**Question 1 - Effective leaders are those who develop good relationships with their followers. Critically discuss this statement using relevant theory and research.**

An effective leader is an individual that has significant influence and power over its followers and has the ability to carefully align their subordinate’s behaviour towards their fundamental goals and aspirations. They manage to allocate and focus resources efficiently to maximise output and performance. Effective leadership can be significantly influenced by the structure and dynamic of the relationships they acquire with their followers.

A good relationship is identified through mutual respect, understanding, trust and willingness to follow a leader, accompanied by effective communication. Below discusses the impacts of leaders having a good relationship with their followers and how it influences the effectiveness of that leadership.

For an individual to be identified as an effective leader, the leader-member exchange theory states that it is crucial for them to have formulated a strong dyadic relationship with their followers. This relationship can be specified through the leader and follower having fluent communication, trust and reliability within their various encounters, increasing both sides efficiency and progression. Large organisations have exposed the significance of fluent and effective knowledge transfers between leaders and followers to funnel investments into large programmes wishing to encourage sustainable knowledge management activities (Zhao et al., 2016). This signifies the powerful influence of a good relationship on the functionality and overall performance of the organisation. Zhao et al, (2019) highlights that when a leader shapes a positive relationship with their followers, they hold more responsibility for their performance and internalize the leader’s goals as well as their surrounding group. High-quality relationships serve as a form of motivation for the followers as they will encounter the benefits of receiving various rewards, including both physical and psychological benefits, such as financial rewards to trust and reliability. Through organizational research, followers’ engagement levels with leaders have been identified to have a positive correlation with task engagement, innovative behaviour, and job performance (Kim & Koo, 2017). It is clear to see that with a strong dyadic relationship between the leader and the follower, the subordinate’s behavioural tendencies will transpire into job performance success, highlighting the effectiveness of the leader.

However, the leader-member exchange neglects the importance of wider social context as it isolates the dyadic relationship from the external group environment (Hogg & Martin, 2003; Hogg, Martin, & Weeden, 2003). For effective leadership to be understood as a whole, we need to ensure we gain a textured and more open analysis of the “group processes, intergroup behaviour, and the nature of the group membership” (Hogg et al., 2005, p. 993). This allows us to place the dyadic relationship between the leader and follower in direct comparison to other subordinate’s leader-member exchange relationships with the aim to understand the dynamic of the whole workforce and its separate identities. With an example of Bill Gates creating a well-designed culture and work environment through various lines of command and standards, great leadership is present but with the absence of a personal relationship between Microsoft employees and himself. The various limitations of the leader-member exchange theory can be countered by the implementation of the social identity theory, highlighting the responsibilities of group identification and motivation.

The social identity theory undermines the belief that effective leadership is dependent on a good leader-follower relationship. It highlights that an employee will emotionally connect to an identifiable group that formulates a sense of self and belonging. A clear example is departments within an organisation which forms distinct groups, rewarding their investment of work and emotions when their individual actions influence the performance of the group, feeling a sense of worth and belonging. Including an individual within a sales role persistently engaging with a customer to gain a relationship resulting in an improved reputation and sales for the department as a whole. Firms emphasise this engagement by collaborating the whole group and ensuring complete transparency with sales data to understand their progress and achievements directly from their work effort. With this said, effective leadership can stem from initiating a lead body representing themselves as group prototypical, with the aim to embody the definition of the groups’ identity of which their subordinate is engaged with (Hogg, 2001), rather than the leader alone. The extent to which the leader is perceived to embody the groups’ identity impacts the effectiveness of “mobilizing and influencing followers” (Van Knippenberg, 2011, p. 1079). This demonstrates that effective leadership doesn’t solely depend on having a direct relationship with the follower but instead should form as a representative of their categorized group to gain influence of performance and success.

Although having a relationship between a follower and a leader can evidently increase the effectiveness of the leader, there is also several other factors that can drive the same outcome. For instance, the requirement of having a set vision for the leader, follower and the surrounding team (Sir Simon Fraser, 2014) There is a necessity for goals to be clear cut and presented in a transparent manner. The leaders can implement effective techniques such as the SMART goal approach which aims to outline and explicitly define the characteristics of the goal to reduce any ambiguity. Identifying the goal as specific, measurable, achievable, realistic and time based, the subordinate is able to reflect systematically and analyse their progression towards their clear target. Following this structured process allows for the follower and subordinate to reach aspiring targets and increase job performance, all enhancing the effectiveness of their leadership. Although it is clear that presenting subordinates with visions is very effective, this shouldn’t neglect the power of having a good relationship as the support and collaboration with the leader can directly increase the chance of reaching the specified goals, but it does demonstrate that a relationship with followers is only one element to effective leadership and many other factors influence this.

In conclusion, it is apparent that effective leadership is largely dependent on the good relationship between the follower and subordinate, but there is various other variables that determine the effectiveness of their influence. Although the leader-member exchange theory neglects the wider context of group identities, it highlights the underlying importance of having that foundational relationship with their subordinates as the trust, loyalty and communication will always encourage performance-enhancing behaviours. With that said, it demonstrates that a good relationship is extremely important when encountering any goal setting, problem-solving and external group work activities which indefinitely enhances the effectiveness of leadership.

**REFERENCES**

Hogg, M. A. (2001). A Social Identity Theory of Leadership. *Personality and Social Psychology Review*, 5(3), 184–200. https://doi.org/10.1207/S15327957PSPR0503\_1

Hogg, M. A., & Martin, R. P. (2003). Social identity analysis of leader-member relations: Reconciling self-categorization and leader-member exchange theories of leadership.

Hogg, M. A., Martin, R., & Weeden, K. (2003). Relations and Social Identity. *Leadership and power: Identity processes in groups and organizations*, 18.

Hogg, M. A., Martin, R., Epitropaki, O., Mankad, A., Svensson, A., & Weeden, K. (2005). Effective Leadership in Salient Groups: Revisiting Leader-Member Exchange Theory From the Perspective of the Social Identity Theory of Leadership. *Personality And Social Psychology Bulletin*, 7, 991

Kim, M.-S., & Koo, D.-W. (2017). Linking LMX, engagement, innovative behavior, and job performance in hotel employees. *International Journal of Contemporary Hospitality Management*, 12, 3044.

Sir Simon Fraser, 2014. What makes a good leader? Received from [What makes a good leader? - GOV.UK (www.gov.uk)](https://www.gov.uk/government/speeches/what-makes-a-good-leader)

Van Knippenberg, D. (2011). Embodying who we are: Leader group prototypicality and leadership effectiveness. *The Leadership Quarterly*, 22(6), 1078–1091. <https://doi-org.uoelibrary.idm.oclc.org/10.1016/j.leaqua.2011.09.004>

Zhao, H., Liu, W., Li, J., & Yu, X. (2019). Leader–member exchange, organizational identification, and knowledge hiding: The moderating role of relative leader–member exchange. *Journal of Organizational Behavior*, 40(7), 834–848. <https://doi-org.uoelibrary.idm.oclc.org/10.1002/job.2359>

Zhao, H., Xia, Q., He, P., Sheard, G., & Wan, P. (2016). Workplace ostracism and knowledge hiding in service organizations. *International Journal of Hospitality Management*, 59, 84–94. <https://doi-org.uoelibrary.idm.oclc.org/10.1016/j.ijhm.2016.09.009>

1024

**Question 2 - Are teams with more diversity more effective than less diverse teams?**

Diversity focuses on the specific traits that’s makes individuals unique, including sex, educational background, gender, religion, race , age and culture (Williams, 2020). It is encouraging interactive between unique individuals that makes an organization truly diverse. A diverse organization represents people from various demographics. Diversity within teams can influence the dynamics of communication, productivity, and conflict, all directly affecting the overall effectiveness of the team. Effectiveness can be measured by assessing the team’s functionality and how they used the available resources to successfully produce an intended output. Through the discussions below, it may become clear that with varying diversity levels comes with fluctuating effectiveness.

Firstly, it is clear that with a healthy and diverse team, their capabilities to solve relevant problems and efficiently make valuable decisions can positively impact the collaborative productivity (Flood, MacCurtain, & West, 2001). This is explained by the dynamic of the team and their non-visible and job-related diversity. When the team has a vast array of skills and attributes, they can be used to distribute tasks, incorporate specialisation, and allocate roles to each individual, which will allow for increased productivity. For example, if a member of the team has Autistic Spectrum Condition, this may mean they have greater attention to detail, creativity, and excellent memory (Matusiak, 2020), all of which contributing to the overall team attributes and success. While the members of the team have accepted and are completing tasks that emphasise their competitive attributes, their motivation and performance levels will increase as well as the significant reduction in direct conflict(Pelled et al., 1996). Williams & O’Reilly (1998) supports this through their research of the information – decision model, which suggests a direct relationship between diversity and information richness, as well as better decision-making capabilities. With smooth functionalities within a team based on their ability to problem solve and limit conflict, the effectiveness of the diverse teams shows to be more beneficial than less diverse collaborations. Whilst a lack of conflict can be effective for a team to reduce time in discussions and therefore increase productivity, it could be argued that having positive conflict within a team and challenging each other’s opinions could result in a better, diverse outcome.

However, when people don’t acknowledge and accept the bases of difference when in a team, it restricts the effectiveness . It all initiates from the discrepancy’s experiences between individuals “language, dialects, communication norms and communication challenges” (Ellis et al., 2019, p. 21). Highlighting the difference in their linguistic styles and functional backgrounds can initiate more common miscommunications and conflicts between the team (Ellis et al., 2019), which encourages the process of social categorisation. The salience of this categorisation is determined by the comparative and normative fit, as well as cognitive accessibility, determining the severity and distinctness of the subgroups formed. With the understanding of the comparative fit, the severity of the split of groups is dependent on the clarity of groups and the number of categories available for comparison. Having fewer group categories with stronger identifiability will highlight profound subgroup formations. With a division between ‘us’ and ‘them’, the conflicts damage the productivity of the team due to the lack of consensus, damaging the effectiveness of more diverse teams.

On the other hand, if inclusivity and acceptance throughout the group is high, diversity can have a significant impact on the performance of the team. Once the bases of individual differences are understood and recognised at both the deep and surface level, it will allow them to acknowledge the discrepancy between individual behaviour and being able to use these differences to collaborate more effectively (Ellis et al., 2019). Highlighted functional diversity within a team can be very beneficial as Bantel & Jackson (1989) identifies that it has been found to have a direct relation to innovation which can enhance their ability to use resources available to expose new processes or methods to increase their productivity and efficiency. With that said, when teams implement the newly developed ideas, this can allow for teams to consistently reach their intended goals and can demonstrate the increase of general performance (Hambrick et al., 1996). The innovation and creativity presented by highly diverse groups can be explained through the larger pool of ideas and perspectives presented (West & Anderson, 1998), allowing higher agility when faced with a change of environment (Murmann and Tushman, 1997). How the team presents and assesses their various opinions is paramount to the success of fluent decision making because open-minded communication provides a source for learning and enrichment within the team’s presence (Ely & Thomas, 2001). It is clear that when a diverse group is inclusive and respects the variety of ideas and thoughts, they can capitalise on this and experience a higher level of effectiveness by taking an innovative and creative insight towards their intended goals.

However, for teams to be completely coordinated, the individual dependence on each member is significant, which is why when homogenous teams perform, their “shared common resources, task-related knowledge and expertise” (Ellis, 2019, p. 21), it allows for stronger interconnectivity. When having mutual interactions with people with similar characteristics, there will be a higher level of understanding and retainability as their communication methods will be complimentary of each other. This is explained through the similarity-attraction paradigm presented by Byrne (1971). Along with more effective communication, having a less diverse team will restrict the harm of discrimination and biases which usually tends to damage efficiencies, and as a result will “hurt performance” (Pelled, 1996, p. 13). This is due to an imbalance of perceived importance and authority, which will destroy any productive collaboration present in the team, which is significant when efficiency and performance is their fundamental goal.

Overall, it is clear that the impacts of diversity on a team’s effectiveness are primarily dependent on the characteristics of the individuals within a team. If diversity is acknowledged and openness is practised, more diverse teams can take advantage of their differentiated characteristics to gain a wider variety of perceptions and ideas. In turn, this amounts to higher innovation and creativity within the team to attain higher effectiveness and performance. However, it is clear that diverse teams can create positive conflicts due to social categorisation, significantly impacting the team’s functionality as communication methods, languages and backgrounds are challenged. With the increase in ethical practices in teams and workplaces, inclusivity is promoted which transpires into teams reaping the benefits of more diverse individuals to increase their effectiveness. In order to increase acceptance of the team’s diversity, I would recommend leaders to encourage openness around each other’s differences and celebrate the success it brings through regular team meetings and social events.

1049

**REFERENCES**

Armstrong, C., Flood, P. C., Guthrie, J. P., Liu, W., MacCurtain, S., & Mkamwa, T. (2010). The impact of diversity and equality management on firm performance: Beyond high performance work systems. *Human Resource Management*, 49(6), 977–998. <https://doi-org.uoelibrary.idm.oclc.org/10.1002/hrm.20391>

Bantel, K. A., & Jackson, S. E. (1989). Top management and innovations in banking: Does the composition of the top team make a difference? *Strategic Management Journal (John Wiley & Sons, Inc.)*, 10, 107–124. <https://doiorg.uoelibrary.idm.oclc.org/10.1002/smj.4250100709>

Byrne, D. (1971). *The attraction paradigm*. Academic Press.

Ellis, F., Kwofie, T. E., Awuni, M., Coffie, R. B., & Duffour, M. (2019). Workforce Diversity and Team Effectiveness: Insights from the Construction Sector in Ghana*. Journal of Business Diversity*, 19(5), 10–25.

Hambrick, D. C., Cho, T. S., & Ming-Jer Chen. (1996). The Influence of Top Management Team Heterogeneity on Firms’ Competitive Moves. *Administrative Science Quarterly*, 41(4), 659–684. <https://doi-org.uoelibrary.idm.oclc.org/10.2307/2393871>

Lee, W., & Cunningham, G. B. (2019). Group diversity’s influence on sport teams and organizations: a meta-analytic examination and identification of key moderators. *European Sport Management Quarterly*, 19(2), 139–159.

MacCurtain, S., Flood, P. C., Ramamoorthy, N., West, M. A., & Dawson, J. F. (2010). The Top Management Team, Reflexivity, Knowledge Sharing and New Product Performance: A Study of the Irish Software Industry. *Creativity and Innovation Management*, 3, 219.

Matusiak, M, (2020). Employment support for autistic individuals. Received from [Employment support for autistic individuals - Living Autism](https://livingautism.com/employment-support-autistic-individuals/#:~:text=People%20who%20have%20an%20Autistic%20Spectrum%20Condition%20(ASC),,general%20attributes%20are:%20able%20to%20follow%20structured%20projects).

Murmann, J.P., and Tushman, M. (1997), Organization responsiveness to environmental shock as an indicator of organizational foresight and oversight: The role of executive team characteristics and organizational context. (1997). *Technological Innovation*, 260-278.

Neil R. Anderson, & Michael A. West. (1998). Measuring Climate for Work Group Innovation: Development and Validation of the Team Climate Inventory*. Journal of Organizational Behavior*, 19(3), 235–258.

Pelled, L. H., Eisenhardt, K. M., & Xin, K. R. (1999). Exploring the Black Box: An Analysis of Work Group Diversity, Conflict, and Performance. *Administrative Science Quarterly*, 44(1), 1–28. <https://doi-org.uoelibrary.idm.oclc.org/10.2307/2667029>

Robin J. Ely, & David A. Thomas. (2001). Cultural Diversity at Work: The Effects of Diversity Perspectives on Work Group Processes and Outcomes. *Administrative Science Quarterly*, 46(2), 229–273. <https://doi-org.uoelibrary.idm.oclc.org/10.2307/2667087>

Williams, B. (2020), *Diversity in the Workplace.* Emeryville, California: Rockridge Press.

Williams, K., & O’Reilly, C. (1998). The complexity of diversity: A review of forty years of research. In B. Staw & R. Sutton (Eds.), *Research in organizational behavior*, 21, 77–140.

Zoogah, D. B., Vora, D., Richard, O., & Peng, M. W. (2011). Strategic alliance team diversity, coordination, and effectiveness. *International Journal of Human Resource Management*, 22(3), 510–529. <https://doi-org.uoelibrary.idm.oclc.org/10.1080/09585192.2011.543629>