Chapter 11: Leadership

Managers ≠Leadership *(ability to influence a group toward achievement of goals)*

Managers: promote stability, implement vision & strategy, coordinate and staff org, day-to-day problems

Leaders: press for change, provide vision and strategy

	MANAGEMENT	LEADERSHIP
1.	Engage in day-to-day caretaker activities: Maintain & allocate resources	Formulate long-term objectives for reforming the system: Plan strategy and tactics
2.	Exhibit supervisory behaviour: Act to make others maintain standard job behaviour	Exhibit leading behaviour: Act to bring about change in others congruent w/ long-term objectives
3.	Administer subsystems within org's	Innovate for entire org
4.	Ask how and when to engage in standard practice	Ask what and why to change standard practice
5.	Act within established culture of org	Create vision and meaning for org
6.	Use transactional influence: Induce compliance in manifest behaviour using rewards, sanctions, and formal authority	Use transformational influence: Induce change in values, attitudes, behaviour using personal e.g.'s and expertise
7.	Rely on control strategies to get things done by subordinates	Use empowering strategies to make followers internalize values
8.	Status quo supporter and stabilizer	Status quo challenger and change creator

(Rabindra Kanungo)

LEADERSHIP AS SUPERVISION

- **Trait** theories: leaders have a particular set of traits that make them different from nonleaders
- **Behavioural** theories: particular behaviours make for better leaders
- **Contingency** Theories: situation has effect on leaders

Trait Theories: Are Leaders Different from Others? (selecting the "right" ppl for formal positions)

trait theories of leadership = theories that propose traits—personality, social, physical, intellectual—differentiate leaders from nonleaders

- ambition & energy
- desire to lead
- honesty & integrity
- self-confidence
- intelligence
- high self-monitoring
- job-relevant knowledge

- traits can predict leadership\
- traits predict better emergence of leaders & appearance of leadership, rather than distinguishing btwn effective & ineffective leaders
- various leadership reviews subsume under Big Five factors (CH.2)
  - *most important trait: extraversion *most irrelevant: agreeableness & emotional stability

Emotional Intelligence & Leadership

- EI → better predictor of who will emerge as leader (better than IQ, expertise)
- 5 components of EI (self-awareness, self-management, self-motivation, empathy, social skills)
- IQ & technical skills – "threshold capabilities"
- the higher the rank, the more EI capabilities needed for effectiveness

What Types of Traits are Preferred in Leaders?

- universally liked attributes should be used by leaders working in any culture
- universally disliked attributes should be avoided by leaders
- attributes categorized by wide disagreement should be used cautiously, based on demands of specific cultures

Leader Attribute Universally Liked	LAs Universally Disliked	LAs over which there's Most Disagreement
• trustworthy • dynamic • motive arouser • decisive • intelligent • dependable • plans ahead • excellence oriented • team builder • encouraging	• non-cooperative • irritable • egocentric • ruthless • dictatorial • loner/self-centred	• subdued • intragroup conflict avoider • cunning • sensitive • provocateur • self-effacing • willful

Behavioural Theories: Do Leaders Behave in Particular Ways? (training ppl to be leaders)

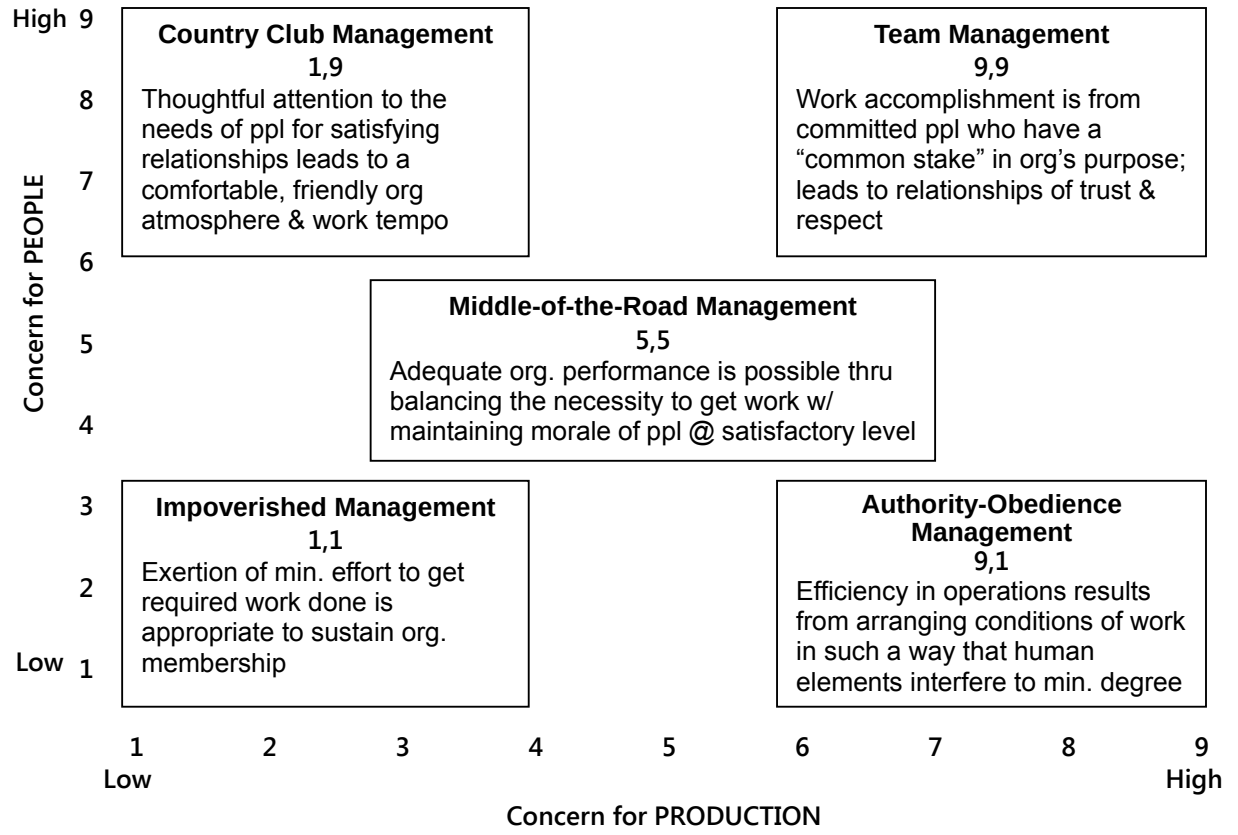
behavioural theories of leadership = …that specific behaviours differentiate leaders from nonleaders

- all consider 2 main dimensions to characterize managers: *attention to production* & *attention to ppl*

2 DIMENSIONS OF LEADERSHIP BEHAVIOUR

The Ohio State Studies	**Initiating structure**	*extent to which leader is likely to define and structure his role & roles of employees in order to attain goals*	behaviour that attempts to organize work, work relationships, goals
	Consideration	*… leader is likely to have job relationships characterized by mutual trust, respect for employees' ideas, regard for their feelings*	high consideration → concern for employees' comfort, well-being, status, satisfc'n
The Michigan Studies	**Employee-Oriented**	*(leader who) emphasizes interpersonal relations*	- personal interest in needs of subordinates - accept individual diff's of members
	Production-Oriented	*(leader who) emphasizes technical / task aspects of the job*	main concern: accomplish group's tasks; members were a only a means to that end
Managerial (Leadership) Grid	**"concern for ppl"**	consideration (Ohio State) employee oriented (Michigan)	5 emphasis: • Impoverished Management (1,1) • Authority-Obedience Management (9,1) • Middle-of-the-Road Management (5,5) • Country Club Management (1,9) • Team Management (9,9)
	"concern for production"	initiating structure (Ohio State) production-oriented (Michigan)	

The Managerial Grid



RESEARCH: When should leaders be production-oriented? People-oriented?

- When subordinates exp. a lot of <u>pressure</u> b/c of deadlines / unclear tasks
  → Ppl-oriented leaders INC. employee satisfc'n & performance
- When <u>task</u> is <u>interesting / satisfying</u> → less need for leaders to be ppl-oriented
- When it's <u>clear how to perform</u> the task and what the <u>goals</u> are
  → ppl-oriented leaders INC. employee satisfc'n (while those task-oriented dec. satisfc'n)
- When ppl <u>don't know what to do</u>, or individuals <u>don't have the knowledge/skills</u> to do the job
  → leaders should be production-oriented

Contingency Theories: Does the Situation Matter?

- leadership style *depends* upon situation

situational (contingency) theories = propose leadership effectiveness is dependent on the situation

Variables include:

- degree of structure in task being performed
- quality of leader-member relations
- leader's position power
- employees' role clarity
- group norms
- info availability
- employee acceptance of leader's decisions
- employee maturity

4 situational theories:(1) Fiedler contingency model

(2) Hersey and Blanchard's situational leadership theory

(3) Path-goal theory

(4) Substitutes for leadership

***Fiedler* Contingency Model**

= theory that proposes effective group performance depends upon proper match btwn leader's style & degree to which situation gives control to the leader

*Least Preferred Co-worker (LPC) Questionnaire:

determine whether individuals were primarily interested in good personal relations w/ co-workers (*relationship oriented*), OR primarily interested in productivity (*task oriented*)

- assumes an individual's leadership style is fixed

  → therefore, if situation requires task-oriented leader but the leader is relationship oriented, situation must be modified / or leader be replaced, in order to achieve optimum effectiveness

3 Contingency Dimensions that define situation:

- Leader-member relations

  degree of confidence, trust, respect members have in their leader
- Task structure

  degree to which job assignments are procedurized (structured / unstructured)
- Position power

  degree of influence leader has over power variables (hiring, firing, discipline, promotions, salary)

- better leader-member relations, highly structured the job, stronger position power → more leader control
- task-oriented leaders perform best in situations of high & low control

  relationship-oriented leaders perform best in moderate control situations

***Hersey* & *Blanchard*'s Situational Leadership Theory (SLT)**

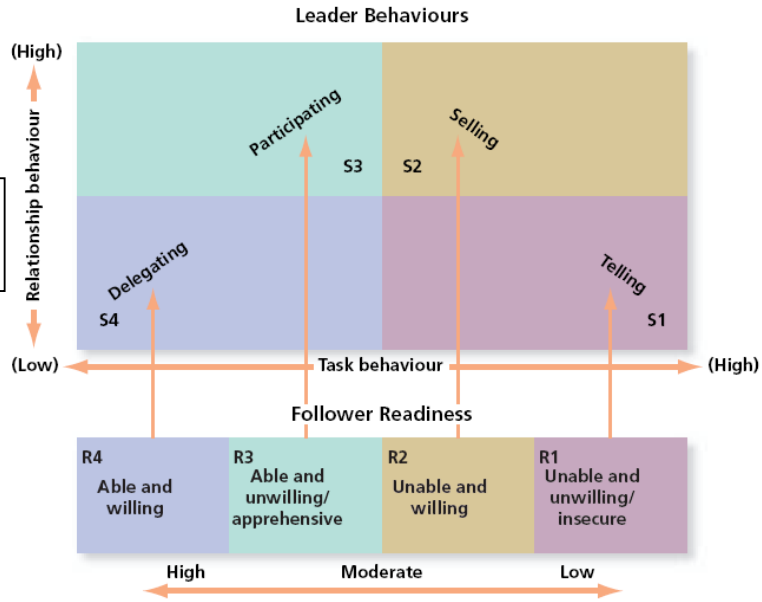
= …effective leaders adapt their leadership style according to how willing/able follower is to perform tasks

- leader-follower relationship: analogous to that btwn parent & child: as child (follower) becomes more mature, parent (leader) needs to relinquish control

4 leader behaviours: (highly directive ⟷ highly laissez-faire/*free of regulations*)

FOLLOWER READINESS		LEADER BEHAVIOURS	
R1	*Unable & Unwilling/insecure*	Telling (be highly directive)	give clear & specific directions
R2	*Unable & Willing*	Selling the task	high task orientation (compensate for lack of ability) & high relationship orientation (get follower to "buy into" leader's desires)
R3	*Able & Unwilling*	Participating	use supportive & participative style
R4	*Able & Willing*	Delegating	doesn't need to do much (laissez-faire approach will work)

Hersey & Blanchard's Situational Leadership Theory (SLT)



Path-Goal Theory *(Evans)* (expectancy theory + Ohio State leadership research)

= …it's the leader's job to assist followers in attaining their goals & to provide the necessary direction &/ support to ensure that their individual goals are compatible w/ the overall goals

**path-goal* → leaders clarify path, help followers get to achievement of work goals, make journey along the path easier by reducing roadblks & pitfalls

To be effective, leaders should:

- *Determine the outcomes subordinates want* (good pay, job security, interesting work, autonomy)
- *Reward individuals w/ their desired outcomes* when they perform well
- *Let individuals know what they need to do to receive rewards* (path to the goal), remove barriers that would prevent high performance, express confidence that they have ability to perform well

→ be clear w/ expectations

Leadership Behaviours to Motivate ppl:

Directive leader *(Ohio State: initiating structure)*	- inform followers of expectations - schedule work, show how to accomplish tasks - best used when ppl have difficulty doing tasks or tasks ambiguous - NOT helpful when used w/ ppl already highly motivated, have skills, and understand task requirements
Supportive leader *(Ohio State: consideration)*	- friendly, show concern for followers' needs, well-being, status - use when individuals are under stress or show they need support
Participative leader	- consult w/ followers & use their suggestions before making decision - best used when ppl need to buy in to decisions
Achievement-oriented leader	- set challenging goals, seek improvement in performance - expect followers to perform @ highest level - work well w/ ppl who like challenges / highly motivated - less effective w/ less capable / stressed ppl

2 contingency variables affect behaviour-outcome relationship:

1) environmental variables outside employee's control &

2) variables that are part of employee's personal characteristics

- employee performance & satisfc'n likely +vely influenced when leader compensates for what's lacking in employee & work setting

  *BUT, doing so to experienced/skilled employees → redundant, insulting

CONTENGENCY FACTORS

Leader Behaviour	Environmental	Outcomes
• Directive • Supportive • Participative • Achievement-oriented	• Task structure • Formal authority system • Work group	• Performance • Satisfc'n

Subordinate
• Locus of control • Experience • Perceived ability

*not everyone can adjust behaviour to various situations (some adaptable [self-monitors], some consistent)

Substitutes for Leadership

- certain individual, job, and org. variables can act as *substitutes* for leadership or *neutralize* leader's ability to influence his followers (sometimes leader's actions are irrelevant!)

Substitutes & Neutralizers for Leadership

CHARACTERISTICS OF INDIVIDUAL	EFFECT ON LEADERSHIP
Experience/training	Substitutes for task-oriented leadership
Professionalism	Substitutes for relationship-oriented & task-oriented leadership
Indifference to rewards	Neutralizes relationship-oriented and task-oriented leadership

CHARACTERISTICS OF JOB	EFFECT ON LEADERSHIP
Highly structured work	Substitutes for task-oriented leadership
Provides own feedback	Substitutes for task-oriented leadership
Intrinsically satisfying	Substitutes for relationship-oriented leadership

CHARACTERISTICS OF ORG.	EFFECT ON LEADERSHIP
Explicit formalized goals	Substitutes for task-oriented leadership
Rigid rules & procedures	Substitutes for task-oriented leadership
Cohesive work groups	Substitutes for relationship-oriented & task-oriented leadership

Qualities of Effective Followers

- ineffective followers may be of handicap to org than ineffective leaders
- Manage themselves well

  able to think for themselves; work independently & w/o close supervision
- Committed to a purpose outside themselves

  committed to a cause/product/team/org in addition to the care of their own lives; most ppl enjoy working w/ colleagues who are emotionally & physically committed to their work
- Build competence, Focus their efforts for max. impact

  master skills useful for org & hold higher performance standards than their job/work group requires
- Courageous, honest, credible

  independent, critical thinkers whose knowledge & judgment can be trusted; hold high ethical standards, give credit where credit is due, not afraid to own up to mistakes

INSPIRATIONAL LEADERSHIP

From Transactional to Transformational Leadership

Transactional Leaders	= *leaders who guide / motivate followers in direction of established goals by clarifying role & task requirements* - use rewarding & recognizing behaviours - results in performance that meets expectations but not exceed - some may emphasize correction & possibly punishment → results in performance below expectations, discourage innovation & initiative
Transformational Leaders	= *inspire followers to go beyond their own self-interests for the good of the org, and have a profound & extraordinary effect on their followers* - pay attention to concerns & developmental needs of followers - change followers' awareness of issues by helping them look at old problems in new ways - excite, arouse, inspire followers to exert extra effort to achieve group goals

Charismatic leadership = …critically examines status quo w/ a view to developing & articulating future strategic goals or vision for the org, and then leading org. members to achieve these goals thru empowering strategies

- all charismatic leaders are transformational, BUT NOT all transformational leaders are charismatic
- transformational leadership produces levels of employee effort & performance that go beyond what would occur w/ transactional approach

Transactional Leader	Transformational Leader
Contingent rewards: contract exchange of rewards for effort, promise rewards for good performance, recognize accomplishments	Charisma: provide vision & sense of mission, instill pride, gain respect & trust
Management by exception (active): watch & search for deviations from rules & standards, take corrective action	Inspiration: communicate high expectations, use symbols to focus efforts, express important purposes in simple ways
Management by exception (passive): intervene only if standards not met	Intellectual stimulation: promote intelligence, rationality, careful problem solving
Laissez-faire: abdicate responsibilities, avoid making decisions	Individualized consideration: give personal attention, treat each employee individually, coach, advise

Sharing a Vision

- articulate vision: key component of transformational & charismatic leadership
- vision: inspirational possibilities that are value-centred and realizable, w/ superior imagery & articulation
  - coffer new order that can produce org. distinction
  - fail if it doesn't offer view of future that's better for org
- ppl in org must believe that the vision is challenging yet doable

RESEARCH:

Impact of charismatic / transformational leadership:

Company Performance

- visionary companies performed better
- transformational leaders had higher business unit performance results
- charismatic leaders led more profitable companies

Individual Performance

- ppl working for charismatic leaders are motivated to exert extra work effort & more satisfied
- transformational leaders are more strongly correlated than transactional leadership w/ lower turnover rates, higher productivity, higher employee satisfc'n, stronger bonds of loyalty
- charismatic leadership had greater impact on team performance than individual performance

Transformational Leadership Styles Across Cultures

- charismatic leadership is similar in many countries (Canada, Hungary, India, Singapore…)
- leaders all used visioning, coaching, stimulating (encourage new ideas)
- US leaders more likely to correct employees' behaviour than Far Eastern or Latin
- Americans used team building more often than Asians
- Far Eastern less likely to include recognition as part of encouragement strategy than S. European

Downside of Charismatic Leadership

- charismatic leader may become a liability to an org, thus:
  may be unable to listen to others
  may become uncomfortable when challenged by aggressive employees
  may begin to hold unjustifiable belief in his "rightness"
- silences criticism
- potential to lead to corporate scandals
- may be too ego-driven

level 5 leaders = leaders who are fiercely ambitious & driven, but their ambition is directed toward their company rather than themselves

1. individual capability
2. team skills
3. managerial competence,
4. ability to stimulate others to high performance
5. paradoxical blend of personal humility and professional will

- channel ego needs away from themselves & into goal of building great company
- took responsibility for mistakes, gave credit for successes to others
- prided themselves on developing strong leaders inside firm
- highly effective
- therefore, leaders do NOT have to be charismatic to be effective

▌DISPERSED LEADERSHIP: SPREADING LEADERSHIP THROUGHOUT THE ORAGANIZATION

- sharing power inc. one's power (enable building coalitions & teams)

Mentoring

mentor = senior employee who sponsors & supports a less-experienced employee

- coaching (help develop protégés skills), counseling (provide support, help bolster protégés' confidence), sponsorship (intervene on behalf of protégés, lobby to get protégés assignments, politic to get protégés rewards)
- share exp's, act as role models, share contacts, provide guidance & advice, makes appropriate intros
- some org's have formal / informal mentoring programs
- most effective when mentoring relationship is outside boss-subordinate context
- protégés often more motivated, successful, and satisfied if mentor exists
- ☹ BUT, minorities & women less likely to receive mentors b/c mentors tend to select protégés who are similar to themselves

Why Be a Mentor?

- unfiltered access to attitudes/feelings of lower-ranking employees
- protégés as excellent source of info on problems
- provide early warning signals to managers
- provide personal satisfc'n

Providing Team Leadership

- role of team leader is diff. from traditional leadership roles
- effective team leaders: build commitment & confidence create opportunities
  remove obstacles be part of the team
- needed skills: patience to share info ability to give up authority
  willingness to trust others understanding of when to intervene

Role of Team Leaders

- 2 priorities: *managing team's external boundary* & *facilitating team process*

- *Liaisons w/ external constituencies* (upper mngmnt, other internal teams, customers, suppliers)
  leader represents team to other constituencies, secures needed resources, clarifies others' expectations of team, gathers info from outside, shares info w/ team members
- *Troubleshooters*
  leader sit in on mtgs to help resolve problems; contribute by asking penetrating questions, helping team discuss problems, getting needed resources from external constituencies
- *Conflict managers*
  leader helps process conflict by getting team members to address questions (e.g. "What's the source of conflict?" "Who's involved?" "What are the issues?" "What resolution options available?")
  → minimize disruptive aspects of conflict
- *Coaches*
  clarify expectations & roles; teach; offer support; cheerlead; help members improve performance

▌LEADING ONE'S SELF

Self-Leadership (Self-Management)

4 Behaviours: planning, access management, catch-up activities, emotions management

- set goals, plan & implement tasks, evaluate performance, solve own problems, motivate selves
- factors that call for self-leadership: reduced level of supervision offices in home teamwork
  employment that requires making decisions on the spot
- look for opportunities to be more effective in workplace & improve career success
- self-reinforced behavior maintained @ higher rate than externally regulated

How do Leaders Create Self-leaders?

- *Model self-leadership*
  practice self-observation, self-direction, self-reinforcement; set challenging goals; display these behaviours, and encourage others to rehearse & then produce them
- *Encourage employees to create self-set goals*
  support them in developing quantitative, specific goals

- *Encourage use of self-rewards to strengthen & inc. desirable behaviours*
  limit self-punishment only to occasions when employee has been dishonest/destructive
- *Create +ve thought patterns*
  encourage employees to use mental imagery and self-talk to further stimulate self-motivation
- *Create climate of self-leadership*
  redesign work to inc. natural rewards of a job & focus on these naturally rewarding features of work to inc. motivation
- *Encourage self-criticism*
  encourage individuals to be critical of their own performance

Leading Without Authority

- exhibiting leadership behaviour even tho you do not have formal position/title that might encourage others to obey

Benefits:

- *Latitude for Creative Deviance*
  when person does not have authority → easier to raise harder questions & look for less traditional solutions
- *Issue Focus*
  can focus on a single issue (rather than be concerned w/ many issues like those w/ authority)
- *Front-line Info*
  individual closer to detailed exp's of some of the stakeholders, & have more info available to him

COMTEMPORARY ISSUES IN LEADERSHIP

Moral Leadership

- transformational leaders → when they try to change attitudes/behaviours of followers → moral?
- unethical leaders are likely to use charisma to enhance power over followers for self-serving ends
- ethical leadership must address content of a leader's goals

Moral Foundation of Leadership:

- *Truth Telling* (allows mutual, fair exchange to occur)
- *Promise Keeping* (be careful of commitments you make and keeping those commitments)
- *Fairness* (being equitable ensures that followers get their fair share for their contributions to org)
- *Respect for the Individual* (doing all 3 above → show respect for followers)

Gender & Leadership

How Many Women Make It to the Top?

- women are a minority in managerial positions

Promotion Similarities & Differences – ♀ vs. ♂

- promotion for men♂: supervisors feel comfortable w/ candidates - 75%; women: only 23%
- women: more important to exhibit personal strength & willingness to take risks, accept responsibility
- men♂: more likely to be promoted into new opportunities;
  women♀: more likely to be promoted into areas where they can continue using existing knowledge
- men♂ & women♀ evaluated diff.ly: e.g. men's lack of exp → "untested potential"
  but women → "unprepared for promotion"
- more men♂ than women♀ viewed that org's actively communicate w/ employees
- women♀: less likely to state that their companies established policy of inclusion
- women's♀ wages < men's

Similarities & Differences in Women's & Men's Leadership Styles

- similarities > differences
- even tho men have been majority of leadership positions, they are NOT automatically the best leaders (women often better at many leadership skills, *e.g. listen, provide support, motivate, share info, interpersonal, trust*)
- although research has shown that men & women tend to be equally effective as leaders, more and more women are rated higher in effectiveness

SIMILARITIES	DIFFERENCES
✓ leadership traits ✓ those who achieve formal leadership positions in org's tend to be more alike	✓ leadership traits ✓ ♀women: (more democratic leadership style) • more strong in managing interpersonal relationships • use more consensual approach • tend to adopt style of shared leadership (encourage participation, share info, try to enhance followers' self-worth) • prefer to lead thru inclusion • rely on charisma, expertise, contacts, interpersonal skills to influence others ✓ ♂men: • directive command-and-control style • rely on formal authority of position

Online Leadership

- increasing telecommuting, contracting out, globalization
- nonverbal component (smile, comforting gestures) does not exist w/ online interactions
  → structure of words in digital comn'n can motivate / de-motivate receiver
- be careful about tone of email (do they correctly reflect the intended emotions?)
- physical distance → employees feel isolated, forgotten, not cared about → productivity ↓
  & more difficult to develop quality manager-employee relationship
- comm'n does NOT have to be done face to face, as long as vision is communicated clearly