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# Chapter Eleven:

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## Leadership in Organizational Settings

# Learning Objectives

1. Define leadership and shared leadership.
2. Describe the four elements of transformational leadership and explain why they are important for organizational change.
3. Compare managerial leadership with transformational leadership, and describe the features of task-oriented, people-oriented, and servant leadership.
4. Discuss the elements of path–goal theory and leadership substitutes theory.
5. Describe the two components of the implicit leadership perspective.
6. Identify eight personal attributes associated with effective leaders and describe authentic leadership.
7. Discuss cultural and gender similarities and differences in leadership.

# Leadership Defined

The ability to influence, motivate, and enable others to contribute toward the effectiveness of the organizations of which they are members.

- Leaders motivate and influence others.
- Leaders are enablers.



# Shared Leadership

The view that leadership is a role, not a position assigned to one person.

- Employees lead each other.

Shared leadership flourishes where:

- Formal leaders are willing to delegate power.
- Collaborative (not competitive) culture.
- Employees develop effective influence skills.

# Perspectives of Leadership

Four main perspectives of leadership:

1. Transformational.
2. Managerial.
3. Implicit leadership.
4. Leader attributes.



# Transformational Leadership Model



Exhibit 11.1 Transformational Leadership Model

[Access the text alternative for slide images.](#)

# Features of a Shared Vision

Vision is a positive image of the future that energizes and unifies employees.

## Features:

- Describes an aspirational future with a higher purpose.
- Challenging objective.
- Abstract future state.
- A unifying ideal.



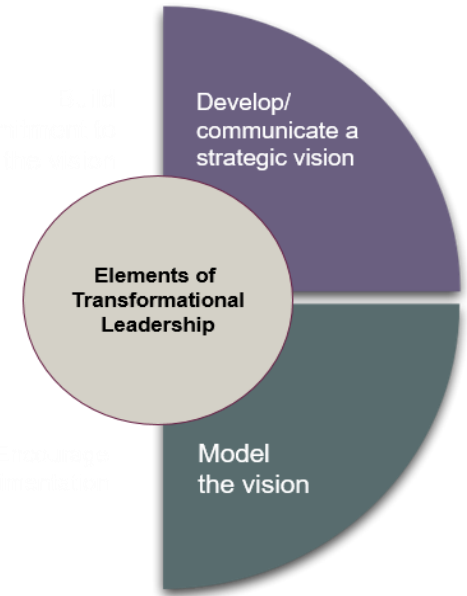
# Transformational Leadership Elements <sup>1</sup>

## 1. Develop/communicate the vision.

- Use symbols, metaphors, symbols.
- Frame the vision.
- Leaders communicate with humility, sincerity, passion.

## 2. Model the vision.

- Enact the vision (“walk the talk”).
- Leader’s own behavior symbolizes, demonstrates the vision.
- Two functions:
  - Legitimizes and demonstrates the vision.
  - Builds employee trust in the leader.



[Access the text alternative for slide images.](#)



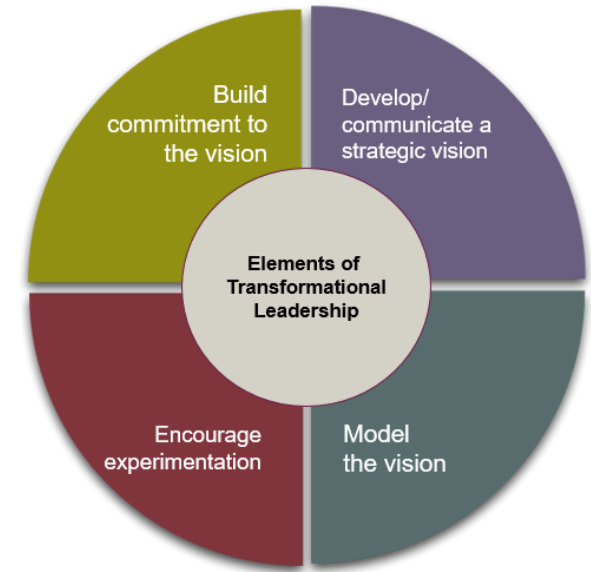
# Transformational Leadership Elements <sup>2</sup>

## 3. Encourage experimentation.

- Encourage questioning current practices.
- Encourage discovering new practices.

## 4. Build commitment to the vision.

- Commitment built from communicating, modeling, and encouraging experimentation.
- Commitment also built through rewards, recognition, celebrations.



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# Transformational Leadership and Charisma

Charismatic leadership differs from transformational leadership.

- Charisma: personal trait, referent power.
- Transformational leadership: set of behaviors that engage followers.
- Charismatic leadership uses referent power to produce dependent followers.
- Transformational leadership uses persuasion and trust to empower followers.

Leaders risk becoming intoxicated by their charisma.

# Evaluating Transformational Leadership

Transformational leaders make difference.

- Higher satisfaction, commitment, performance, OCBs, decisions, creativity.

Transformational leadership limitations:

1. Circular logic.
2. Mixed models (mixes behavior with attributes).
3. Universal theory.

# Managerial Leadership

Daily activities that support/guide the performance/well-being of employees and work unit to support current objectives and practices.

Managerial leadership vs. transformational leadership:

Managerial is **micro**-focused and assumes environment is **stable**.

Transformational is **macro**-focused and assumes environment is **dynamic**.

Transformational and managerial leadership are interdependent.

# Task versus People Leadership Styles

## Task-oriented behaviors:

- Assign work, clarify responsibilities.
- Set goals and deadlines, provide feedback.
- Establish work procedures, plan future work.

## People-oriented behaviors:

- Concern for employee needs.
- Make workplace pleasant.
- Recognize employee contributions.
- Listen to employees.

Both styles are necessary but have different effects.

# Servant Leadership

Serving followers toward their need fulfillment, personal development, and growth.

Selfless, egalitarian, humble, nurturing, empathetic, ethical coaches.

Servant leader characteristics:

1. Natural calling to serve others.
2. Humble, egalitarian, accepting relationship.
3. Ethical decisions and actions.

# Path-Goal Leadership

Contingency model.

- Best style depends on employee and situation.

Self-verification outcomes.

- Clarify P-to-O expectancies.
- Influence outcome valences.
- Facilitate goal achievement.

Four path-goal leadership styles.

- Directive.
- Supportive.
- Participative.
- Achievement-oriented.



# Path-Goal Leadership Model

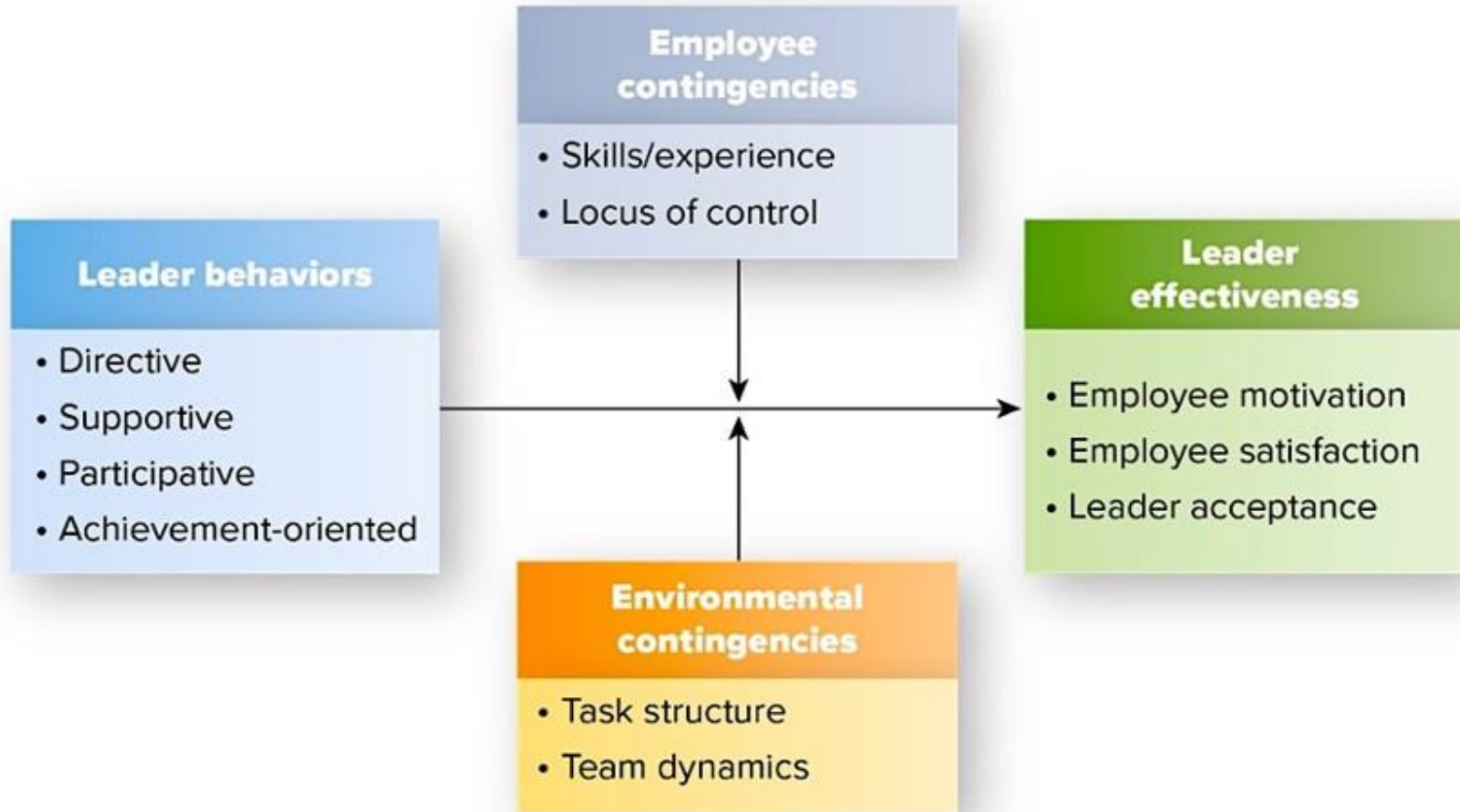


Exhibit 11.3 Path-Goal Leadership Model

[Access the text alternative for slide images.](#)



# Path-Goal Leadership Contingencies

Skill and experience.

- Low: directive and supportive.

Locus of control.

- Internal: participative and achievement.
- External: directive and supportive.

Task structure.

- Nonroutine: directive and/or participative.

Team dynamics.

- Low cohesion: supportive.
- Dysfunctional norms: directive.



# Leadership Substitutes

Contingencies that limit a leader's influence or make a particular leadership style unnecessary.

- Example: Training/experience replace task-oriented leadership.
- Example: Cohesive team replaces supportive leadership.

Research evidence.

- Substitutes help, but don't completely replace leaders.

# Implicit Leadership Perspective

Follower perceptions of effective leaders.

## 1. Leadership prototypes.

- Preconceived beliefs about the features and behaviors of effective leaders.
- Favorable evaluation to leaders who fit the prototype.

## 2. Romance of leadership effect.

- Distort leader's perceived effect on firm's success.
- Reason 1: Simpler explanation of firm's events.
- Reason 2: Need for situational control.

# Personal Attributes of Effective Leaders <sup>1</sup>

## Personality.

- Extroversion, conscientiousness, but other Big Five factors also predict.

## Self-concept.

- Complex, internally consistent, clear self-view as a leader.
- Positive self-evaluation.

## Leadership motivation.

- Motivated to lead others.
- Strong need for socialized power.

## Drive.

- Moderately high achievement need.
- Inquisitiveness, action-oriented, boldness.

# Personal Attributes of Effective Leaders <sup>2</sup>

## Integrity.

- Truthfulness, consistent words/actions.
- Apply personal values.

## Knowledge of the business.

- Understand firm's environment.
- Understand firm's internal workings.

## Cognitive and Practical Intelligence.

- Above average cognitive ability to analyze choices/opportunities.
- Practical intelligence.

## Emotional Intelligence.

- Recognize/regulate emotions in self and others.

# Authentic Leadership

## Know yourself.

- Engage in self-reflection.
- Receive feedback from trusted sources.
- Understand inner purpose.

## Be yourself.

- Develop your own style.
- Self-discipline – anchor around personal values.
- Maintain a strong, positive self-evaluation.



# Leader Attributes Perspective Limitations

1. Assumes a universal approach.
2. Different combinations of attributes may be equally good.
3. Views leadership within person, whereas leadership is relational.
4. Link between attributes and effective leadership is muddled by implicit leadership.
5. Attributes indicate only leadership potential, not performance.

# Cultural and Gender Issues in Leadership

## Societal cultural values and practices:

- Shape leader's values/norms.
- Influence leader's decisions and actions.
- Shape follower prototype of effective leaders.

## Gender issues in leadership:

- Similar task- and people-oriented leadership across genders.
- Female leaders use more participative leadership.
- Women perform better on emerging leadership, but gender stereotypes affect followers' evaluation of female leaders.





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