

LEADERSHIP



A Leadership Story:

**“Management is doing things right,
leadership is doing the right things”**

(Warren Bennis and Peter Drucker)

What Is Leadership?

Leadership

The ability to influence a group toward the achievement of goals.

Management

Use of authority inherent in designated formal rank to obtain compliance from organizational members.



Definitions

- **Leadership has been described as the “process of social influence in which one person can enlist the aid and support of others in the accomplishment of a common task”.**
- **Leadership is the art of getting someone else to do something you want done.**
- **while leaders set the direction, they must also use management skills to guide their team to the right destination in a smooth and efficient way.**

what is the difference between leadership and management?

- **The difference between leadership and management is:**
 - **Leadership is setting a new direction or vision for a group that they follow.**
 - ex: a leader is the spearhead for that new direction
 - **Management controls or directs people/resources in a group according to principles or values that have already been established.**

➤ ***Leadership without management***

•...sets a direction or vision that others follow, without considering too much how the new direction is going to be achieved. Other people then have to work hard in the trail that is left behind, picking up the pieces and making it work.

➤ ***Management without leadership***

- ...controls resources to maintain the status quo or ensure things happen according to already-established plans.
 - **Ex: a referee manages a sports game, but does not usually provide "leadership" because there is no new change, no new direction - the referee is controlling resources to ensure that the laws of the game are followed and status quo is maintained.**

LEADERSHIP THEORIES

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graph TD; A[LEADERSHIP THEORIES] --> B[Trait Theories]; A --> C[Behavioral Theories]; A --> D[Contingency Theories]; A --> E[New Theories]; C --> C1[•Ohio State Studies]; C --> C2[•Uni. Of Michigan State]; D --> D1[•Fiedler Model]; D --> D2[•Hersey and Blanchard's Situational Theory]; D --> D3[•Path Goal Theory]; E --> E1[•Leader Exchange Theory];
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Trait Theories

Behavioral Theories

- Ohio State Studies
- Uni. Of Michigan State

Contingency Theories

- Fiedler Model
- Hersey and Blanchard's Situational Theory
- Path Goal Theory

New Theories

- Leader Exchange Theory

Trait Theories

Traits Theories of Leadership

Theories that consider personality, social, physical, or intellectual traits to differentiate leaders from non-leaders.

Leadership Traits:

- Ambition and energy
- The desire to lead
- Honest and integrity
- Self-confidence
- Intelligence
- High self-monitoring
- Job-relevant knowledge

Behavioral Theories

Behavioral Theories of Leadership

Theories proposing that specific behaviors differentiate leaders from non-leaders.

- **Trait theory:**
Leaders are born, not made.
- **Behavioral theory:**
Leadership traits can be taught.

Ohio State Studies

- **A famous series of studies on leadership were done in Ohio State University, starting in late 1940's They found two critical dimensions**
- **The research was based on questionnaires to leaders and subordinates. These are known as the Leader Behavior Description Questionnaire (LDBQ), which was designed to discover how leaders carry out their activities, and the Supervisor Behavior Description Questionnaire (SDBQ).**

Ohio State Studies

Initiating Structure

The extent to which a leader is likely to define and structure his or her role and those of sub-ordinates in the search for goal attainment.



Consideration

The extent to which a leader is likely to have job relationships characterized by mutual trust, respect for subordinate's ideas, and regard for their feelings.

Ohio State Studies

- The first element was tagged *Initiating Structure* and deals with *Task Behavior*, focusing on production issues.
 - **Example: measuring production output.**
- The second element, *Consideration for Workers*, focused on the human side of the business and was also called *Relationship Behavior*.
 - **Example: orientation of new employees**
- An important finding of the Ohio State studies was that these two dimensions are independent.
 - **This means that *consideration for workers* and *initiating structure* exist simultaneously and in different amounts. A matrix was created that showed the various combinations and quantities of the elements.**

University of Michigan Studies

- **A series of studies on leadership were done in Michigan University, the focus of the Michigan studies was to determine the principles and methods of leadership that led to productivity and job satisfaction. Two types of leadership behaviors were identified:**
 - **employee orientation (stress the human-relations aspect, employees are viewed as human beings with personal needs)**
 - **production orientation (stress on the technical and production aspects of the job, employees viewed as the means of getting the work done).**

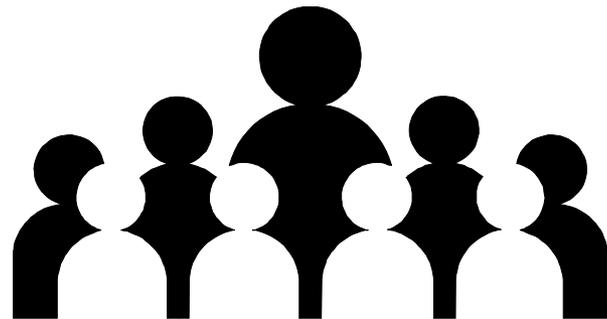
University of Michigan Studies

Employee-Oriented Leader

Emphasizing interpersonal relations; taking a personal interest in the needs of employees and accepting individual differences among members.

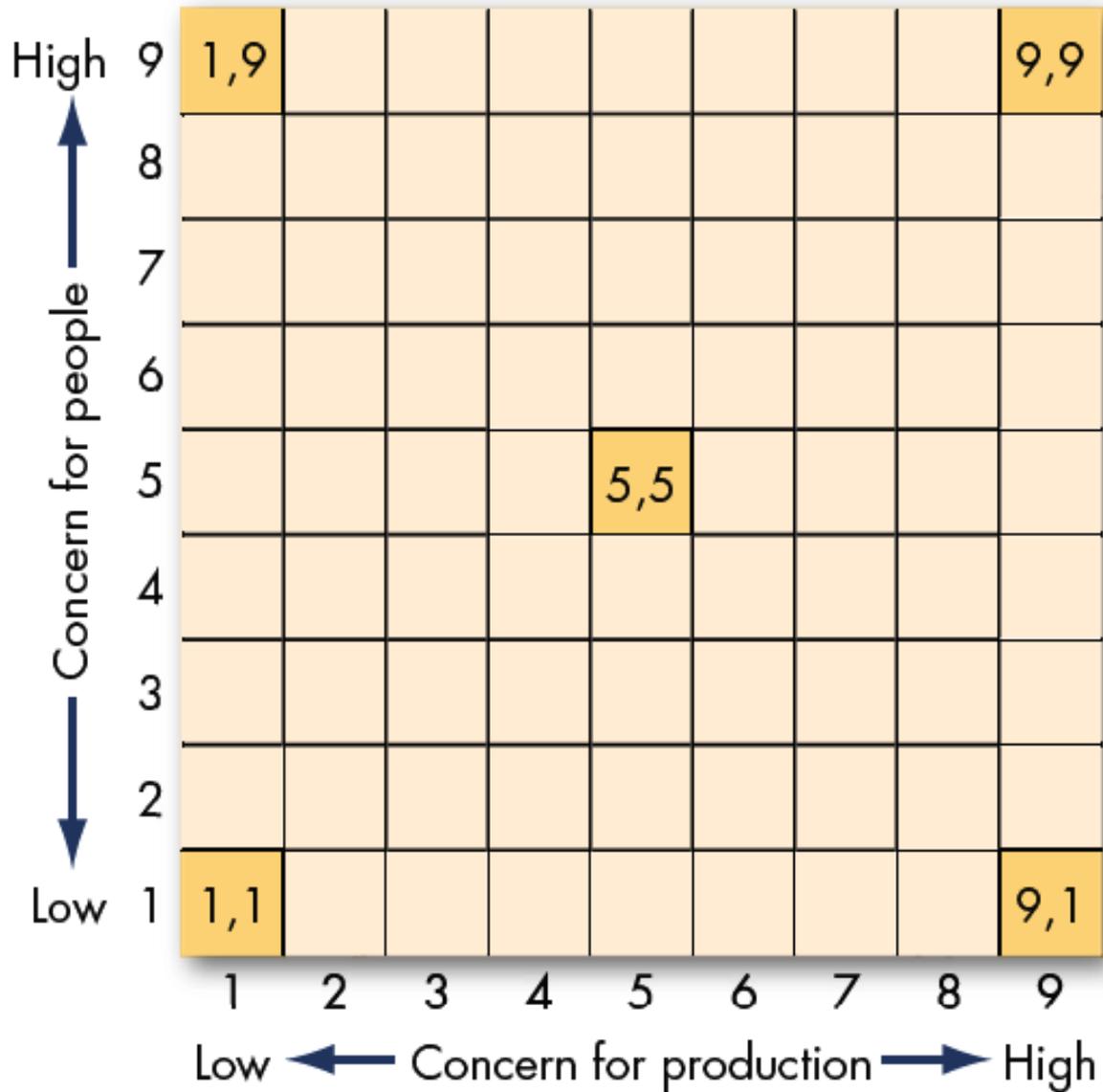
Production-Oriented Leader

One who emphasizes technical or task aspects of the job.



University of Michigan Studies

- **Leaders with an employee orientation showed genuine concern for interpersonal relations. Those with a production orientation focused on the task or technical aspects of the job.**
- **The conclusion of the Michigan studies was that an employee orientation instead of close supervision yielded better results.**



The Managerial Grid (Blake and Mouton)

A nine-by-nine matrix outlining 81 different leadership styles.

Contingency Theories

- **The leader's ability to lead is contingent upon various situational factors, including the leader's preferred style, the capabilities and behaviors of followers and also various other situational factors.**
- **Contingency theories contains that there is no one best way of leading and that a leadership style that is effective in some situations may not be successful in others.**

Fiedler's Contingency Model

- **Proposed by the Austrian psychologist Fred Edward Fiedler.**
- **Fiedler relates the effectiveness of the leader to aspects of the group situation. Fred Fiedler's Contingency Model also predicts that the effectiveness of the leader will depend on both the characteristics of the leader and the favorableness of the situation.**

Contingency Theories

Fiedler's Contingency Model

The theory says that effective groups depend on a proper match between a leader's style of interacting with subordinates and the degree to which the situation gives control and influence to the leader.

Least Preferred Co-Worker (LPC) Questionnaire

An instrument that measures whether a leader is task- or relationship-oriented.



Fiedler's Model: Defining the Situation

Leader-Member Relations

The degree of confidence, trust, and respect subordinates have in their leader.

Task Structure

The degree to which the job assignments are procedurized (structured or unstructured).

Position Power

Influence derived from one's formal structural position in the organization; includes power to hire, fire, discipline, promote, and give salary increases.

Cognitive Resource Theory

- **A theory of leadership that states that stress can unfavorably affect a situation and that intelligence and experience can lessen the influence of stress on the leader.**
- **When stress level is low leader is directive and intelligence is important for leader's effectiveness.**

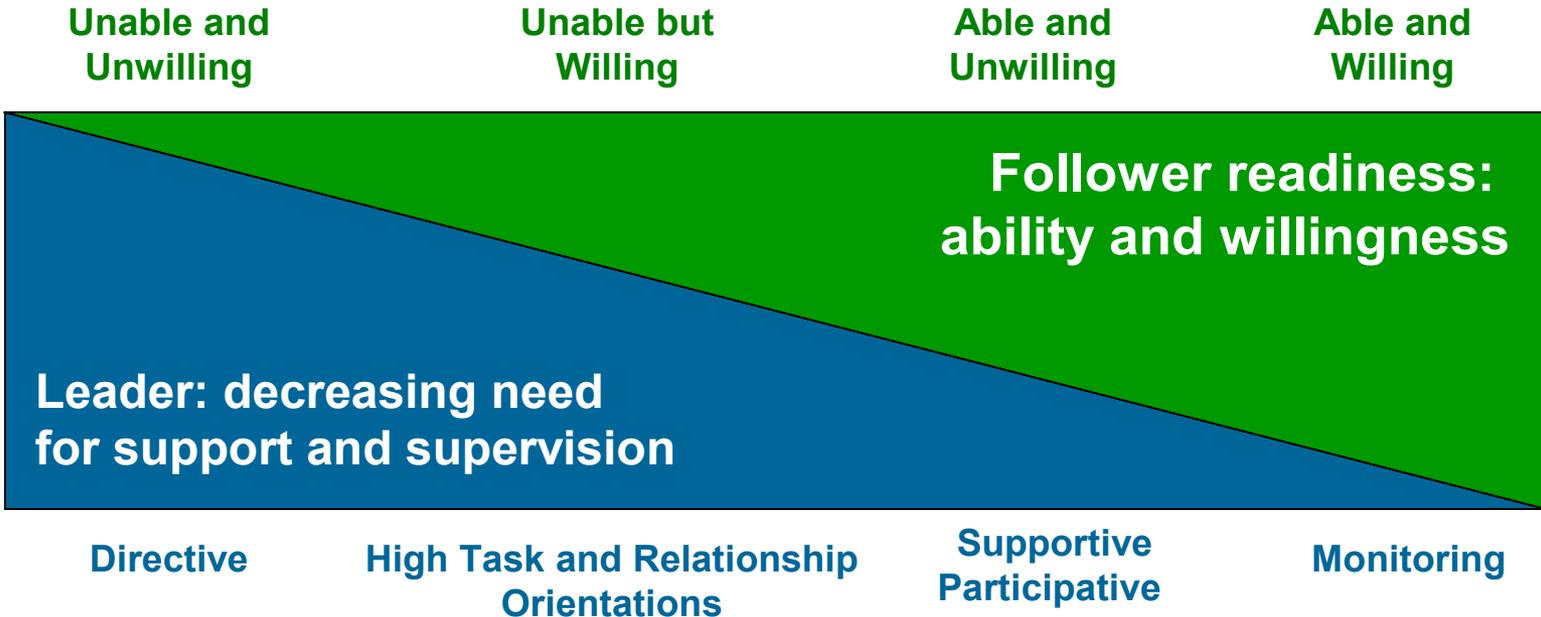
Hersey and Blanchard's Situational Leadership Theory

- For Hersey and Blanchard the key issue in making these adjustments is follower maturity, as indicated by their readiness to perform in a given situation.
- “Readiness,” in this sense, is largely based on two major factors – follower ability and follower confidence.
- Hersey and Blanchard believe that leaders should be flexible and adjust their styles as followers and situations change over time.

Hersey and Blanchard's Situational Leadership Theory

Situational Leadership Theory (SLT)

A contingency theory that focuses on followers' readiness.



Leadership Styles and Follower Readiness (Hersey and Blanchard)

➤ **Participating Style—**

- **Emphasizing shared ideas and participative decisions on task directions; this is a low-task, high-relationship style.**

➤ **Delegating Style—**

- **Allowing the group to take responsibility for task decisions; this is a low-task, low-relationship style.**

➤ **Selling Style—**

- **Explaining task directions in a supportive and persuasive way; this is a high-task, high-relationship style.**

➤ **Telling Style—**

- **Giving specific task directions and closely supervising work; this is a high-task, low-relationship style.**

Leader–Member Exchange Theory

Leader-Member Exchange (LMX) Theory

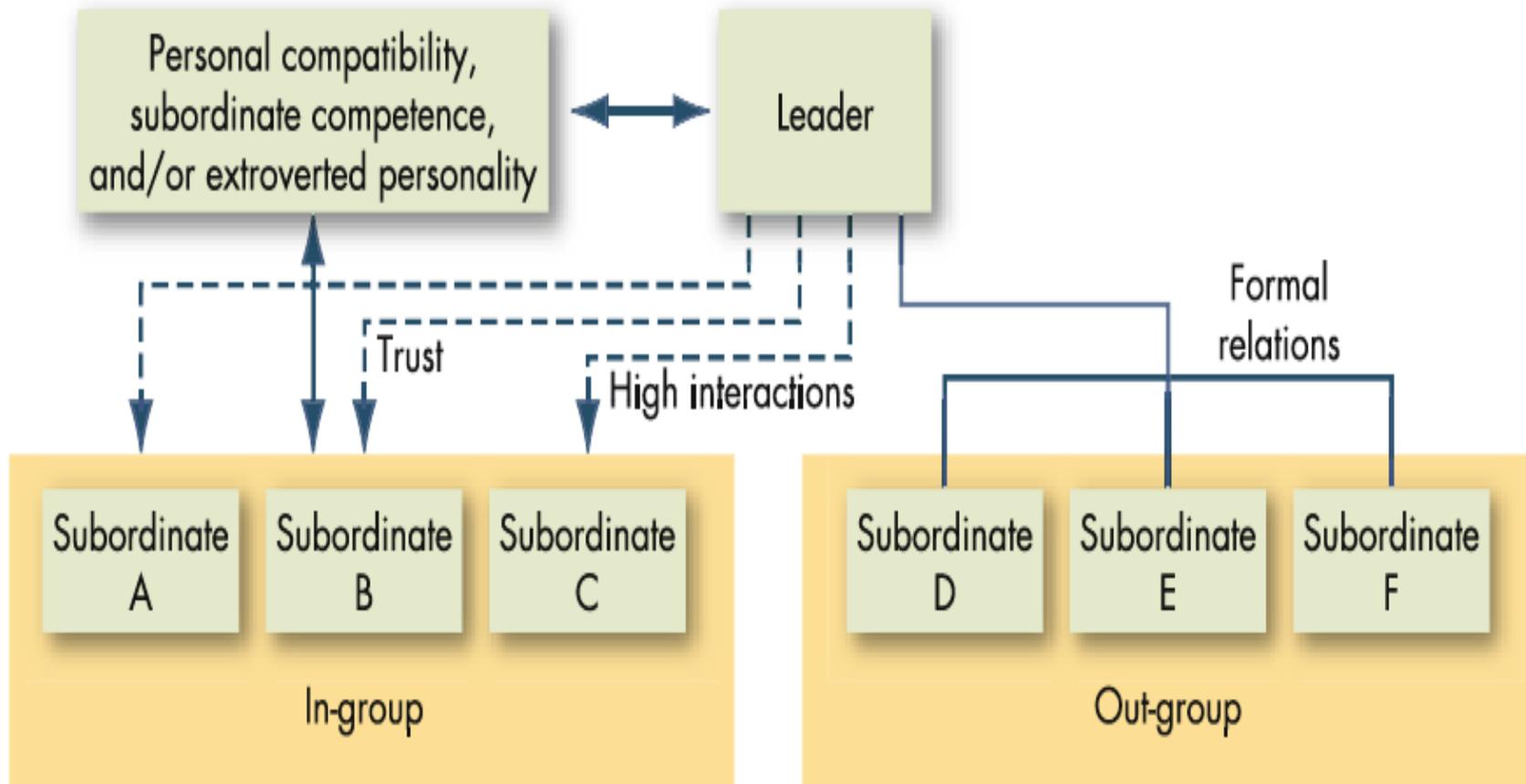
Leaders create in-groups and out-groups, and subordinates with in-group status will have higher performance ratings, less turnover, and greater job satisfaction.



Leader–Member Exchange Theory

- **One of the things you may have noticed in your work and study groups is the tendencies of leaders to develop “special” relationships with some team members.**
- **This tendency is central to leader-member exchange theory, or LMX theory as it is often called.**
- **The theory basically recognizes that in most, or at least many, leadership situations not everyone is treated the same by the leader.**
- **Instead, people fall into “in” groups and “out” groups in relationships with their leaders. Obviously, the group you are in can have quite a significant influence on your experience with the leader.**

Leader-Member Exchange Theory

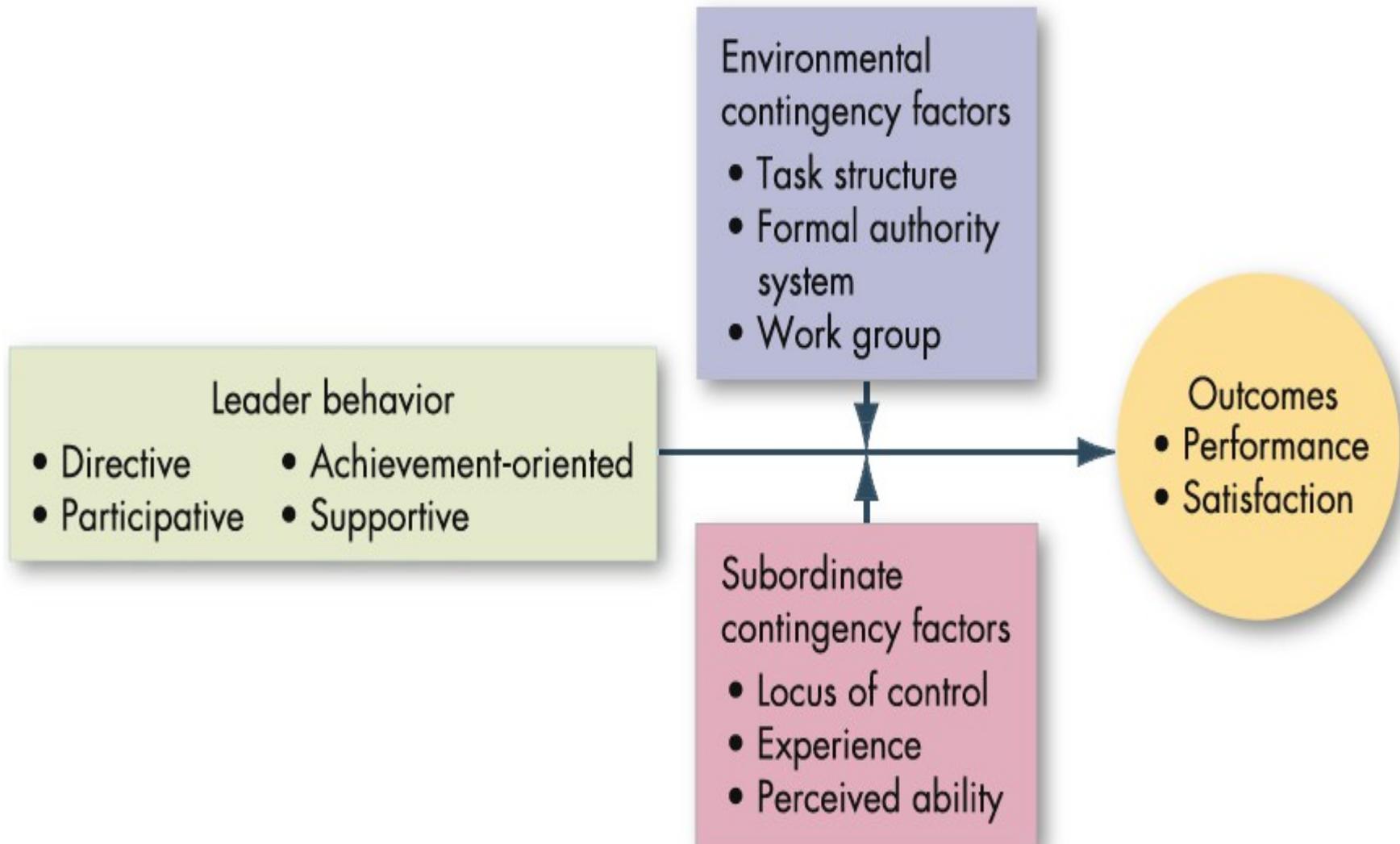


Path-Goal Theory

The theory that it is the leader's job to assist followers in attaining their goals and to provide them the necessary direction and/or support to ensure that their goals are compatible with the overall objectives of the group or organization.



The Path-Goal Theory



Contemporary Leadership Theories

- **Charismatic Leadership**
- Charisma is “a certain quality of an individual personality by virtue of which he/she set apart from ordinary people and treated as endowed with exceptional powers or qualities”.
- According to House's theory followers make attributions of extraordinary leadership abilities when they observe certain behaviors.
- **Key characteristics of charismatic leaders:**
 - Vision
 - Personal risk
 - Sensitivity to follower's needs
 - Unconventional behavior

Contemporary Leadership Theories

- **Transformational Leadership**
- Leaders inspire followers to transcend their own self interests for good of the organization and are capable of having profound and extraordinary effect on their followers.
- **Characteristics of Leaders:**
 - Sincerity of the leader
 - Bonding- effort to develop organization as a family
 - Consultation and Participation
 - Collectivization and team work
 - Empowerment and Support
 - Intellectual stimulation

Contemporary Leadership Theories

- **Transactional Leadership**
- Leaders guide or motivate followers in the directions of established goals by clarifying role and task requirements.
- **Characteristics of Transactional leader**
 - Contingent Reward
 - Management by exception
 - Laissez-Faire

Power and Politics

- “Power corrupts and absolute power corrupts absolutely” ... Power is not always bad.
- **Power**- It refers to a capacity that A has to influence the behavior of B so that B acts in accordance with A's wishes.
- Power= f (Dependency)
- Greater the B's dependance on A, the greater is A's power in relationship.
- **Contrasting Leadership and Power**
Leaders use power as means of attaining group goals. Leaders achieve goals, and power is means of facilitating their achievement

Sources of Power

- Two general groups: Formal and Personal
- **Formal power**: Is based on an individual's position in an organization
 - **Coercive Power**:- base is dependent on fear
Person react to this power out of fear
 - **Reward Power**:- People comply with wishes or directives of another because by doing so produces positive benefits, therefore one who can distribute rewards that others view valuable.
 - **Legitimate Power**:- In formal groups and organizations, the most frequent access to one or more of the power bases is one's structural position.

Sources of Power

- Two general groups: Formal and Personal
- **Personal power**: Is based on an individual's position in an organization
 - **Expert Power**:- It is the influence wielded as a result of expertise, special skill, knowledge
 - **Referent Power**:- Is based on identification with the person who has desirable resources or personal traits

Power Tactics

- People use power tactics to translate power sources into specific action.
- Legitimacy
- Rational Persuasion
- Inspirational appeals
- Consultation
- Ingratiation
- Pressure
- Coalitions

Organizational Politics

- **Use of power to affect decision making in an organization or on behaviors by members that are self serving**
- **Political Behavior: Activities that are not required as a part of person's formal role in the organization but that influence or attempts to influence, the distribution of advantages and disadvantages within the organization.**