

WEEK 12

Contemporary Issues In  
Leadership



# Learning Outcomes

- Identify the five dimensions of trust
- Define the qualities of charismatic leader
- Contrast transformational with transactional leadership
- Identify the skills that visionary leaders exhibit
- Explain how farming influences leadership performance
- Explain the role of a mentor
- Describe how on-line leadership differs from face-to-face leadership
- Identify when leadership may not be necessary
- Explain how to find and create effective leaders

# Trust: The Foundation of Leadership

- **Trust:** A positive expectation that another will not act opportunistically
- Positive expectation is the assumption of knowledge and familiarity about the other party
- 'Opportunistic' refers to the inherent risk and vulnerability in any trusting relationship
- Trust involves making oneself vulnerable. For example, we disclose information or rely on another's promises
- Trust is not taking risk per se, rather it is a willingness to take risk. So if you trust someone, you expect he/she will not take advantage of you

# Dimension of Trust

- The dimensions of trust:
  - **Integrity** - refers to honesty and trustfulness
  - **Competence** - encompasses an individual's technical, interpersonal, and knowledge skills
  - **Consistency** - relates to an individual's reliability, predictability, good judgment in handling situations
  - **Loyalty** - is the willingness to protect and save face for another person
  - **Openness** - willing to accept any other ideas

# Trust and Leadership

- ‘Part of the leader’s task has been, and continues to be, working with people to find and solve problems. But whether leaders gain access to the knowledge and creative thinking they need to solve problems depends on how much people trust them.’
- Trust and trustworthiness modulate the leader’s access to knowledge and cooperation
- Honesty and consistency rank top of most people’s list of characteristics they admire in their leaders. Honesty is absolutely essential to leadership
- In times of change, people turn to personal relationship for guidance, and the quality of these relationships is largely determined by the level of trust

# Types of Trust

- **Deterrence-based trust** - Trust based on fear of reprisal (aggressiveness) if the trust is violated
- For instance, you might trust the new boss with less experience as the bond that creates the trust lies in authority
- **Knowledge-based trust** - Trust based on behavioural predictability that comes from a history of interaction
- It relies on information, interaction and communication rather than reprisal and deterrence
- The better you know someone, the better or more accurately you can predict his/her behaviours. This enhances trust
- In the organization context, most of the manager-employee relationship is knowledge-based trust

# Types of Trust

- **Identification-Based trust** - Trust based on a mutual understanding of each other's intentions and appreciation of the other's wants and desires
- Controls are minimal at this level
- The best example of identification-based trust is a long-term happily married couple
- In the organization, the people work for a long time and have a depth of experience that allows them to know each other inside out

# Leaders as Shapes of Meaning

- **Framing** - A way to use language to manage. Meaning, it is a way for leaders to influence how events are seen and understood
- For instance, trial lawyer tries to argue to prove to the jury that his/her client is 'not guilty'
- In the complexity of chaotic environment in which an increasing number of leaders work, there is typically considerable maneuverability with respect to 'the acts'
- Leader can use language to influence followers' perceptions of the world, the meaning of events, beliefs about causes and consequences, and vision of future

# Charismatic Leadership

- **Charismatic leadership** - Followers make attributions of heroic or extraordinary leadership abilities when they observe certain behaviours
- They have a vision, are willing to take risk to achieve that vision, are sensitive to both environmental constraints and followers needs, and exhibit behaviours that are out of the ordinary
- The traits of charismatic leader to influence the followers:
  - I. Articulation
  - II. Vision
  - III. Communication
  - IV. Implementation

# Key Characteristics of Charismatic Leaders

- **Vision and articulation** - Expressed as an idealized goal - that proposes a future better than the status quo, and is able to clarify the importance of the vision in terms that are understandable to others
- **Personal risk** - Willing to take on high personal risk, incur high costs, engage in self-sacrifice to achieve the vision
- **Environment sensitivity** - Able to make realistic assessment of the environmental constraints and resources needed to bring about change
- **Sensitivity to followers needs** - Perceptive of others' abilities and responsive to their needs and feelings
- **Unconventional behaviour** - Engages behaviours that are perceived as novel and counter to norms

# Transformational Leadership

- **Transactional leaders** - Leaders who guide or motivate their followers in the direction of established goals by clarifying role and task requirements
- **Transformational leaders** - Leaders who inspire followers to transcend their own self-interests and who are capable of having a profound and extraordinary effect on followers
- Transformational leadership is built on top of transactional leadership - it produces levels of follower effort and performance that go beyond what would occur with a transactional approach

# Transactional Leader

- **Contingency reward** - Contrast exchange of rewards for effort, promises rewards for good performance, recognizes accomplishments
- **Management by exception (active)** - Watches and searches for deviations from rules and standards, takes corrective action
- **Management by exception (passive)** - Intervenes only if standards are not met
- **Laissez-faire** - Abdicates responsibilities, avoiding making decisions

# Transformational Leader

- **Charisma** - Provides vision and sense of mission, instills pride, gains respect and trust
- **Inspiration** - Communicates high expectations, uses symbols to focus efforts, expresses important purposes in simple ways
- **Intellectual stimulation** - Promotes intelligence, rationality, and careful problem solving
- **Individual consideration** - Gives personal attention, treats each employee individually, coaches and advises

# Visionary Leadership

- **Visionary leadership** - The ability to create and articulate a realistic, credible, attractive vision of the future for an organization or organizational unit that grows out of and improves upon present
- The key properties of a vision seem to be inspirational possibilities that are value centred, realizable, with superior imagination and articulation
- The visions should be able to create possibilities that are inspirational, unique, and offer a new order that can produce organizational distinction
- The leader must be able to make the vision clear in terms of required actions and aims through clear oral and written communications
- This requires behaving in ways that continually convey and reinforce the vision
- The leaders must be able to sequence activities so that the vision can be applied in a variety of situations

# Contemporary Leadership Roles

- Team leaders are **liaisons** with external constituencies. These include upper management, other internal teams, customers and suppliers
- Team leaders are **troubleshooters**. Team leader sits in the meetings and helps to resolve the problems. This rarely relates to technical or operation issues (as they know what their subordinates are doing)
- Team leaders are **conflict managers**, they help to resolve conflict
- Team leaders are **coaches**, they clarify expectations and roles, teach, offer support, cheerlead, and do whatever else is necessary to help team members improve their work performance

# Mentor

- **Mentor** - A senior employee who sponsors and supports a less-experienced employee
- The mentoring role includes coaching, counselling, and sponsorship
- As a coach, a mentor helps to develop their protégé's skills (protégé - a person who is being taken care of by the experienced worker)
- As counsellors, mentors provide support and help bolster protégé's self-confidence
- As sponsors, mentors actively intervene on behalf of their protégés, lobby to get their protégés visible assignment, and get their protégés rewards such as promotions and salary increases

# Mentor

- **Successful mentors are good teachers and leaders.** They can present ideas clearly, listen well, and empathize with the problems of the protégés
- They also share experiences with protégés, act as role models, share contracts, and provide guidance on how to survive and get ahead in the organization and act as a sounding board for ideas that a protégé may be hesitant to share with his/her direct supervisors

# Self-leadership

- **Self-leadership** - A set of processes through which individuals control their own behaviour
- An effective leader helps his/her followers to lead themselves
- The leader creates self-leaders by:
  - ✓ Model self-leadership: practice self-observation, setting challenging personal goals, self-direction, self-reinforcement
  - ✓ Encourage employees to create self-set goals: Having quantitative, specific goals
  - ✓ Encourage the use of self-rewards and increase desirable behaviours
  - ✓ Create positive thought pattern: encourage employee to use self imagination
  - ✓ Create a climate of self-leadership: emphasize the rewarding features to create self-motivation
  - ✓ Encourage self-criticism: encourage individuals to be critical of their own performance

# Online Leadership: Some Speculative Thoughts

- Leadership research has been directed almost exclusively to face-to-face and verbal situations
- In the face-to-face communications, harsh words can be softened by nonverbal actions, a smile and comforting gestures. For instance, it can lessen the blow behind strong words like disappointed, unsatisfactory, inadequate, below expectations
- The structure of words in a digital communication also has the power to motivate or de-motivate the receiver. For instance, all caps in a message is equivalent to shouting
- The tone of the word must be cautions used in communication - is it soft tone or warm tone?

# Leadership as an Attribution

- **Attribution theory of leadership** - The idea that leadership is merely an attribution that people make about other individuals
- The attribution framework has shown that people characterize leaders having such traits as intelligent, outgoing, having strong verbal skills, understanding, industriousness
- One of the most excellent findings in the attribution model of leadership literature is the perception that effective leaders are generally considered consistent and unweaving in their decisions
- Leaders are normally judged by the appearance rather than focusing on actual accomplishments

# Discuss Questions

- How does emotional intelligence relate to leadership effectiveness?
- How does one become an effective team leader?
- Is there an ethical problem if leaders focus more on looking like a leader than actually being one. Discuss.

