

WEEK 11



Learning Outcomes

- Contrast leadership and management
- Summarize the conclusions of trait theories
- Identify the limitations of behavioural theories
- Describe Fielder's contingency model
- Explain Hersey and Blanchard's situational theory
- Describe the path-goal theory
- Identify the situational variables in the leader-participation model

What is leadership?

- **Leadership** - It is about coping with change. Leader establishes direction by developing a vision of the future. Then the leader aligns people by communicating this vision and inspiring them to overcome hurdles
- **Management** - It consists of implementing the vision and strategy provided by leaders, coordinating, and staffing the organization, and handling day-to-day problems
- Management position comes with some degree of formally designated authority
- Manager can lead effectively as the formal rules, culture of the organization were given priority
- Manager also is the person who formulates the detailed plans, creates efficient structure, and oversees day-to-day operations

Traits Theory

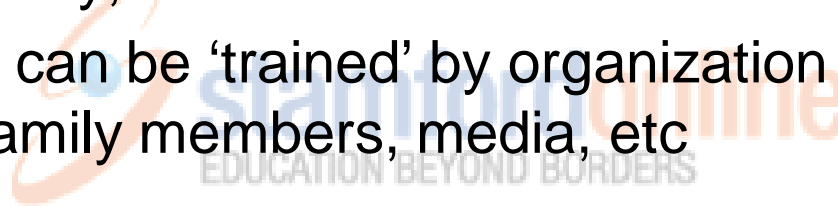
- **Traits theories of leadership** - Theories that consider personal qualities and characteristics that differentiate leaders from non-leaders
- Example: Nelson Mandela, Jesus, Napoleon, etc
- Such leaders are described in term of charisma, enthusiasm, and courage
- In the recent research, it concluded that there are six traits on which to differentiate the leader and non-leader. They are: ambition, energy, intelligence, job-relevant knowledge, honesty, and integrity

Criticism of Traits Theory

- Traits theory has at least four limitations
 - I. There are no universal traits that predict leader in all situations (e.g. in some situations the leader can't be honest and courageous)
 - II. Traits predict 'weak' situations more than 'strong' situations (e.g. strong incentives to the personal rewards, clear expectation of how behaviours are rewarded or punished)
 - III. The evidence is unclear in separating cause and effect (e.g. does self-confidence create leadership?)
 - IV. Trait can be biased in predicting the behaviour of a leader

Behavioral Theories

- **Behavioural theories of leadership** - Theories proposing that specific behaviours differentiate leaders from non-leaders
- In traits theory, it is stated that leaders are born. But in behavioural theory, it is stated that leaders are trained
- The behaviour can be 'trained' by organization culture, learned from family members, media, etc



Ohio State Studies

- The most comprehensive and replicated outcome on the behavioural theories resulted from research that began at Ohio State University in the late 1940s
- These researchers sought to identify independent dimensions of leadership behaviour
- **Initiating structure** - The extent to which a leader is likely to define and structure his/her role and those of his subordinates in the search for goal attainment
- It could be described as 'high performance', 'emphasizing meeting the deadlines'
- **Consideration** - The extent to which a leader is likely to have job relationship characterized by mutual trust, respect for subordinates' ideas, and regard for their feelings
- A leader who is high in consideration will take care of the employees, be friendly and approachable
- A leader who is high in initiating structure leads to greater rates of grievances, absenteeism, and turnover

University Of Michigan Studies

- The Michigan group also came up with two dimensions of leadership behaviour that they labelled employee-oriented and production-oriented
- **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 aspect of the job

The Managerial Grid

- A graphical portrayal of a two-dimensional view of leadership style developed by Blake and Mouton
- The managerial grid based on the styles of 'concern for people' and 'concern for production' which essentially represent the Ohio State dimensions of consideration and initiating structure
- Managers were found to perform best (most effective) under (9,9), (9,1) authority style, (1,9) laissez-faire style

Scandinavian Studies

- Scandinavian researchers reviewed the original Ohio State data. They found that the Ohio State people included development items such as ‘pushing new ways of doing things’, ‘originating new approaches to problems’, ‘encouraging members to start new activities’
- Scandinavian researchers’ premise is that in a changing world, effective leaders would exhibit development-oriented leadership style
- **Development-oriented leader** - One who values experimentation, seeks new ideas, and generates and implements change

Contingency Theories - Fiedler

Contingency Model

- These theories emphasize that leadership effectiveness depends on the situation and an effective leader should be able to isolate those situational conditions
- **Theories - Fiedler Contingency Model** - The theory that effective group depends 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) questionnaires** - An instrument that purports to measure whether a person is task- or relationship-oriented

Contingency Theories - Fiedler

Contingency Model

- **Leader-member relations** - The degree of confidence, trust, and respect subordinates have in their leader
- Fiedler assumes that an individual's leadership style is not fixed. This is important because it means that if a situation requires a task-oriented leader and the person in that leadership position is relationship-oriented, either the situation has to be modified or the leader replaced if optimal effectiveness is to be achieved
- Fiedler argued that defining the key situation will determine the effectiveness of leadership. These situations are the leader-member relations, task structure, position power

Contingency Theories - Fiedler

Contingency Model

- **Leader-member relations** - The degree of confidence, trust, and respect subordinates have in their leader
- **Task structure** - The degree in which the job assignments are arranged (structured and unstructured)
- **Position power** - Influence derived from one's formal structural position in the organization, including power to hire, fire, discipline, promote, and give salary increase
- Fiedler argued that the better leader-member relations, the more highly structured the job, the stronger the position power, the more control the leader has

Cognitive Resources Theory

- **Cognitive resources theory** - A theory of leadership that states stress unfavourably affects a situation and that intelligence and experience can lessen the influence of stress on the leader
- The essence of this theory suggests that stress is the enemy of rationality. It is difficult for a leader to think logically and analytically when they are under stress

Hersey and Blanchard's Situational Theory

- Hersey and Blanchard have developed a leadership model that has gained a strong following among management development specialists. This model is called situational leadership theory (SLT)
- Situational leadership theory (SLT) - a contingency theory that focuses on followers' readiness
- The emphasis is on the followers. The leadership effectiveness reflects the reality that it is the followers who accept or reject the leader
- The readiness refers to the extent to which people have the ability and willingness to accomplish a specific task

Hersey and Blanchard's Situational Theory

- Hersey and Blanchard identified four specific types of leadership behaviours - from highly directive to highly laissez-faire. The most effective leader depends on a followers' ability and motivation
- If the follower is *unable and willing* to do a task , the leader needs to display high task orientation to compensate for the followers
- If the follower is *unable and unwilling* to do the task, the leader should give clear direction
- If the follower is *able and unwilling* to do the task, the leader should use supportive style to lead the followers
- If the follower is *able and willing* to do the task, the leader does not need to do much

Leader-Member Exchange (LMX) 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
- **In-group** - They are trusted, get a disproportionate amount of leader's attention, and are more likely to receive special privileges
- **Out-group** - They take less of leader's time, fewer of the preferred get rewards that leader controls, and have leader-follower relations based on formal authority interactions
- Leader chooses in-group members as they have attitude and personality characteristics that are similar to the leader's or a higher level of competence
- In-group will have higher status, level of job satisfaction and lower turnover

Path-Goal Theory

- **Path-goal theory** - The theory that it is the leader's job to assist followers in attaining their goals and to provide the necessary direction and/or support to ensure that their goals are compatible with the overall objectives of the group or organization
- Robert House identified four types of leadership behaviours
 - I. **Directive** - let followers know what is expected of them and schedules of work to be done, and give specific guidance
 - II. **Supportive** - friendly and show concern for the needs of followers
 - III. **Participative** - consults with followers and uses their suggestions before making decisions
 - IV. **Achievement-oriented** - sets challenging goals, expects goals followers to perform at their highest level

Path-Goal Theory

- Directive leadership leads to greater satisfaction when tasks are stressful, highly structured, well laid out
- Supportive leadership results in high employee performance and satisfaction when employees are performing structured task
- Employees with locus of control will be more satisfied with a participative style
- Achievement-oriented leadership will increase employee's expectancies that effort will lead to high performance when tasks are ambiguous and structured



Leader-Participation Model

- **Leader-participation model** - A leadership theory that provides a set of rules to determine the form and amount of participative decision making in different situations
- The contingency factors have been considered as:
 - ✓ stress
 - ✓ intelligence
 - ✓ experience of the workers, etc



Discuss Questions

- Review traits theories in the context of the 'nature versus nurture' debate.
- What is initiating structure and consideration? Give examples to support your answer.
- If you were a manager, how would you assist a situation in terms of Fielder's three contingency variables?

