

Managers As Leaders



Learning Objective

Contingency Theories of Leadership

- Explain Fiedler's contingency model of leadership.
- Describe situational leadership theory.
- Discuss how path-goal theory explains leadership.

Contemporary Views of Leadership

- Differentiate between transactional and transformational leaders.
- Describe charismatic and visionary leadership.
- Discuss what team leadership involves.

Learning Outcomes

Leadership Issues in the Twenty-First Century

- Describe the five sources of a leader's power.
- Discuss the issues today's leaders face.

Who Are Leaders and What Is 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

Leadership research has tried to answer:

What is an effective leadership?

Managership Vs Leadership

- There are distinctions between managers and leaders
- **Leaders** are those who can influence others and provide vision and strategy to the organization; managers implement that vision.

Managership

1. Engages in day-to-day caretaker activities:
Maintains and allocates resources
2. Exhibits supervisory behaviour: Acts to make others maintain standard job behaviour
3. Administers subsystems within organizations
4. Asks how and when to engage in standard practice
5. Acts within established culture of the organization
6. Uses transactional influence: Induces compliance in manifest behaviour using rewards, sanctions, and formal authority
7. Relies on control strategies to get things done by subordinates
8. Status quo supporter and stabilizer

Leadership

- Formulates long-term objectives for reforming the system: Plans strategy and tactics
- Exhibits leading behaviour: Acts to bring about change in others congruent with long-term objectives
- Innovates for the entire organization
- Asks what and why to change standard practice
- Creates vision and meaning for the organization
- Uses transformational influence: Induces change in values, attitudes, and behaviour using personal examples and expertise
- Uses empowering strategies to make followers internalize values
- Status quo challenger and change creator

The Place of Leadership

- Can Anyone Be a Leader?
 - Some people don't have what it takes to be a leader
 - Some people are more motivated to lead than others
- Is Leadership Always Necessary?
 - Some people don't need leaders
 - Leaders need to be aware of followers' needs



Early Leadership Theories

- Trait Theories (1920s -1930s)
 - Research focused on identifying **personal characteristics** that differentiated leaders from non-leaders 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,
 - extraversion.



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.

Early Leadership Theories

- 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

- Behavioral Theories

- 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

- 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.

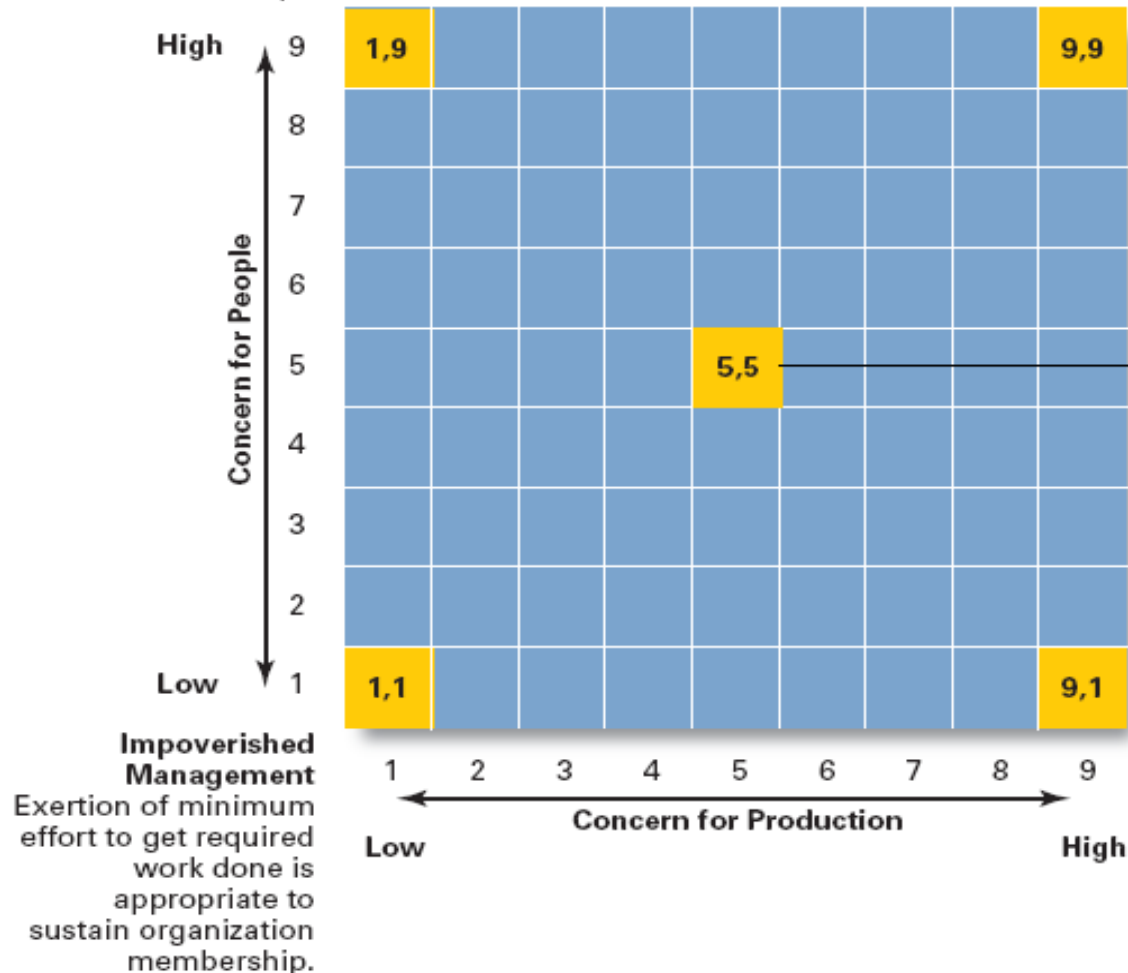
The Managerial Grid

- Managerial Grid
 - Appraises leadership styles using two dimensions:
 - Concern for people
 - Concern for production
 - Places managerial styles in five categories:
 - Impoverished management
 - Task management
 - Middle-of-the-road management
 - Country club management
 - Team management

The Managerial Grid

Country Club Management
Thoughtful attention to needs of people for satisfying relationship leads to a comfortable, friendly organization atmosphere and work tempo.

Team Management
Work accomplished is from committed people; interdependence through a "common stake" in organization purpose leads to relationships of trust and respect.



Middle-of-the-Road Management
Adequate organization performance is possible through balancing the necessity to get out work with maintaining morale of people at a satisfactory level.

Task Management
Efficiency in operations results from arranging conditions of work in such a way that human elements interfere to a minimum degree.

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.

(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).

Contingency Theories of Leadership

- **The Fiedler Model**

- Proposes that effective group performance depends upon the proper match between the **leader's style of interacting with followers** and the **degree to which the situation allows the leader to control and influence**.
- Assumptions:
 - A certain leadership style should be most effective in different types of situations.
 - Leaders do not readily change leadership styles.
 - Matching the leader to the situation or changing the situation to make it favorable to the leader is required.

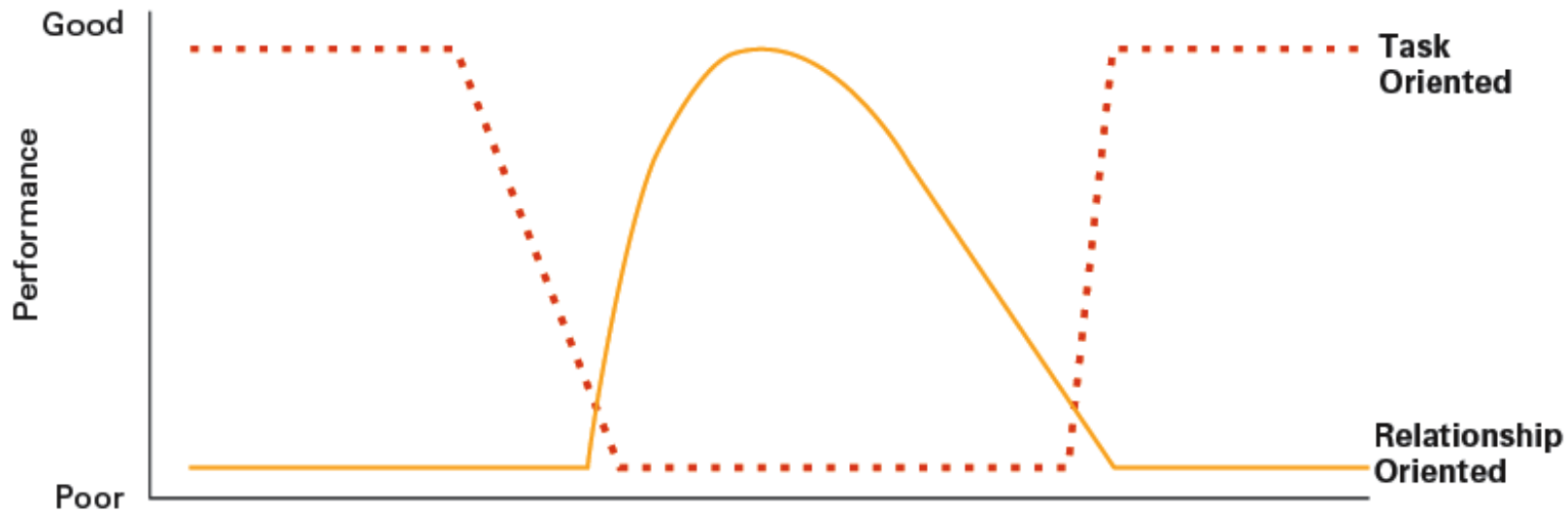


Contingency Theories of Leadership

- The Fiedler Model

- Least-preferred co-worker (LPC) questionnaire
 - Determines leadership style by measuring responses to 18 pairs of contrasting adjectives.
 - High score: a relationship-oriented leadership style
 - Low score: a task-oriented leadership style
- Situational factors in matching leader to the situation:
 - Leader-member relations
 - Task structure
 - Position power

Findings of the Fiedler Model



Category	Highly Favorable			Moderate			Highly Unfavorable	
	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

Contingency Theories of Leadership

- Hersey and Blanchard's Situational Leadership Theory (SLT)
 - Argues that successful leadership is achieved by **selecting the right leadership style** which is contingent on the level of the followers' readiness.
 - **Acceptance:** leadership effectiveness depends on whether followers accept or reject a leader.
 - **Readiness:** the extent to which followers have the ability and willingness to accomplish a specific task.
 - Leaders must relinquish control over and contact with followers as they become more competent.

Contingency Theories of Leadership

- Hersey and Blanchard's Situational Leadership Theory (SLT) (cont'd.)
 - Creates four specific leadership styles incorporating Fiedler's two leadership dimensions:
 - **Telling:** high task-low relationship leadership
 - **Selling:** high task-high relationship leadership
 - **Participating:** low task-high relationship leadership
 - **Delegating:** low task-low relationship leadership

Contingency Theories of Leadership

- Hersey and Blanchard's Situational Leadership Theory (SLT) (cont'd)
 - Posits four stages follower readiness:
 - **R1:** followers are unable and unwilling
 - **R2:** followers are unable but willing
 - **R3:** followers are able but unwilling
 - **R4:** followers are able and willing

Contingency Theories of Leadership

- **Key Concepts**
- 1. **Leadership Styles:** The model identifies four primary leadership styles:
 - **Telling (S1):** High directive, low supportive behavior. Leaders provide specific instructions and closely supervise tasks.
 - **Selling (S2):** High directive, high supportive behavior. Leaders provide direction but also seek input and encourage two-way communication.
 - **Participating (S3):** Low directive, high supportive behavior. Leaders and followers share decision-making; the leader facilitates and supports.
 - **Delegating (S4):** Low directive, low supportive behavior. Leaders provide minimal direction and support, allowing followers to take responsibility for their tasks.

Contingency Theories of Leadership

1. **Follower Readiness:** The model emphasizes the importance of assessing the readiness level of followers, which is categorized into four stages:
 - **R1 (Unable and Unwilling):** Lack of skills and confidence; requires S1 style.
 - **R2 (Unable but Willing):** Lacks skills but is motivated; requires S2 style.
 - **R3 (Able but Unwilling):** Has skills but lacks confidence; requires S3 style.
 - **R4 (Able and Willing):** Fully competent; requires S4 style.

Contingency Theories of Leadership

- Path-Goal Model

- States that the leader's job is to assist his or her followers in attaining their goals and to provide direction or support to ensure their goals are compatible with organizational goals.
- Leaders assume different leadership styles at different times depending on the situation:
 - Directive leader
 - Supportive leader
 - Participative leader
 - Achievement oriented leader

Contingency Theories of Leadership

- **Path-Goal Model** - Directive Leadership
 - **Description:** In this style, the leader provides specific guidance and direction to followers, clarifying roles and tasks. The leader sets clear expectations and outlines how to achieve goals.
 - **Relation to Other Theories:** This style is akin to the Transactional Leadership style, where leaders focus on structure and task completion, providing rewards and punishments based on performance.
 - **Context:** Directive leadership is most effective in situations where tasks are ambiguous or complex, and followers need clear guidance.

Contingency Theories of Leadership

- **Path-Goal Model - Supportive Leadership**
 - **Description:** Supportive leaders prioritize the well-being and needs of their team members, fostering a friendly and approachable atmosphere. They show concern for followers and create a supportive work environment.
 - **Relation to Other Theories:** This style is similar to Transformational Leadership, which emphasizes the importance of leader-follower relationships and personal development. Transformational leaders also inspire and motivate through emotional support.
 - **Context:** Supportive leadership is particularly effective in stressful situations or when followers are facing personal challenges.

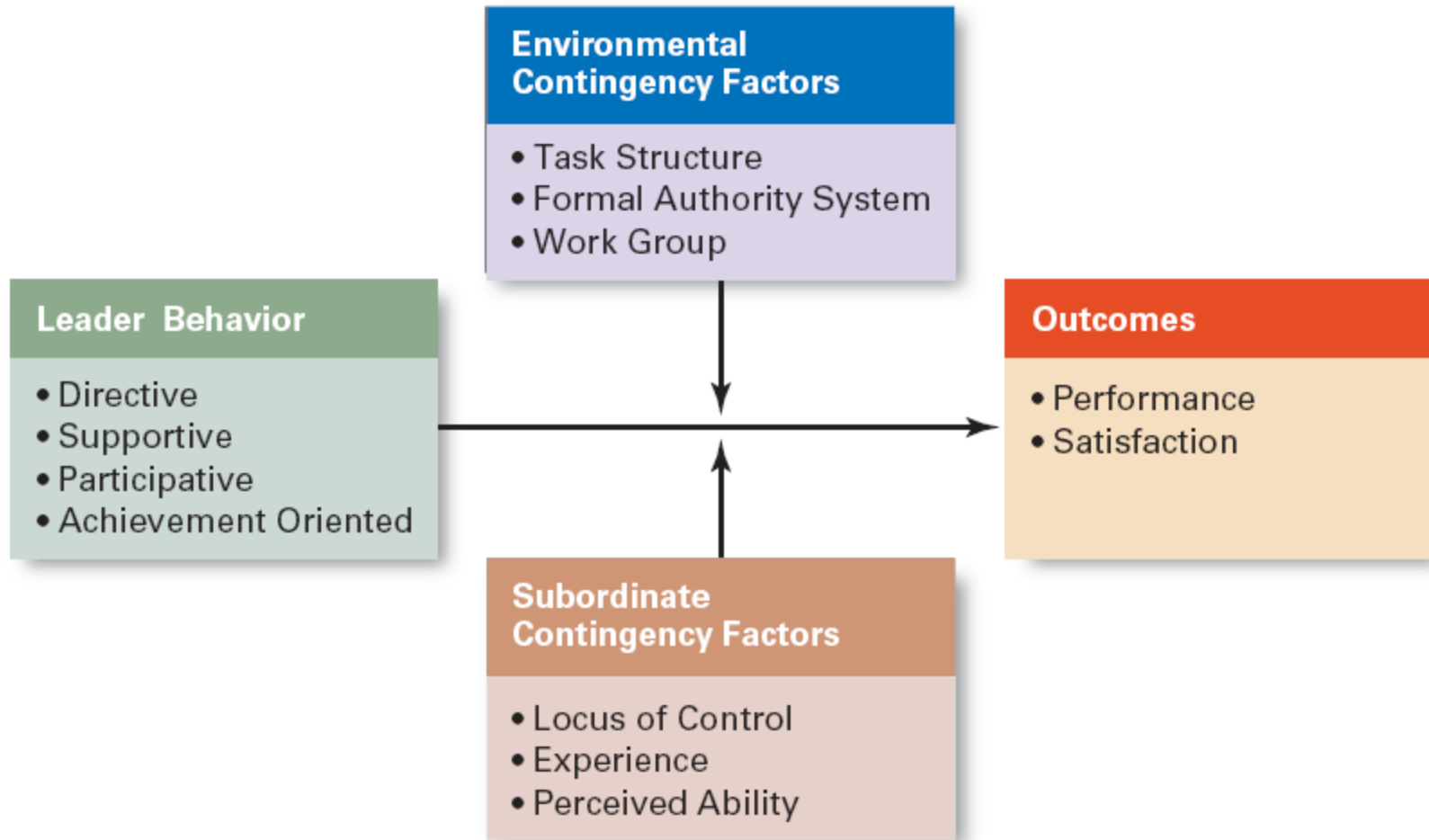
Contingency Theories of Leadership

- **Path-Goal Model** - Participative Leadership
 - **Description:** Participative leaders involve team members in decision-making processes, encouraging input and collaboration. This style fosters a sense of ownership among followers.
 - **Relation to Other Theories:** This aligns with Democratic Leadership, where leaders emphasize participation and consensus in decision-making. Both styles value team input and collaboration.
 - **Context:** This style is most effective when team members are skilled and knowledgeable, as their input can enhance decision quality.

Contingency Theories of Leadership

- **Path-Goal Model** – Achievement Oriented Leadership
 - **Description:** Leaders who adopt this style set challenging goals and expect high performance from their followers. They encourage a strong focus on results and achievement.
 - **Relation to Other Theories:** This style is comparable to Visionary Leadership, where leaders inspire followers with a compelling vision and high expectations for performance.
 - **Context:** Achievement-oriented leadership works best with highly motivated and capable followers who thrive on challenges.

Path-Goal Theory



Contemporary Views of 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.

Contemporary Views of Leadership

- 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.

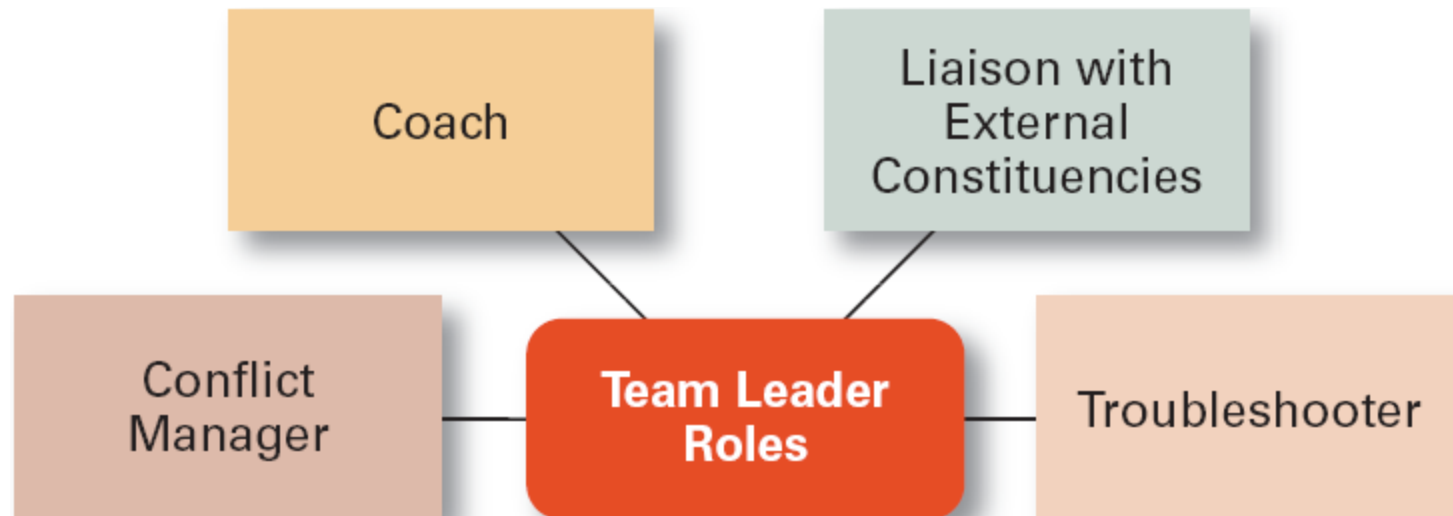
Contemporary Views of Leadership

- 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.

Contemporary Views of Leadership

- Team Leadership Characteristics
 - Having patience to share information
 - Being able to trust others and to give up authority
 - Understanding when to intervene
- Team Leader's Job
 - Managing the team's external boundary
 - Facilitating the team process
 - Coaching, facilitating, handling disciplinary problems, reviewing team and individual performance, training, and communication

Specific Team Leadership Roles



Leadership Issues in the 21st Century

- Managing Power
 - Legitimate power
 - The power a leader has as a result of his or her position.
 - Coercive power
 - The power a leader has to punish or control.
 - Reward power
 - The power to give positive benefits or rewards.
 - Expert power
 - The influence a leader can exert as a result of his or her expertise, skills, or knowledge.
 - Referent power
 - The power of a leader that arise because of a person's desirable resources or admired personal traits.

Developing Trust

- Credibility (of a Leader)
 - The assessment of a leader's honesty, competence, and ability to inspire by his or her followers
- Trust
 - Is the belief of followers and others in the integrity, character, and ability of a leader
 - **Dimensions of trust:** integrity, competence, consistency, loyalty, and openness
 - Is related to increases in job performance, organizational citizenship behaviors, job satisfaction, and organization commitment

Suggestions for Building Trust

Practice openness.

Be fair.

Speak your feelings.

Tell the truth.

Show consistency.

Fulfill your promises.

Maintain confidences.

Demonstrate competence.

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

Cross-Cultural Leadership

- Universal Elements of Effective Leadership
 - Vision
 - Foresight
 - Providing encouragement
 - Trustworthiness
 - Dynamism
 - Positiveness
 - Proactiveness



Selected Cross-Cultural Leadership Findings

- Korean leaders are expected to be paternalistic toward employees.
- Arab leaders who show kindness or generosity without being asked to do so are seen by other Arabs as weak.
- Japanese leaders are expected to be humble and speak frequently.
- Scandinavian and Dutch leaders who single out individuals with public praise are likely to embarrass, not energize, those individuals.
- Effective leaders in Malaysia are expected to show compassion while using more of an autocratic than a participative style.
- Effective German leaders are characterized by high performance orientation, low compassion, low self-protection, low team orientation, high autonomy, and high participation.

Gender Differences and Leadership

- Research Findings
 - Males and females use different styles:
 - Women tend to adopt a more democratic or participative style unless in a male-dominated job.
 - Women tend to use transformational leadership.
 - Men tend to use transactional leadership.

Where Female Managers Do Better: A Scorecard

Where Female Managers Do Better: A Scorecard

None of the five studies set out to find gender differences. They stumbled on them while compiling and analyzing performance evaluations.

Skill (Each check mark denotes which group scored higher on the respective studies)	MEN	WOMEN
Motivating Others		✓ ✓ ✓ ✓ ✓
Fostering Communication		✓ ✓ ✓ ✓ *
Producing High-Quality Work		✓ ✓ ✓ ✓ ✓
Strategic Planning	✓ ✓	✓ ✓ *
Listening to Others		✓ ✓ ✓ ✓ ✓
Analyzing Issues	✓ ✓	✓ ✓ *

*In one study, women's and men's scores in these categories were statistically even.

Data: Hagberg Consulting Group, Management Research Group, Lawrence A. Pfaff, Personnel Decisions International Inc., Advanced Teamware Inc.

Terms to Know

- leader
- leadership
- behavioral theories
- autocratic style
- democratic style
- laissez-faire style
- initiating structure
- consideration
- high-high leader
- managerial grid
- Fiedler contingency model
- least-preferred co-worker (LPC) questionnaire
- leader-member relations
- task structure
- position power
- situational leadership theory (SLT)
- readiness
- leader participation model
- path-goal theory
- transactional leaders

Terms to Know (cont'd)

- transformational leaders
- charismatic leader
- visionary leadership
- legitimate power
- coercive power
- reward power
- expert power
- referent power
- credibility
- trust
- empowerment

Test your skills

- Define leaders and leadership.
- Explain why managers should be leaders.
- Discuss what research has shown about leadership traits.
- Contrast the findings of the four behavioral leadership theories.
- Explain the dual nature of a leader's behavior.