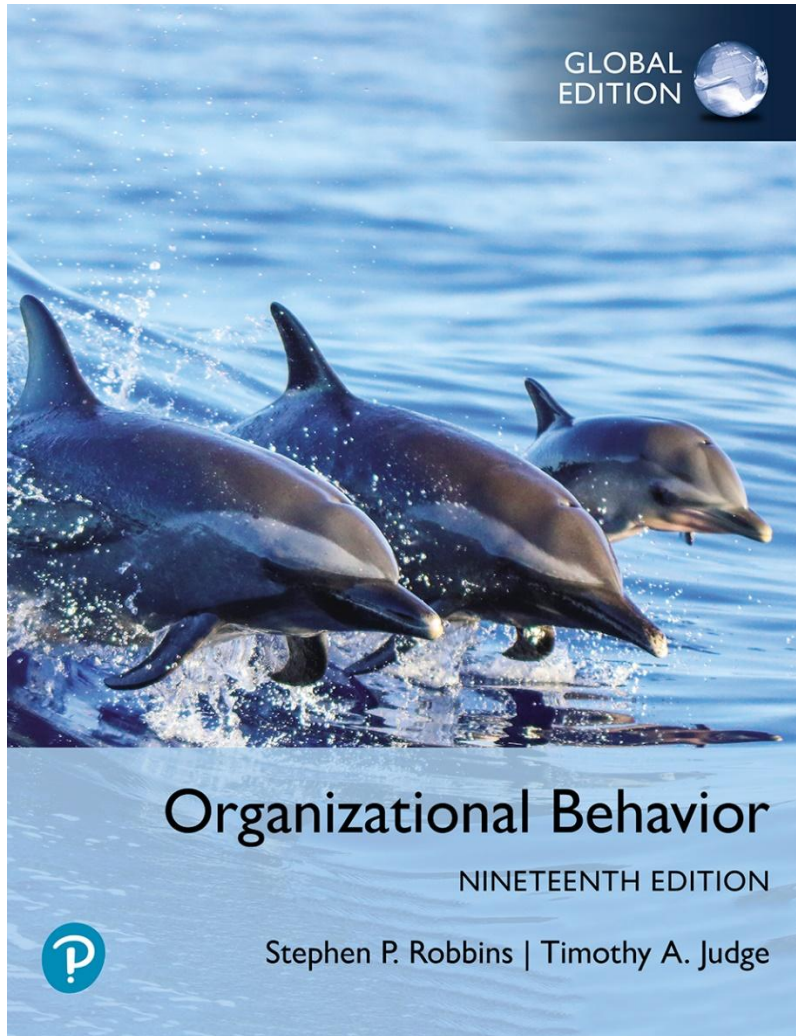# Organizational Behavior

Nineteenth Edition, Global Edition

Chapter 12

Leadership

Learning Objectives

12.1 Summarize the conclusions of trait theories of leadership.

12.2 Identify the central tenets and main limitations of behavioral theories.

12.3 Contrast contingency theories of leadership.

12.4 Describe the positive leadership styles and relationships.

12.5 Discuss the roles of leaders in creating ethical organizations.

12.6 Describe how leaders can have a positive impact on their organizations through building trust.

Summarize the Conclusions of Trait Theories of Leadership

- **Leadership** is the ability to influence a group toward the achievement of a vision or set of goals.
  - Not all leaders are managers, nor are all managers leaders.

- Nonsanctioned leadership is often as important or more important than formal influence.

Summarize the Conclusions of Trait Theories of Leadership

- **Trait theories of leadership** focus on personal qualities and characteristics.
  - The search for personality, social, physical, or intellectual attributes that differentiate leaders from nonleaders goes back to the earliest stages of leadership research.

Summarize the Conclusions of Trait Theories of Leadership

Personality Traits and Leadership

- Good leaders:
    - Are able to assert themselves (extroverted).
    - Are disciplined and able to keep commitments they make (conscientious).
    - Are creative and flexible.

Summarize the Conclusions of Trait Theories of Leadership

- **Big Five Traits**
  - Extraversion to be the strongest predictor of motivation to lead and leader emergence.
  - Unlike agreeableness and emotional stability, conscientiousness and openness to experience also showed strong relationships to leadership, though not quite as strong as extraversion.

- **Proactive Personality Traits**

- **Dark Triad Traits**

Summarize the Conclusions of Trait Theories of Leadership

Emotional Intelligence and Leadership

- Another trait that may indicate effective leadership is emotional intelligence (EI).

    – A core component of EI is empathy.

- People high in EI are more likely to emerge as leaders, even after taking cognitive ability and personality into account.

Summarize the Conclusions of Trait Theories of Leadership

- Two conclusions:
  - Traits can predict leadership.
  - Traits do a better job predicting the emergence of leaders than they do at distinguishing between effective and ineffective leaders.

Central Tenets and Main Limitations of Behavioral Theories

- **Behavioral theories of leadership** imply we can *train* people to be leaders.
  - The Ohio State studies found two behaviors that accounted for most leadership behavior:
    - **Initiating structure**
    - **Consideration**

Central Tenets and Main Limitations of Behavioral Theories (2 of 2)

- **Summary of Trait Theories and Behavioral Theories**
  - Research indicates there is validity for both the trait and behavioral theories.
    - Parts of each theory can help explain facets of leadership emergence and effectiveness.
  - Traits and behaviors do not guarantee success though.
    - Context matters too.

Pearson

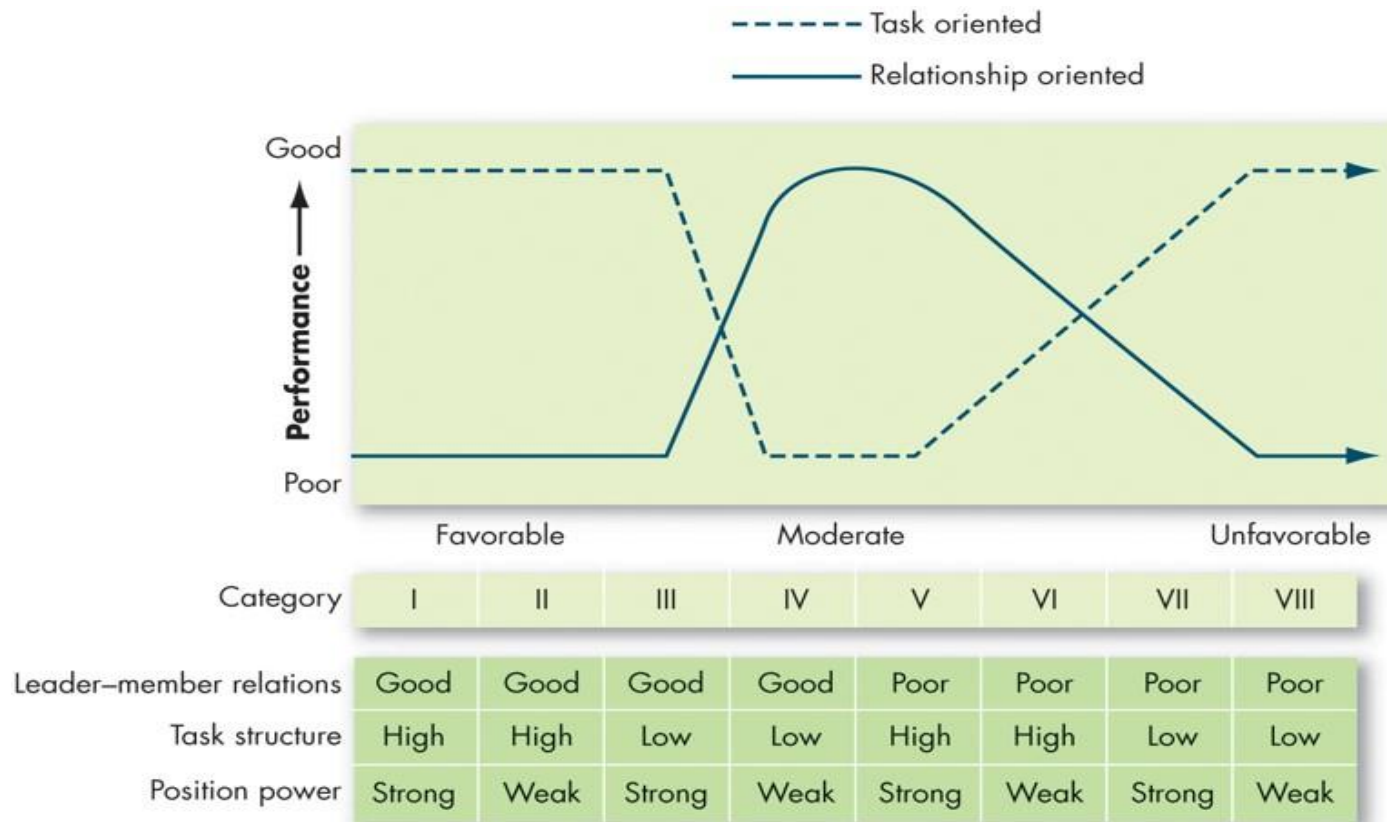# Contrast Contingency Theories of Leadership

- The **Fiedler contingency model:** effective group performance depends upon the proper match between the leader's style of interacting with subordinates and the degree to which the situation gives control to the leader.
  - Task-oriented
  - Relationship-oriented

Contrast Contingency Theories of Leadership

- Defining the Situation
  - Contingency dimensions:
    - **Leader–member relations**
    - **Task structure**
    - **Position power**

Exhibit 12.1 Predictions from the Fiedler Model

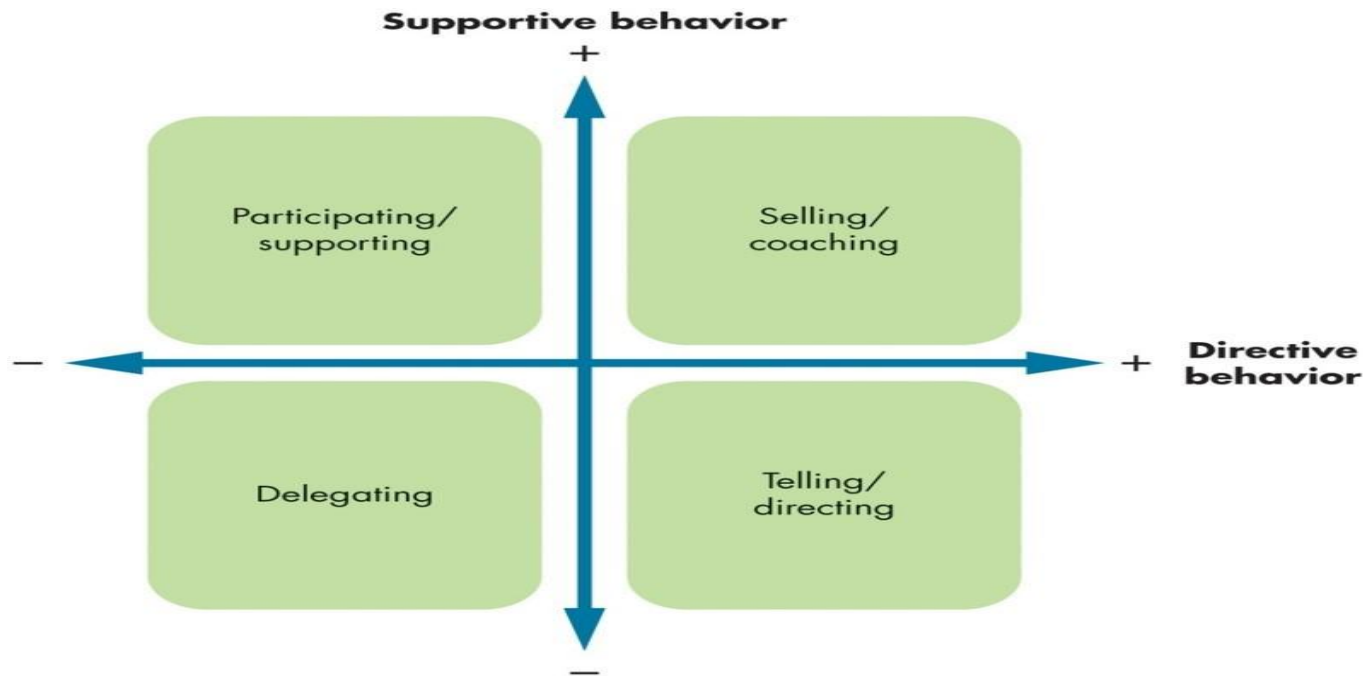| Category	I	II	III	IV	V	VI	VII	VIII
Leader–member relations	Good	Good	Good	Good	Poor	Poor	Poor	Poor
Task structure	High	High	Low	Low	High	High	Low	Low
Position power	Strong	Weak	Strong	Weak	Strong	Weak	Strong	Weak

Contrast Contingency Theories of Leadership

- **Situational leadership theory (SLT)** is a contingency theory that focuses on the followers.
  - Successful leadership is achieved by selecting the right leadership style, which is contingent on the level of the followers' readiness to accomplish a specific task.

https://www.youtube.com/watch?v=tjiO8wiUIXM

Exhibit 12.2 Manager Leadership Styles by Behavior in Situational Leadership Theory

Contrast Contingency Theories of Leadership

Follower Contingency Theories

- The **leader–participation model** relates leadership behavior and participation in decision making.

  – Leader behavior must adjust to reflect the task structure.

- **Shared leadership theory**: leadership is capable of being enacted by a collective.

- **Followership**: the capability of followers to put into practice a leader's vision or set of goals.

    https://www.youtube.com/watch?v=ubGRWYpXxUM

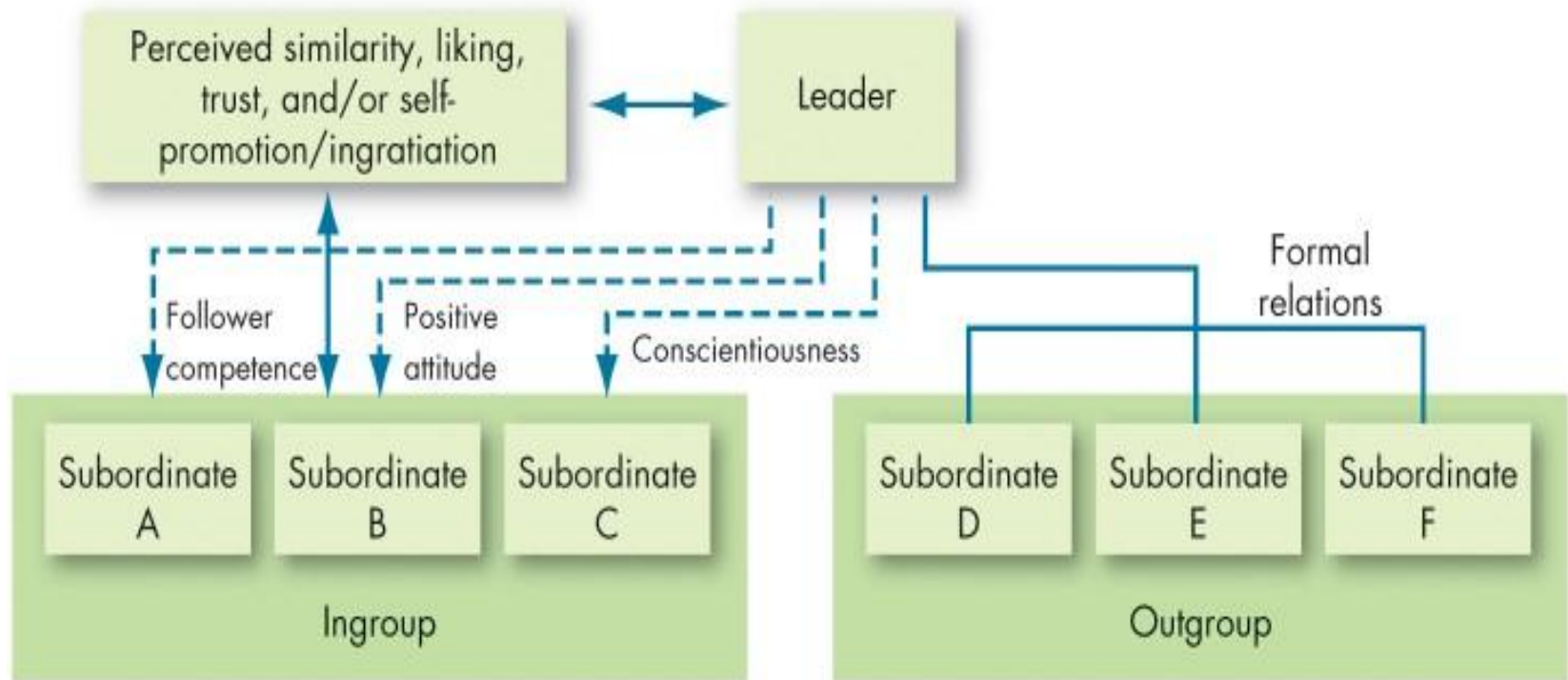# Contrast Contingency Theories of Leadership

Leading in Times of Crisis

- "Cometh the hour, cometh the man."
  - Think crisis, think female effect

- Charismatic leadership
  - Visionary
  - Crisis-responsive

Positive Leadership Styles and Relationships

Exhibit 12.3 Leader-Member Exchange Theory

https://www.youtube.com/watch?v=8zo2xG2ablo

Contemporary Theories of Leadership

Exhibit 12.4 Key Characteristics of **Charismatic Leaders**

1. *Vision and articulation*. Has a vision—expressed as an idealized goal—that proposes a future better than the status quo; able to clarify the importance of the vision in terms that are understandable to others.

2. *Personal risk*. Willing to take on high personal risk, incur high costs, and engage in self-sacrifice to achieve the vision.

3. *Sensitivity to follower needs*. Perceptive of others' abilities and responsive to their needs and feelings.

4. *Unconventional behavior*. Engages in behaviors that are perceived as novel and counter to norms.

Source: Based on J. A. Conger and R. N. Kanungo, *Charismatic Leadership in Organizations* (Thousand Oaks, CA: Sage, 1998), 94.

Contemporary Theories of Leadership

- How **Charismatic Leaders** Influence Followers
  - Articulating an appealing vision.
  - Developing a vision statement.
  - Establishing a new set of values.
  - Conveying courage and conviction about the vision.

  https://www.youtube.com/watch?v=EgXuIp1KKzc

Contemporary Theories of Leadership (3 of 11)

- Does Effective Charismatic Leadership Depend on the Situation?
    - People are especially receptive when they sense a crisis or when they are under stress.
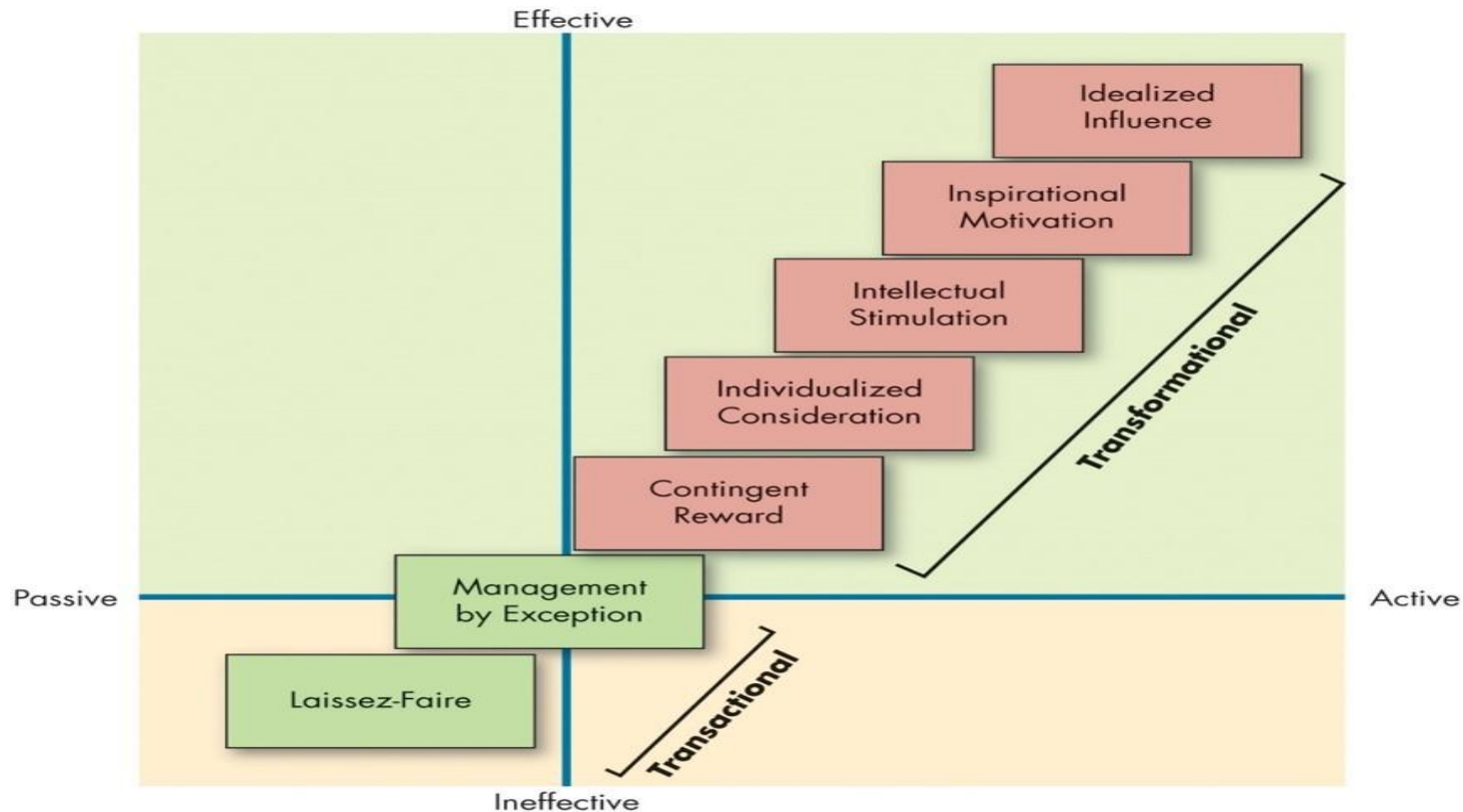
Contemporary Theories of Leadership

- The Dark Side of Charismatic Leadership
  - Many leaders don't necessarily act in the best interest of their companies.
    - Many have allowed their personal goals to override the goals of the organization.
    - Individuals who are narcissistic are also higher in some behaviors associated with charismatic leadership.

Contemporary Theories of Leadership

Exhibit 12.5 Full Range Leadership Model

Source: Adapted from B. M. Bass and B. J. Avolio, *Improving Organizational Effectiveness Through Transformational Leadership* (Thousand Oaks, CA: Sage, 1994).

Exhibit 12.6 Characteristics of Full Range Leadership Styles

Laissez-Faire Leader

Laissez-Faire: Abdicates responsibilities, avoids making decisions.

Transactional Leader

Contingent Reward: Contracts exchange of rewards for effort, promises rewards for good performance, recognizes accomplishments.

Management by Exception (active): Watches and searches for deviations from rules and standards, takes corrective action.

Management by Exception (passive): Intervenes only if standards are not met.

Contemporary Theories of Leadership

Transformational Leader

Idealized Influence: Provides vision and sense of mission, instills pride, gains respect and trust.

Inspirational Motivation: Communicates high expectations, uses symbols to focus efforts, expresses important purposes in simple ways.

Intellectual Stimulation: Promotes intelligence, rationality, and careful problem solving.

Individualized Consideration: Gives personal attention, treats each employee individually, coaches, advises.

Source: B. M. Bass, "From Transactional to Transformational Leadership: Learning to Share the Vision," *Organizational Dynamics* 18, no. 3 (1990): 19–31.

Integrating and Evaluating Positive Leadership Styles

- Transformational Versus Charismatic Leadership
  - Charismatic leadership places more emphasis on the way leaders communicate—are they passionate and dynamic?
  - Transformational leadership focuses more on what they are communicating—is it a compelling vision?
  - Both focus on the leader's ability to inspire followers.

Contemporary Theories of Leadership

Integrating and Evaluating Positive Leadership Styles

- Transformational Versus Transactional Leadership
  - Transformational leadership builds on transactional leadership and produces levels of follower effort and performance beyond what transactional leadership alone can do.

Contemporary Theories of Leadership

Integrating and Evaluating Positive Leadership Styles

- Five Reasons Why Transformational Leadership Is Effective
    - Affective or attitudinal mechanism
    - Motivational mechanism
    - Identification mechanism
    - Social exchange mechanism
    - Justice enhancement mechanism

Contemporary Theories of Leadership

Integrating and Evaluating Positive Leadership Styles

- Are There Downsides to Transformational Leadership?
  - In general, organizations perform better when they have transformational leaders.

Role of Leaders in Creating Ethical Organizations (1 of 4)

- Authentic Leadership
    - **Authentic leaders**:
        - Know who they are.
        - Know what they believe in and value.
        - Act on those values and beliefs openly and candidly.
    - The result: people come to have faith in them.

Role of Leaders in Creating Ethical Organizations (2 of 4)

- **(Un)Ethical Leadership**
  - How leaders serve as ethical role models to followers and thus demonstrate normatively appropriate (or inappropriate) behavior by using their power in (un)ethical ways and by treating others fairly (or unfairly).

Role of Leaders in Creating Ethical Organizations

- **Servant Leadership**
  - Servant leaders go beyond their self-interest and instead focus on opportunities to help followers grow and develop.
  - Characteristic behaviors include listening, empathizing, persuading, accepting stewardship, and actively developing followers' potential.

Role of Leaders in Creating Ethical Organizations

- **Abusive Supervision**
  - Refers to the perception that a supervisor is hostile in their verbal and nonverbal behavior.
    - Negatively affects health, leads to increased depression, emotional exhaustion, and job tension perceptions.
    - Leads to decreases in organizational commitment, job satisfaction, and perceived organizational support along with increased work–family conflict.
    - Can adversely affect employee performance and other employee behaviors.
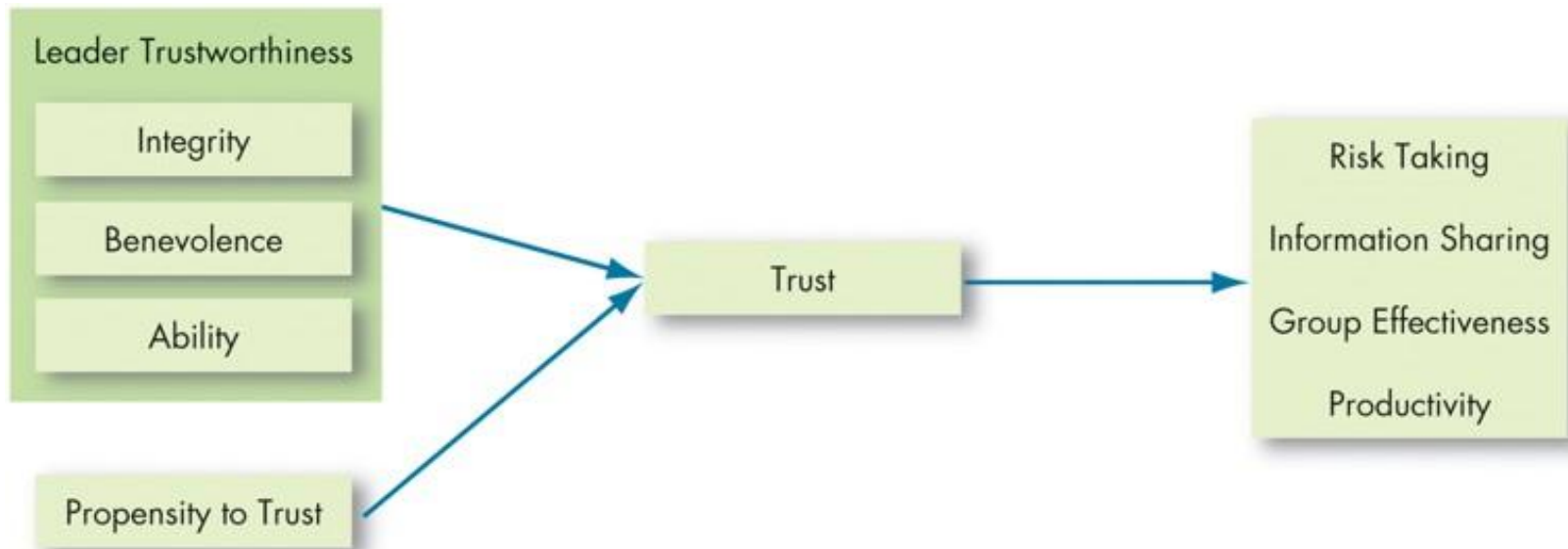
Positive Leadership

- **Trust and Leadership**
  - **Trust:** a psychological state that exists when you agree to make yourself vulnerable to another because you have positive expectations about how things are going to turn out.
    - A primary attribute associated with leadership.
    - When trust is broken, it can have serious adverse effects on a group's performance.

Exhibit 12.7 The Nature of Trust

Positive Leadership

- **Trust Propensity**
  - How likely an employee is to trust a leader.

- **Trust and Culture**
  - Does trust look the same in every culture?

- **The Role of Time**
  - We come to trust people by observing their behavior over a period of time.

- **Regaining Trust**
  - Trust can be restored when we observe a consistent pattern of trustworthy behavior by the transgressor.

Implications for Managers

- Although extroverted people are more likely to be hired or promoted into leadership positions, extroversion does not necessarily predict more effective leadership. Instead, try to focus on how the person leads and their leadership skills.

- As a leader, the worst thing that you can probably do is to do nothing. Although there may be times when inaction is necessary, it may spell disaster if it is your default style.

Implications for Managers

- When it comes to leadership, there may very well be no one-size-fits-all approach. When deciding how to act as a leader, consider the situation and context first (e.g., the culture, the climate, the follower base) and decide which approach may be most appropriate. Moreover, consider the outcomes and side effects of the approaches you choose and work pre-emptively to address them.

- Out of all the behavior leaders engage in, two are the most important: initiating structure and consideration. Depending upon the situation, leadership problems require some degree of both to be solved.

Implications for Managers

- Leadership should be built on a solid foundation of managerial and transactional leadership, which sets the structure for the goals to be accomplished to realize the vision.

- Charismatic and transformational leadership can be practical tools for inspiring and motivating followers to do great things and build high-quality relationships with followers. However, they can also be used for unethical purposes, which should be avoided.

- Understand the ethical context and issues surrounding the leadership problems you are charged with addressing. Strive to act authentically, ethically, and in a way that serves your followers.

Implications for Managers

- Understand the negative consequences of destructive and abusive leadership. Regulate your emotions and your actions to avoid this type of behavior. If you do act abusively, own up to your misbehavior and work with the victim constructively to move forward and ensure that it does not happen again.

- When establishing relationships with followers, try not to "play favorites." Although it may not be possible to develop high-quality exchange relationships with all your followers, try to treat everyone fairly and supportively, and base any recognition and resources given out on performance and skill, not friendship or how much you like them.

Implications for Managers

- Trust is a critical component of the leader–follower relationship. Not only is it important to feel trusted by your followers (and to know that they trust you), but it is also vital for your followers to know that you trust them. Work toward building trust over time, and when trust is broken, quickly own up to it. Also, know that trust is challenging to rebuild after an ethical violation (e.g., deception) and may never fully recover.

Implications for Managers

- Certain aspects of the organization (e.g., its culture, climate, structure) can sometimes neutralize the effects of leadership. Moreover, other aspects of the organization may "fill in" or "substitute" for the absence of leadership. Try to recognize if this is happening and get a sense of the effect that it is having. There could be a missed opportunity to improve processes by enhancing leadership.

- Many contend that leadership is all about perception. People can behave in ways that make them "appear" like leaders. Otherwise, influential people may be passed up for a leadership position or promotion because they do not "come off" as leaders. Try to be mindful of your own leadership biases and use objective criteria as much as possible when making decisions, especially those involving identifying leaders.

- Consider evidence-based leadership selection, training and development, and mentoring programs to leverage the power of leadership in your organization.

Discussion Questions

- Compare and contrast the leadership styles of two well-known individuals, for example the President of the United States and Elon Musk, head of Tesla. How are the leadership styles of the two individuals different? Which leadership traits are most important to the individuals' success? Explain.

- Which leadership traits are most important for an individual in the police force? Now compare your response to the traits that are important for the individual leading the organizing committee for the upcoming Olympic games. Where are there similarities and where are there differences? What does your response tell you about leadership in the workplace?