

#### **BUS 1370: Principles of Management**

## Lesson 07 Leading People

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#### **Learning Outcomes**

- Describe the nature of Leadership.
- Explain the relationship between Power, Influence and Leadership.
- Identify the key ideas of Trait, Behavioural and Contingency approaches to Leadership.
- Discuss the validity of approaches to Leadership in today's context.
- Introduce trends in contemporary Leadership studies.

## Who is a Leader and what is Leadership?



Image Source: Google Images

#### The Nature of Leadership

"Leadership occurs among **people**, involves the use of **influence** and is used to attain **goals**"

"Leadership is a **"people"** activity, distinct from administrative paperwork or problem-solving activities"

#### **Defining Leader and Leadership**

A Leader is a dealer in hope.

- Napoleon Bonaparte

Leaders are people who can influence the behaviours of others without having to rely on force; those accepted others as leaders.

Griffin (2016)

Leadership is the process of directing and influencing the task-related activities of group members.

Stoner et al. (2009)

Leadership is defined as "...the ability to influence people toward the attainment of organisational goals."

Samson et al. (2021)

#### Leadership, Power and Influence

**Power** is the potential ability to influence the behaviour of others.

**Influence** is the effect that a person's actions have on attitudes, values, beliefs or behaviours of others.

# Power Hard "Position" Power Soft "Personal" Power

- Legitimate power
- Reward power
- Coercive power

- Expert power
- Referent power

However, there are other sources of power as well, such as **information power.** 

#### Manager vs Leader



**Manager qualities** 



**Leader qualities** 

#### Focus on the organisation

Rational

Maintains stability

Assigns tasks

Organises

Analyses

Position power

#### Focus on people

Visionary

Promotes change

Defines purpose

Nurtures

Innovates

Personal power

### Manager vs Leader (contd).

Criteria	Manager	Leader
Members known as	Subordinates	Followers
Position lies at	Formal Structure	Formal Structure/ Informal Structure
Sources of Power	Positional	Personal
Attitude towards Change	Status-quo	Innovative
Respect	Expect	Receive
Type of Decision Making	Rational, Logical, Analytical	Emotional, Charismatic
Primary Goal	Company Goal	Followers Goal

#### Management vs Leadership

**Metaphor** - "Management organises the production and supply of fish to people, whereas leadership teaches and motivates people to fish"

Organisation needs both.

 Leadership cannot replace management; it should be an addition to management.

However, some scholars argue that the same person can be both manager and a leader.

#### Approaches to Leadership

- Trait Approach
- Behavioural Approach
- Contingency/ Situational Approach

#### Trait Approach to Leadership

- Assumed that *leaders are born*, not made and all leaders share some basic inborn traits.
- Leadership is understood by identifying the *personal characteristics* of leaders.
- It is assumed that only the persons who possess these traits could become successful leaders "Great Men".

#### Trait Approach to Leadership (contd).

Physical characteristics	Personality	Work-related characteristics
Energy Physical stamina	Self-confidence Honesty and integrity Optimism Desire to lead Independence	Achievement drive, desire to excel Conscientiousness in pursuit of goals Persistence against obstacles, tenacity
Intelligence and ability	Social characteristics	Social background
Intelligence, cognitive ability Knowledge Judgement, decisiveness	Sociability, interpersonal skills Cooperativeness Ability to enlist cooperation Tact, diplomacy	Education Mobility

**Source**: Source: Adapted from Bass, B. M., & Stogdill, R. M. (1990). Bass & Stogdill's handbook of leadership: Theory, research, and managerial applications. New York: Simon and Schuster, pp. 80-81. and Kirkpatick, S. A., & Locke, E. A. (1991). Leadership: do traits matter?. Academy of Management Perspectives, 5(2), 48-60.

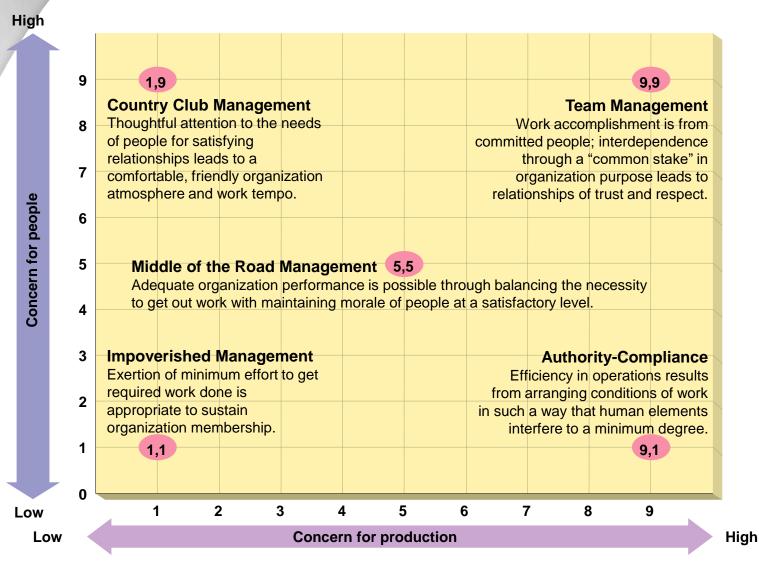
#### **Limitations of Trait Approach**

- Difficulties in generalising traits of leaders.
- Problem of measuring leadership traits.
- Some people who possess leadership traits mentioned in the approach, may not be leaders in reality.
- Leaders are not always born but can be made.

## Behavioural Approach to Leadership

- This approach is an attempt to determine *what effective leaders do* rather than trying to determine who effective leaders are.
- Two basic leadership behaviours identified as important are attention to tasks and attention to people.

#### Blake and Mouton's Managerial Grid



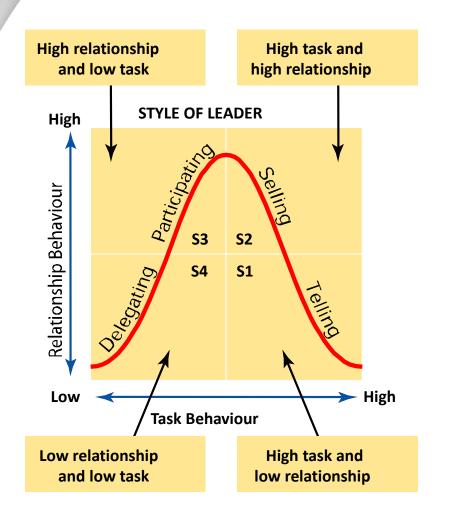
Source: Blake, R. R.,
Mouton, J. S., Louis B..
Barnes, & Larry E..
Greiner.
(1964). Breakthrough in
organization development.
Graduate School of
Business Administration,
Harvard University.

## **Contingency/ Situational Approach to Leadership**

- The leadership style that best contributes to the attainment of organisational goals might *vary* in different types of situations or circumstances.
- No one trait was common to all effective leaders and no one style is effective in all situations. The best leadership style is determined by the situational factors such as;
  - Task requirements
  - Peer expectations and behaviour
  - Employees' characteristics, expectations and behaviour
  - The organisational culture and policies

Stoner et al. (2009)

#### Hersey and Blanchard's Situational Model of Leadership

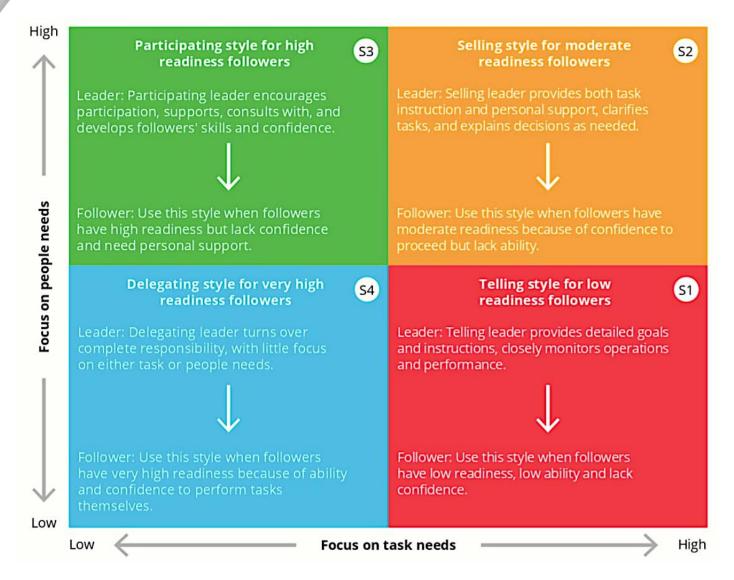


High <b>←</b>	Mode	Low	
<b>S4</b>	<b>S3</b>	S2	<b>S1</b>
Able and willing	Able and unwilling	Unable and willing	Unable and unwilling

**Follower Readiness** 

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## Hersey and Blanchard's Situational Model of Leadership (contd).



## Hersey and Blanchard's Situational Model of Leadership (contd).

- Focuses on the characteristics of followers (readiness) in determining appropriate leadership behaviour.
- Leaders can adopt one of four leadership styles based on a combination of relationship and task behaviour.
- Appropriate style depends on the level of readiness of followers:
  - Follower: unable and unwilling
    - -Leader: needs to give clear and specific directions
  - Follower: unable but willing
    - -Leader: needs to display high task orientation and high relationship orientation
  - Follower: able but unwilling
    - -Leader: needs to use a supportive and participative style
  - Follower: both able and willing
    - -Leader: a laissez-faire approach will work

# Trends in Contemporary Leadership Studies

#### **Charismatic Leadership**





•Charismatic leaders are the leaders who have extra ordinary personalities to inspire and motivate employees to work beyond their normal performance.

- •Act as change agents who bring novel things to the organisations.
- •Strong vision for the future.
- •Charisma can be used for the positive outcomes and also for self-serving purposes.

Source: Google Images

Stoner et al. (2009)

# Transactional Leadership and Transformational Leadership

- Transactional Leadership: Leaders who determine what subordinates need to do to achieve objectives, classify those requirements, and help subordinates to become confident that they can reach their objectives
- **Transformational Leadership**: Leaders who through their personal vision and energy, inspire followers and have a major impact on their organisations

Stoner et al. (2009)

# Questions and Discussion