

ELEVENTH EDITION

Management

Stephen P. **ROBBINS**
Mary **COULTER**

PEARSON

LEARNING OUTCOMES

- **Define** leader and leadership
- **Compare** and **contrast** early theories of leadership
- **Describe** the three major contingency theories of leadership
- **Describe** contemporary views of leadership
- **Discuss** contemporary issues affecting leadership

Who Are Leaders and What Is Leadership?

- **Leader** - Someone who can **influence** others and who has **managerial authority**.
- **Leadership** - What leaders do; the **process of influencing** a group to achieve goals.

Are all managers leaders?

- Because leading is one of the four management functions,
- yes, **Ideally**, all managers *should be* leaders.
 - We are taking here about formal leaders ...

Leaders and leadership theories

- Research has been aimed at answering questions:
 - *What is an **effective leader**?*
 - *How the **leader interacted** with his or her group members?*
 - *Can we create leaders, how?*
 - ...

I- Early Leadership Theories

- **1- Trait Theories** (1920s -1930s)
 - Research focused on identifying personal characteristics that differentiated leaders from non-leaders was **unsuccessful**.
 - Later research on the **leadership process** identified seven traits associated with successful leadership:
 - Drive, the desire to lead, honesty and integrity, self-confidence, intelligence, job-relevant knowledge, and extraversion

Seven Traits Associated with Leadership

1. *Drive*. Leaders exhibit a high effort level. They have a relatively high desire for achievement, they are ambitious, they have a lot of energy, they are tirelessly persistent in their activities, and they show initiative.
2. *Desire to lead*. Leaders have a strong desire to influence and lead others. They demonstrate the willingness to take responsibility.
3. *Honesty and integrity*. Leaders build trusting relationships with followers by being truthful or nondeceitful and by showing high consistency between word and deed.
4. *Self-confidence*. Followers look to leaders for an absence of self-doubt. Leaders, therefore, need to show self-confidence in order to convince followers of the rightness of their goals and decisions.
5. *Intelligence*. Leaders need to be intelligent enough to gather, synthesize, and interpret large amounts of information, and they need to be able to create visions, solve problems, and make correct decisions.
6. *Job-relevant knowledge*. Effective leaders have a high degree of knowledge about the company, industry, and technical matters. In-depth knowledge allows leaders to make well-informed decisions and to understand the implications of those decisions.
7. *Extraversion*. Leaders are energetic, lively people. They are sociable, assertive, and rarely silent or withdrawn.

I- Early Leadership Theories (cont.)

- **2- Behavioral Theories**
 - **University of Iowa Studies (Kurt Lewin)**
 - **Ohio State Studies (see figure later)**
 - **University of Michigan Studies**

University of Iowa Studies (Kurt Lewin)

- Identified three leadership styles:
 - **Autocratic style:** centralized authority, low participation
 - **Democratic style:** involvement, high participation, feedback
 - **Laissez faire style:** hands-off management
- Research findings: mixed results
 - **No specific style** was consistently better for producing better performance.
 - Employees were more **satisfied under a democratic** leader than under an autocratic leader.

University of Michigan Studies

- Identified two dimensions of leader behavior:
 - **Employee oriented:** emphasizing personal relationships
 - **Production oriented:** emphasizing task accomplishment
- Research findings:
 - **Leaders who are employee oriented are strongly associated with high group productivity and high job satisfaction.**

The Managerial Grid

- Appraises leadership styles using two dimensions:
 - Concern for people
 - Concern for production
- Places managerial styles in five categories:
 - Impoverished management
 - Task management
 - Middle-of-the-road management
 - Country club management
 - Team management

The Managerial Grid

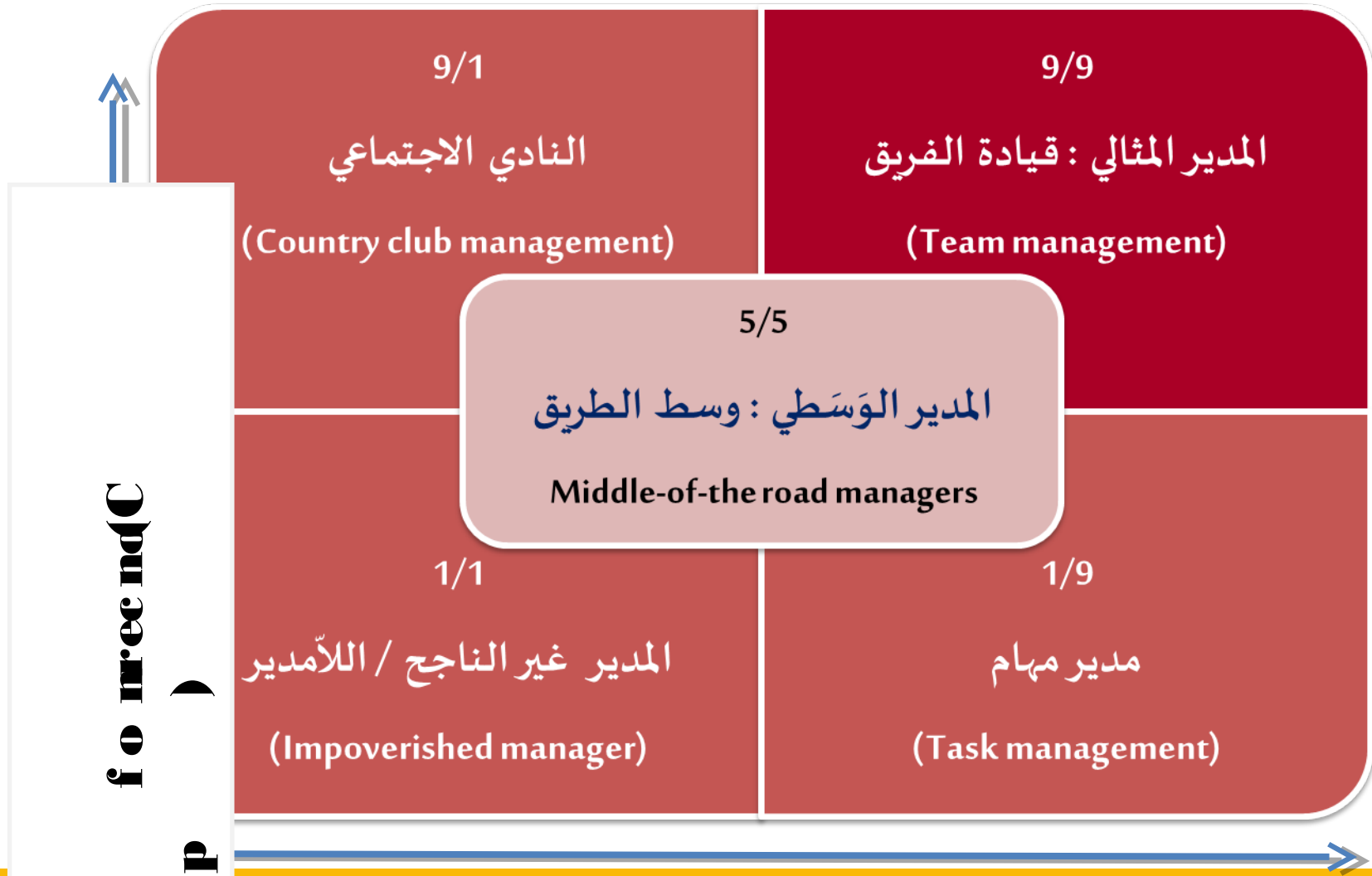


Exhibit 17-2: Behavioral Theories of Leadership

	Behavioral Dimension	Conclusion
University of Iowa	<p><i>Democratic style:</i> involving subordinates, delegating authority, and encouraging participation</p> <p><i>Autocratic style:</i> dictating work methods, centralizing decision making, and limiting participation</p> <p><i>Laissez-faire style:</i> giving group freedom to make decisions and complete work</p>	Democratic style of leadership was most effective, although later studies showed mixed results.
Ohio State	<p><i>Consideration:</i> being considerate of followers' ideas and feelings</p> <p><i>Initiating structure:</i> structuring work and work relationships to meet job goals</p>	High-high leader (high in consideration and high in initiating structure) achieved high subordinate performance and satisfaction, but not in all situations

Exhibit 17-2: Behavioral Theories of Leadership (cont.)

	Behavioral Dimension	Conclusion
University of Michigan	<p><i>Employee oriented:</i> emphasized interpersonal relationships and taking care of employees' needs</p> <p><i>Production oriented:</i> emphasized technical or task aspects of job</p>	Employee-oriented leaders were associated with high group productivity and higher job satisfaction.
Managerial Grid	<p><i>Concern for people:</i> measured leader's concern for subordinates on a scale of 1 to 9 (low to high)</p> <p><i>Concern for production:</i> measured leader's concern for getting job done on a scale 1 to 9 (low to high)</p>	Leaders performed best with a 9,9 style (high concern for production and high concern for people).

II- Contingency Theories of Leadership

- 1- The Fiedler Model
- 2- Hersey and Blanchard's **Situational** Leadership Theory (SLT).
- 3- Path-Goal Model

1- The Fiedler Model

- Proposes that effective group performance depends upon the **proper match between** the leader's style of interacting with followers and the degree to which the situation allows the leader to control and influence.

The Fiedler Model (cont.)

- Assumptions:
 - A **certain leadership style should be most** effective in different types of situations.
 - Leaders **do not readily change leadership styles.**
 - **Matching the leader to the situation** or **changing** the situation to make it favorable to the leader is **required**.
- Situational factors in matching leader to the situation:
 - Leader-member relations
 - Task structure
 - Position power

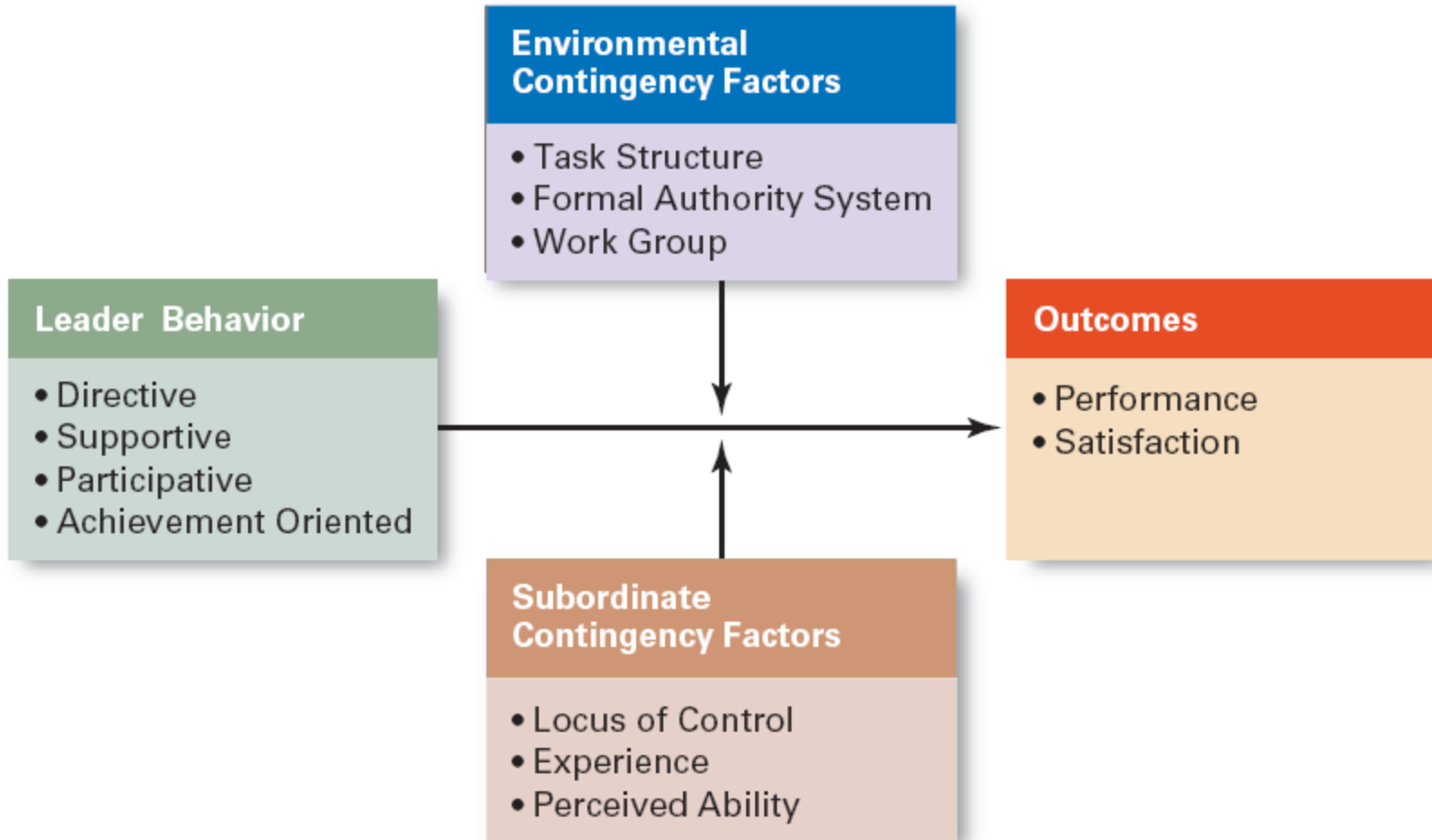
2- Situational Leadership Theory (SLT)

- Hersey and Blanchard's **Situational Leadership Theory (SLT)** : This model is a contingency theory that focuses on followers' readiness.
 - Argues that successful leadership is achieved by selecting the right leadership style which is **contingent on the level of the followers' readiness**
 - **Acceptance:** leadership effectiveness depends on whether followers accept or reject a leader
 - **Readiness:** the extent to which followers have the ability and willingness to accomplish a specific task
 - Leaders must relinquish control over and contact with followers as they become more competent.

3- Path-Goal Model

- States that the leader's **job is to assist** his or her followers in attaining their goals and to **provide direction or support** to ensure that their goals are compatible with those of the organization
- Depending on the situation, leaders assume **different leadership styles** at different times:
 1. **Directive leader**
 2. **Supportive leader**
 3. **Participative leader**
 4. **Achievement oriented leader**

Exhibit 17-4: Path-Goal Model



III- Contemporary Views of leadership

- The latest views of leadership:
 - 1- **Leader–member exchange theory (LMX).**
 - 2- **Transformational-transactional leadership.**
 - 3- **Charismatic visionary Leadership**
 - 4- **Team leadership.**

1- Leader–member exchange theory (LMX)

- 1- Leader–member exchange theory (LMX) says that leaders create **in-groups** and **outgroups** and those in the in-group will have higher performance ratings, less turnover, and greater job satisfaction.

2- Transformational-transactional leadership.

- **Transactional Leadership**

- Leaders who **guide or motivate** their followers in the direction of established goals **by clarifying role and task requirements.**

- **Transformational Leadership**

- Leaders who **inspire followers to transcend** their own self-interests for the good of the organization by clarifying role and task requirements.

3- Charismatic visionary Leadership

- **Charismatic Leadership**

- An enthusiastic, self-confident leader whose **personality** and **actions influence people** to behave in certain ways.
- Characteristics of **charismatic leaders**:
 - Have a vision
 - Are able to articulate the vision
 - Are willing to take risks to achieve the vision
 - Are sensitive to the environment and follower needs
 - Exhibit behaviors that are out of the ordinary

Charismatic visionary Leadership (cont.)

- **Visionary Leadership**
 - A leader who creates and articulates a realistic, credible, and attractive vision of the future that improves upon the present situation.
- Visionary leaders have the ability to:
 - Explain the vision to others
 - Express the vision not just verbally but through behavior
 - Extend or apply the vision to different leadership contexts

4- Team leadership.

- Team Leadership Characteristics:
 - Having patience to share information
 - Being able to trust others and to give up authority
 - Understanding when to intervene
- Team Leader's Job
 - Managing the team's external boundary
 - Facilitating the team process
 - Includes coaching, facilitating, handling disciplinary problems, reviewing team and individual performance, training, and communication

Exhibit 17-5: Team Leadership Roles



Summary (theories)

- **I- Early Leadership Theories:**
 - 1- Trait theories
 - 2- Behavioral theories:
 - **University of Iowa Studies** (Kurt Lewin)
 - **Ohio State Studies** (see figure later)
 - **University of Michigan Studies**
- **II - Contingency Theories of Leadership:**
 - 1- **The Fiedler Model**
 - 2- Hersey and Blanchard's **Situational** Leadership Theory (SLT).
 - 3- **Path-Goal Model**
- **III- Contemporary views of leadership:**
 - 1- **Leader–member exchange theory (LMX).**
 - 2- **Transformational-transactional leadership.**
 - 3- **Charismatic visionary Leadership**
 - 4- **Team leadership.**

Contemporary issues affecting leadership.

- **Issues affecting leadership in the twenty-first century:**
 - Managing Power
 - Developing Trust
 - Empowering Employees
 - Leading Across Cultures
 - Becoming an Effective Leader

Managing Power

Where do leaders get their power—that is, their **right and capacity** to influence work actions or decisions?

– **Legitimate power**

- The power a leader has as a result of his or her position.

– **Coercive power**

- The power a leader has to punish or control.

– **Reward power**

- The power to give positive benefits or rewards.

– **Expert power**

- The influence a leader can exert as a result of his or her expertise, skills, or knowledge.

– **Referent power**

- The power of a leader that arises because of a person's desirable resources or admired personal traits.

Developing Trust

- Credibility (of a Leader)
 - The assessment of a leader's honesty, competence, and ability to inspire by his or her followers
- Trust
 - **The belief of followers** (and others) in the integrity, character, and ability of a leader
 - **Dimensions of trust:** integrity, competence, consistency, loyalty, and openness
 - Is related to increases in job performance, organizational citizenship behaviors, job satisfaction, and organization commitment

Exhibit 17-6: Building Trust

*Practice openness.
Be fair.
Speak your feelings.
Tell the truth.
Show consistency.
Fulfill your promises.
Maintain confidences.
Demonstrate competence.*

Empowering Employees

- **Empowerment**

- Increasing the decision-making discretion of workers such that teams can make key operating decisions in developing budgets, scheduling workloads, controlling inventories, and solving quality problems.

Why Empower employees?

- Quicker responses to problems and faster decisions
- Addresses the problem of increased spans of control in relieving managers so they can address other problems

Cross-Cultural Leadership

- Universal Elements of Effective Leadership
 - Vision
 - Foresight
 - Providing encouragement
 - Trustworthiness
 - Dynamism
 - Positiveness
 - Proactiveness

Exhibit 17-7: Cross-Cultural Leadership

- Korean leaders are expected to be paternalistic toward employees.
- Arab leaders who show kindness or generosity without being asked to do so are seen by other Arabs as weak.
- Japanese leaders are expected to be humble and speak frequently.
- Scandinavian and Dutch leaders who single out individuals with public praise are likely to embarrass, not energize, those individuals.
- Effective leaders in Malaysia are expected to show compassion while using more of an autocratic than a participative style.
- Effective German leaders are characterized by high performance orientation, low compassion, low self-protection, low team orientation, high autonomy, and high participation.

Gender Differences and Leadership

- Research Findings
 - Males and females use different styles:
 - Women tend to adopt a **more democratic** or participative style unless in a male-dominated job.
 - Women tend to use **transformational leadership**.
 - Men tend to use **transactional** leadership.

Leader Training

- Training is more likely to be successful with individuals who are **high** self-monitors than those who are **low** self-monitors.
- Individuals with higher levels of motivation to lead are more receptive to leadership development opportunities.

Substitutes for Leadership

Leadership may not always be important!

- Follower characteristics
 - Experience, training, professional orientation, or the need for independence
- Job characteristics
 - Routine, unambiguous, and satisfying jobs
- Organization characteristics
 - Explicit formalized goals, rigid rules and procedures. or cohesive work groups

These characteristics can **replace** the employee's need for a leader's support or ability to create structure and reduce task ambiguity.

Terms to Know

- leader
- leadership
- behavioral theories
- autocratic style
- democratic style
- laissez-faire style
- initiating structure
- consideration
- high-high leader
- managerial grid
- Fiedler contingency model
- leader-member relations
- task structure
- position power
- readiness
- leader participation model
- path-goal theory
- transactional leaders