

Being an Effective Leader

Learning Objectives

17.1 Define leader and leadership.

17.2 Compare and contrast early theories of leadership.

17.3 Describe the three major contingency theories of leadership.

17.4 Describe contemporary views of leadership.

17.5 Compare the various theories of leadership for their validity.

17.6 Discuss twenty-first century issues affecting leadership.

Who Are Leaders and What is Leadership?

- **Leader:** someone who can influence others and who has managerial authority
- **Leadership:** a process of influencing a group to achieve goals

Leadership Traits

- Research focused on identifying personal characteristics that differentiated leaders from non-leaders was unsuccessful who can influence others and who has managerial authority.
- It proved impossible to identify a set of traits that would always differentiate a leader (the person) from a nonleader of influencing a group to achieve goals.

Exhibit 17.1 Ten Traits Associated with Leadership

Trait	Description
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.
Desire to lead	Leaders have a strong desire to influence and lead others. They demonstrate the willingness to take responsibility.
Honesty and integrity	Leaders build trusting relationships with followers by being truthful or nondeceitful and by showing high consistency between word and deed.
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.
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.
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.
Extraversion	Leaders are energetic, lively people. They are sociable, assertive, and rarely silent or withdrawn.
Proneness to guilt	Guilt proneness is positively related to leadership effectiveness because it produces a strong sense of responsibility for others.

Exhibit 17.1 (cont.) Ten Traits Associated with Leadership

Trait	Description
Emotional Intelligence	Empathetic leaders can sense others' needs, listen to what followers say (and don't say), and read the reactions of others.
Conscientiousness	People who are disciplined and able to keep commitments have an apparent advantage when it comes to leadership.

Leadership Behaviors

- **Behavioral theories:** leadership theories that identify behaviors that differentiate effective leaders from ineffective leaders

University of Iowa Studies

- **Autocratic style:** a leader who dictates work methods, makes unilateral decisions, and limits employee participation
- **Democratic style:** a leader who involves employees in decision making, delegates authority, and uses feedback as an opportunity for coaching employees
- **Laissez-faire style:** a leader who lets the group make decisions and complete the work in whatever way it sees fit

Ohio State Studies

- **Initiating structure:** the extent to which a leader defines his or her role and the roles of group members in attaining goals
- **Consideration:** the extent to which a leader has work relationships characterized by mutual trust and respect for group members' ideas and feelings
- **High–high leader:** a leader high in both initiating structure and consideration behaviors

University of Michigan Studies

- Two dimensions of leadership:
 - Employee oriented
 - Production oriented

The Managerial Grid

- **Managerial grid:** a two-dimensional grid for appraising leadership styles

Exhibit 17.2 Behavioral Theories of Leadership

Study	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.
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).

The Fiedler Model

- **Fiedler contingency model:** a leadership theory proposing that effective group performance depends on the proper match between a leader's style and the degree to which the situation allows the leader to control and influence
- **Least-preferred coworker (LPC) questionnaire:** a questionnaire that measures whether a leader is task or relationship oriented

Fiedler's Situational Contingencies

- **Leader–member relations:** describes the degree of confidence, trust, and respect employees have for their leader
- **Task structure:** describes the degree to which job assignments are formalized and structured
- **Position power:** describes the degree of influence a leader has over activities such as hiring, firing, discipline, promotions, and salary increases

Exhibit 17.3 The Fiedler Model

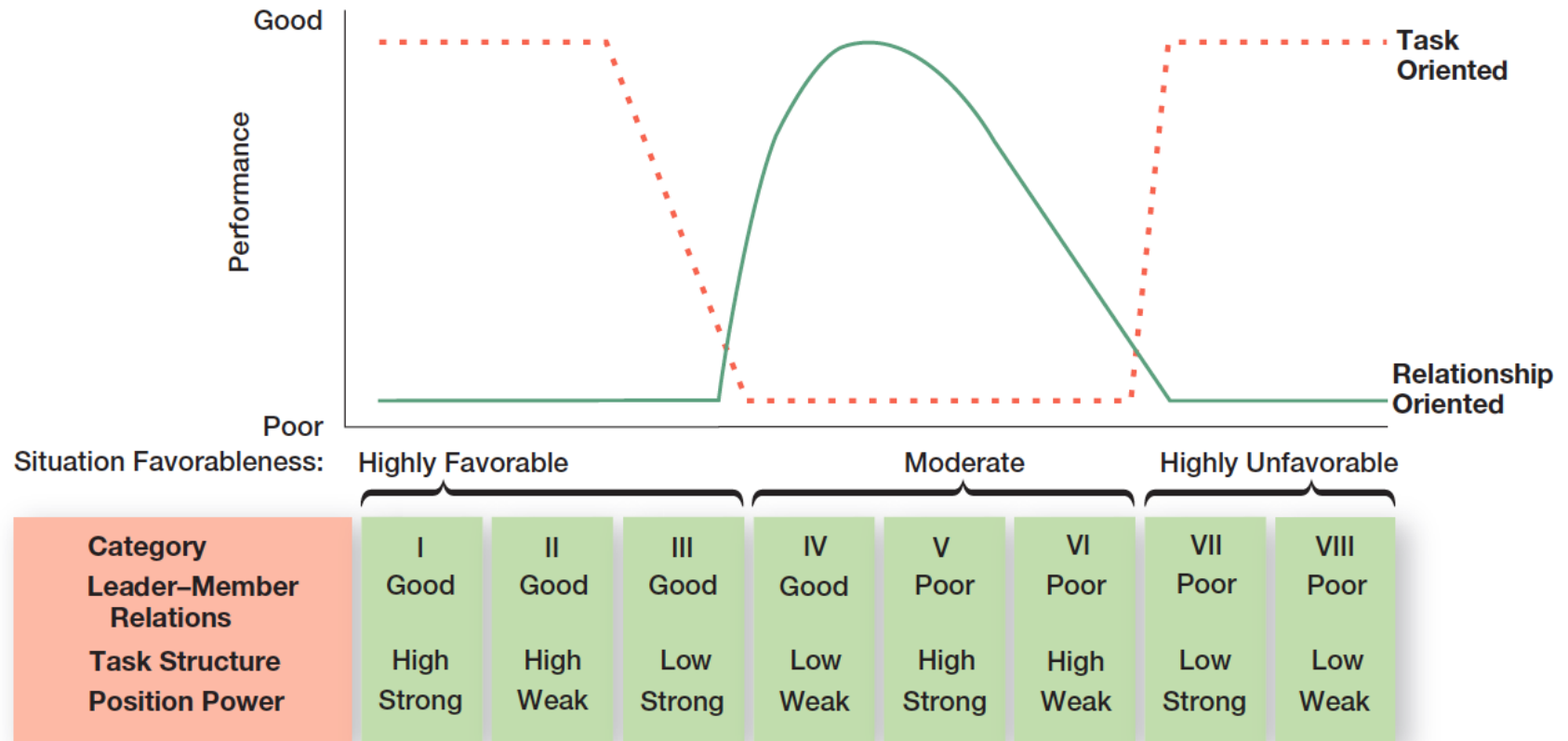


Exhibit 17.3 illustrates the Fiedler Model.

Hersey and Blanchard's Situational Leadership Style

- **Situational leadership theory (SLT):** a leadership contingency theory that focuses on followers' readiness
- **Readiness:** the extent to which people have the ability and willingness to accomplish a specific task

SLT Leadership Styles

- Telling (high task–low relationship)
- Selling (high task–high relationship)
- Participating (low task–high relationship)
- Delegating (low task–low relationship)

Four Stages of Follower Readiness

- R1: both unable and unwilling
- R2: unable but willing
- R3: able but unwilling
- R4: both able and willing

Path-Goal Model

- **Path-goal theory:** a leadership theory that says the leader's job is to assist followers in attaining their goals and to provide direction or support needed to ensure that their goals are compatible with the goals of the group or organization

Four Leadership Behaviors

- Directive leader
- Supportive leader
- Participative leader
- Achievement-oriented leader

Exhibit 17.4 Path-Goal Model

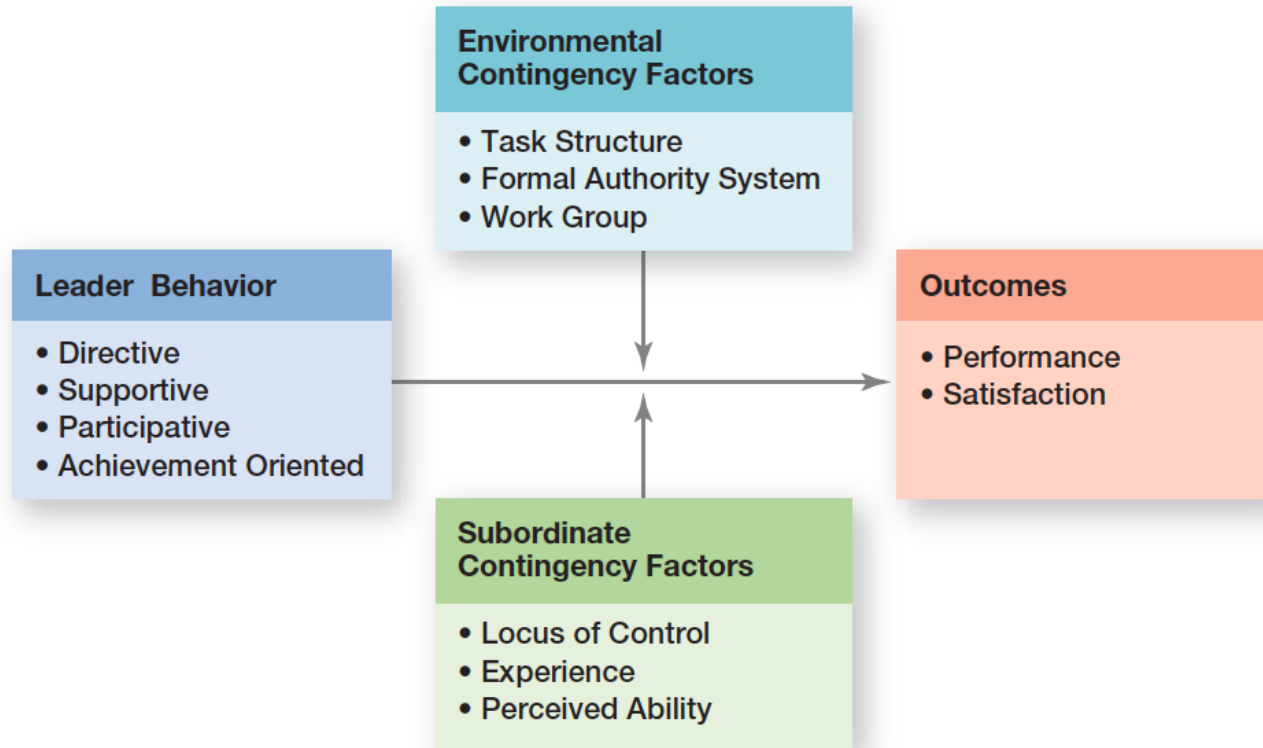


Exhibit 17.4 illustrates that path-goal theory proposes two situational or contingency variables that moderate the leadership behavior–outcome relationship.

Leader-Member Exchange (LMX) Theory

- **Leader-member exchange theory (LMX):** the leadership theory that says leaders create in-groups and out-groups and those in the in-group will have higher performance ratings, less turnover, and greater job satisfaction

Charismatic Leadership

- **Charismatic leader:** an enthusiastic, self-confident leader whose personality and actions influence people to behave in certain ways

Transformational/Transactional Leadership

- **Transactional leaders:** leaders who lead primarily by using social exchanges (or transactions)
- **Transformational leaders:** leaders who stimulate and inspire (transform) followers to achieve extraordinary outcomes

Authentic Leadership

- **Authentic leadership:** leaders who know who they are, know what they believe in, and act on those values and beliefs openly and candidly

Ethical Leadership

- An ethical leader puts public safety ahead of profits, holds culpable employees accountable, and creates a culture in which employees feel that they could and should do a better job.

Servant Leadership and Followership

- **Servant leaders** go beyond their own self-interest and focus on helping followers grow and develop.
- **Followership** maintains leaders need good followers to be effective. Good follower traits are:
 - Ability to self manage
 - They have a strong commitment to purpose
 - Enthusiasm
 - They build competence
 - Courageous, honest, and credible

Integrating Theories of Leadership (1 of 2)

- **Traits:** traits probably play a small role in leadership.
- **Behaviors:** three metacategories of behaviors appear to be the most important leadership behaviors.
 1. Task-oriented behavior
 2. Relations-oriented behavior
 3. Change-oriented behavior

Integrating Theories of Leadership (2 of 2)

- Contingency factors: the most relevant contingency factors affecting leadership are:
 - Follower's experience
 - Follower's ability
 - Organizational culture
 - National culture

Managing Power (1 of 2)

- **Legitimate power:** the power a leader has as a result of his or her position in the organization
- **Coercive power:** the power a leader has to punish or control
- **Reward power:** the power a leader has to give positive rewards

Managing Power (2 of 2)

- **Expert power:** power that's based on expertise, special skills, or knowledge
- **Referent power:** power that arises because of a person's desirable resources or personal traits

Developing Trust

- **Credibility:** the degree to which followers perceive someone as honest, competent, and able to inspire
- **Trust:** the belief in the integrity, character, and ability of a leader

Five Dimensions of Trust

- Integrity
- Competence
- Consistency
- Loyalty
- Openness

Leading Virtual Teams

- Emerging technologies make working remotely more and more common.
- The lack of a “face-to-face” feature presents unique leadership challenges.
- Managers need to become effective virtual leaders.
- The informal interaction or “water cooler talk” is restricted in the virtual world. Managers need to overcome this in some way.

Leadership Training

- Leader training is most effective when there are multiple sessions that combine:
 - Information
 - Demonstration
 - Practice-methods
- Some people aren't meant to be leaders.

When Leadership May Not Be Important

- Some factors may negate the leader's influence. These factors are:
 - High levels of experience
 - Education
 - Training
 - Professional orientation
 - Indifference toward organizational rewards