

## **Chapter Twenty one**

### **Leadership**

#### **Objectives:**

**To develop an understanding of:**

- **Leadership**
- **Leadership vs management**
- **Leadership Functions**
- **Characteristics of a leader**
- **Approaches to the Study of Leadership**
  - **power influence approach**
  - **behavior approach**
    - **Likert's Systems or Styles Leadership**
    - **Participative Leadership**
    - **The Managerial Grid (Blake and Mouton)**
    - **Reddin's 3-D Leadership model**
    - **Six Emotional leadership styles by Goleman**
  - **trait approach**
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    - **Hersey-Blanchard Situational Leadership Theory**
    - **Leader-Member Exchange Approach**
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## ▪ Transactional and Transformational Leadership

- Attribution Theory of Leadership
- Authentic Leaders and Ethical Behavior
- Trust: The Foundation of Leadership
- Contemporary Leadership Roles
- Online Leadership
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- Leadership Approaches in Developing Countries
- Substitutes for Leadership

## Introduction

Experts lack consensus on what leadership is and how it should be analyzed. The exploration of leadership that follows suggests that:

1. Leadership is not the same as management.
2. Leadership is a complex concept.
3. Leadership attributes can be developed through experience, training, and analysis.
4. Leader effectiveness depends on the fit between leader, follower, and situation.
5. Leadership is substituted for in various settings and situations and is not always a significant influence.

## What is Leadership?

Numerous definitions and interpretations of leadership exist.

**Leadership** is defined as, "**the process of influencing others to facilitate the attainment of organizationally relevant goals.**" A person (e.g., the leader) can influence the behavior of others (e.g., subordinates, peers, superiors). Situations where influence plays no role are outside the domain of leadership. A major purpose of leadership is to achieve relevant goals. Attempts to influence individuals or groups can be based on many factors, including personality, behavior, or power.

Warren Bennis, a leading expert on leadership, argues that virtually all leaders of effective groups share four characteristics:

1. They provide direction and meaning to the people they are leading.

- 2.They generate trust.
- 3.They favor action and risk taking.
- 4.They are purveyors of hope.

### **Leadership vs management**

Leadership is the ability to influence a group toward the achievement of goals-a road, a way, the path of a ship at sea - a sense of direction. Management is the use of authority inherent in designated formal rank to obtain compliance from organizational members.

### **What do managers and leaders do? (Zaleznik 1977)**

**Managers focus attention & energy on** how things get done and their role in events that occur or in a decision-making process. **Leaders are more concerned with** ideas , relating to others in more intuitive, empathetic ways and what events and decisions mean to people

**Managers** plan, organise, direct, control resources to achieve objectives; follow formal policies, rules &procedural regulations of their employing organisation; handle and physically direct resources: money, materials, machinery, equipment, space, facilities, information and technology, use of time and people.

**Managers have 'subordinates' and communicate**-enable others to understand information, instructions or ideas, seek order and control. **Leaders have followers. They** envision, influence, inspire; tolerate, promote creativity and imagination; bring order from chaos; influence people towards objectives and desire to achieve; gain voluntary commitment over compliance and win hearts and minds.

**Managers** administer and copy; maintain; focus on systems & structure; rely on control; has a short-range view - bottom line; ask how and when; accept the status quo,; is a classic good soldier and do things right. **Leaders are interested in** innovation and originality; they develop; focus on people; inspire trust; have a long-range view - the horizon; ask what and why; challenge the status quo; own person and do the right thing.

**Important readings for difference in Management and Leadership:(Reference:**  
**[http://changingminds.org/disciplines/leadership/articles/manager\\_leader.htm](http://changingminds.org/disciplines/leadership/articles/manager_leader.htm))**

Krech et al (1962) identified fourteen functions that the leader may take:

Leader's function	Actions
<b>Task functions</b>	
Executive	Coordinating group activities and overseeing the setting of policies and goals.
Planner	Deciding how the group will achieve its goals.
Policy maker	Establishing policies and goals.
Expert	A source of expert information.
External group representative	Speaking for the group with others.
Controller of internal relationships	Determining the social structure of the group.
Purveyor of rewards and punishment	Controlling members by punishing and rewarding.
<b>Maintenance functions</b>	
Arbitrator and mediator	Resolving disputes in the group.
Exemplar	Behaving in a way that others should behave.
Symbol of the group	Acting as symbolic embodiment of the group, its goals and its values.
Substitute for individual responsibility	Relieving individuals of the need and responsibility of personal decisions.
Ideologist	Being the source of beliefs and values.
Father figure	Focus for positive emotional feelings of individuals and the object for identification and transference.

Scapegoat	Acting as a target for aggression and hostility. Taking the blame on behalf of the group.
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## Characteristics of leaders

From the viewpoint of a follower, the characteristics of leaders are:

- *Organization.*
- *Fearlessness.*
- *Respect for the work of others.*
- *Satisfaction..*
- *Promotion of the interests of subordinates.*
- *Frankness.*
- *Respect for the individual.*
- *Knowledge.*
- *Predictability.*
- *Tolerance.*
- *Understanding.*
- *Honesty and transparency.*
- *Accessibility..*
- *Providing opportunities..*
- *Guidance.*
- *Willingness to listen.*
- *Genuineness.*
- *Discretion.*
- *Informed.*
- *Grace.*

- *Authority.*
- *People orientation.*
- *Positive personality.*
- *Good communication.*

For details (reference: <http://www.fao.org/docrep/w7504e/w7504e03.htm>)

## **Approaches to the Study of Leadership**

Yukl (1989) identified four approaches for studying leadership. The "power influence approach" attempts to understand leadership effectiveness in terms of the amount and type of power possessed by the leader. This approach would examine how power is acquired, lost, and maintained. Mechanisms of power leaders can use:

Authority

Coercion

Force

Influence

Manipulation

The "behavior approach" looks at the actual tasks performed by leaders. This involves evaluating daily activities and behavioral characteristics of leaders. The "trait approach" looks at the personal attributes of leaders, such as energy, intuition, creativity, persuasiveness, and foresight. The "situational approach" examines leadership in terms of its relationships with environmental factors, such as superiors, subordinates, and peers. This approach is often referred to as contingency theory because the role of the leader is contingent on the situation.

Max Weber defined three types of authority. (Authority = The ability to control legitimately).

Rational-Legal authority

Traditional authority

Charismatic authority

## **Trait Approaches**

Earliest studies of leadership tried to identify intelligence, personality, physical characteristics, supervisory ability and other personal traits of effective leaders. Personality traits associated with effectiveness are Alertness, Originality, Personal integrity, Self-confidence, Ability to initiate action independently, Self-assurance, Individuality.

Some traits according to different researchers:

Stogdill (1948) -The leader is characterized by a strong drive for responsibility and task completion, vigor and persistence in pursuit of goals, venturesomeness and originality in problem solving, drive to exercise initiative in social situations, self-confidence and sense of personal identity, willingness to accept consequences of decision and action, readiness to absorb interpersonal stress, willingness to tolerate frustration and delay, ability to influence other persons' behavior, and capacity to structure social interaction systems to the purpose at hand. (p. 81)

Bennis (1990) -four leadership competencies. 1) Management of attention through a compelling vision; 2) Communication skills necessary to transfer a vision to others; 3) Being able to establish trust through reliability and constancy; and 4) Knowing one's skills and employing them effectively.

Giblin (1990) -four-attribute framework for assessing leadership qualities: 1) resourcefulness, 2) astuteness, 3) compatibility, and 4) knowledge. An individual possessing these qualities is likely to be perceived as a leader by others.

Dilenschneider (1992) cites five ingredients for leadership: 1) vision and focus, 2) practical values, 3) awareness and use of time, 4) empowerment and motivation, and 5) objectivity and judgement. According to Dilenschneider's theory, there are five core organizational values (integrity, accountability, diligence, perseverance, and discipline). Leaders derive power by adopting a set of values consistent with those deemed worthwhile by the organization.

Rolf Osterberg (1987) identifies five "components of awareness" essential for business leadership. 1) Hierarchies based on power are detrimental to personal development, and must be eliminated. 2) The managers role becomes one of "coordinating a self-organizing, self-renewing and self-transcending system." 3) Problems are not deferred to higher levels (since there are none), but instead are solved by the workers who have the problems. 4) Goal setting is eliminated because it does not encourage exploration and personal development. 5) Profits are reinvested in the company and not used to support other processes. Osterberg admits that these premises will be a threat to established organizations. He also acknowledges that attempts to persuade them will be futile. Instead, he recommends that documented examples "will speak much more loudly than any statistics. Every such example will be a stone thrown into the water spreading its ripples. Let us trust the ripple effect which has its own life and its own power."

#### *Problems with trait theories:*

1. List of potential traits is endless.
2. Trait test scores are not consistent in predicting leader effectiveness because traits act in combination, not singly.

3. Patterns of effective leader behavior depend on the situation.
4. Traits offer little insight on what the leader does on the job. (See Exhibit 11.1 with traits associated with leadership effectiveness, page 429.)

*Conclusion*—despite shortcomings, the approach is not invalid.

1. Kirkpatrick and Locke research finds effective leaders do differ from others in drive, motivation, ambition, honesty, integrity, and self-confidence.
2. After years of research, the trait approach remains interesting, but ineffective in predicting leadership potential.

**Charismatic Leadership**—suggests that some leaders have a gift of exceptional qualities, a **charisma** that enables them to motivate followers to achieve outstanding performance. Charismatic Leadership Theory states that followers make attributions of heroic or extraordinary leadership abilities when they observe certain behaviors

House describes charismatic leaders as those who "have charismatic effects on their followers to an unusually high degree."

Conger's model—describes how charisma evolves.

- a. Stage 1: Leader assesses the environment, adapts, and formulates a vision of what to do.
- b. Stage 2: Leader establishes goals.
- c. Stage 3: Leaders works on trust and commitment.
- d. Stage 4: Leader becomes role model and motivator.

### **What constitutes charismatic leadership behavior?**

Empirical studies examining behavior and attributes of charismatic leaders have looked at articulation ability, affection for the leader, ability to inspire, dominating personality, and need for influence. However, no specific set of behaviors and attributes is universally accepted.

Charismatic leaders have a vision, are willing to take personal risks to achieve the vision, are sensitive to follower needs and exhibit behaviors that are out of the ordinary. Communicating that *vision* is the leader's first job. Crisis-based charismatic leaders: communicates clearly and specifically what needs to be done. Study of crisis management highlight charismatic leadership: In conditions of stress, ambiguity, and chaos followers give power to individuals who have the potential to correct the situation. Crisis also permits leaders to promote nontraditional actions by followers.

## Key Characteristics of Charismatic Leaders

1. Vision and articulation. Has a vision—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
2. Personal risk. Willing to take on high personal risk, incur high costs and engage in self-sacrifice to achieve the vision
3. Environmental sensitivity. Able to make realistic assessments of the environmental constraints and resources needed to bring about change
4. Sensitivity to follower needs. Perceptive of others' abilities and responsive to their needs and feelings
5. Unconventional behavior. Engages in behaviors that are perceived as novel and counter to norms

(Source: Based on J. A. Conger and R. N. Kanungo, *Charismatic Leadership in Organizations* (Thousand Oaks, CA: Sage, 1998), p. 94).

## Beyond Charismatic Leadership

### Level 5 Leaders

- Possess a fifth dimension—a paradoxical blend of personal humility and professional will—in addition to the four basic leadership qualities of individual capability, team skills, managerial competence, and the ability to stimulate others to high performance
- Channel their ego needs away from themselves and into the goal of building a great company

## Behavioral Approaches—Job-Centered and Employee-Centered Leadership

Researchers examined leader behaviors and impact on subordinate performance and satisfaction. Psychologist Kurt Lewin (1951) studied leadership methods by designing an experiment to compare autocratic and democratic leadership styles. As the experiment progressed, one of the democratic leaders was recategorized as laissez-faire. The autocratic leaders groups tended to be quarrelsome and work progressed at a modest rate. When the leader was not present, work came to a halt. The laissez-faire group ran haphazardly and work progressed at a slow rate. The democratic groups ran smoothly even when the leader was absent, and the relationships of group members were more friendly. Democratic leaders openly discussed issues with group members and encouraged them to join in making decisions. Uris (1964) argues that effective managers use all three methods of leadership depending on the particular circumstance.

During the 1950s, leadership studies were conducted at Ohio State University and the University of Michigan. The Ohio State leadership studies (Fleishman, 1953; Halpin and Winer, 1957; Hemphill and Coons, 1957) resulted in the creation of the Leader Behavior Description Questionnaire (LBDQ), a commonly used instrument to assess leadership behavior.

The Ohio State studies used a 150 item questionnaire to examine how subordinates perceived their supervisor's behavior. Factor analyses of the questionnaire revealed two behavior constructs, which were later labeled "consideration" and "initiating structure". Consideration included those items that indicated a leader's friendliness, supportiveness, and compassion. Initiating structures were items that indicated the degree of structure that a leader imposed on subordinates (e.g., deadlines, assigning tasks, and following standard procedures). In a large correlational study, Fleishman and Harris (1962) reported that turnover rate was negatively correlated with consideration, and positively associated with initiating structure, although they emphasized the nonlinearity of the relationships. "There appear to be certain critical levels beyond which increased Consideration or decreased Initiating Structure have no effect on turnover or grievance rate." In a summary of literature, Yukl (1989) reports that the effect of consideration has been confirmed, but the results of studies on initiating structure have not been clear or consistent.

The University of Michigan leadership studies (Katz and Kahn, 1952; Katz, Maccoby, and Morse, 1950; Katz, et al., 1951) were a series of correlational studies to examine the relationships between leadership behavior, group processes, and group productivity. Manager effectiveness was equated with group productivity. Two leadership styles identified were: a. Job-centered—close supervision and use of coercive, reward and legitimate power to influence subordinate behavior. b. Employee-centered—involves delegating decision-making, helping subordinates satisfy their needs by creating a supportive work environment. The leader is concerned with follower personal growth and achievement. In a summary of these studies, Likert (1961) writes that three types of leadership behavior were found to be good predictors of management effectiveness: task-oriented behavior, relationship-orientated behavior, and participative leadership. Task-orientated behaviors are the same as the initiating structures in the Ohio studies, and relationship-orientated behaviors are similar to the consideration construct in the Ohio studies. The difference between the two studies was that the Michigan study viewed participative leadership as separate from the other relationship-orientated behaviors.

## Likert's Systems or Styles Leadership

<b>Leadership characteristics</b>	<b>System1</b>	<b>System 2</b>	<b>System3</b>	<b>System 4</b>
	<b>Exploitative Autocratic</b>	<b>Benevolent Autocratic</b>	<b>Participative</b>	<b>Democratic</b>
<b>Leadership process</b>	No confidence and trust in subordinates	Condescending confidence and trust in subordinates	Sustantial but not complete confidence and trust in subordinates	Complete confidence and trust in subordinates
<b>Motivational forces</b>	Physical security, economic needs and some use for desire for status.	Economic needs and moderate use of ego motives	Economic needs and considerable use of ego and other major motives	Full use of economic, ego and other major motives arising from group goals
<b>Communication</b>	Very little	little	Quite	Much between individual and group
<b>Interaction</b>	Little interaction and always with fear and distrust	Little interaction and usually with some condescension by superiors, fear and caution by subordinates.	Moderate interaction , often with fair amount of confidence and trust	Extensive friendly interaction with high degree of confidence and trust
<b>Decision making</b>	Bulk of decision at top of organization	Policy at top, many decisions with prescribed framework made at lower levels but usually checked with top before decision is taken	Broad policy decision at top, more specific decision at lower levels	Decision making widely done throughout organization, well integrated through linking process provided by overlapping groups
<b>Goal setting</b>	Orders issued	Orders issued but opportunity to comment may exist	Goals are set or orders are issued after discussion with subordinates of problems and planned action	Except in emergencies, goals are usually established by group participation

## **Participative Leadership**

Participative leadership refers to the degree that to which other people can influence the leader's decisions. It is interesting to note that this is nearly the opposite of the definition of power. Yukl (1989) presents a taxonomy of four decision making procedure categories. 1) The autocratic decision is where the manager seeks no input from other people. 2) The consultation decision is where the manager seeks opinions from others, but makes the decision alone. 3) The joint decision is where the manager and others discuss the problem and make a joint decision. 4) The delegation decision is one where the manager gives others the authority to make the decision. Yukl is careful to point out that decision making is actually a continuum instead of discrete categories.

The first studies on participative leadership were conducted by Lewin, Lippitt, and White in 1939. Hundreds of studies have been conducted since that time with mixed results. Claims have been made that participative management results in improved decisions, facilitation of change, identification with leadership, and a high level of achievement (Williams and Huber, 1986).

Recent literature reviews and meta analyses have been inconclusive (Miller and Monge, 1986; Schweiger and Leana, 1986; Wagner and Gooding, 1987). Sometimes participative leadership works, and other times it doesn't. Generally, studies that used questionnaires to assess employee satisfaction found positive results, while those that used objective measures of productivity were weaker and inconsistent. Most research in participative leadership has consisted of short-term field studies. Yukl (1989) argues that many of these studies may have been actually measuring the "Hawthorne effect", a temporary positive effect from being the focus of attention.

Both University of Michigan leadership studies and Ohio studies have provided information on what behaviors leaders should possess; however, the theories do not resolve the relationships between leaders style and performance/satisfaction/ efficiency outcomes.

## **The Managerial Grid (Blake and Mouton)**

Popular framework for thinking about a leader's 'task versus person' orientation was developed by Robert Blake and Jane Mouton in the early 1960s. Called the Managerial Grid, or Leadership Grid, it plots the degree of task-centeredness versus person-centeredness and identifies five combinations as distinct leadership styles.

### ***Understanding the Model***

The Managerial Grid is based on two behavioral dimensions:

- **Concern for People** - This is the degree to which a leader considers the needs of team members, their interests, and areas of personal development when deciding how best to accomplish a task
- **Concern for Production** - This is the degree to which a leader emphasizes concrete objectives, organizational efficiency and high productivity when deciding how best to accomplish a task.

Using the axis to plot leadership 'concerns for production' versus 'concerns for people', Blake and Mouton defined the following five leadership styles:

**Country Club Leadership** - High People/Low Production

This style of leader is most concerned about the needs and feelings of members of his/her team. These people operate under the assumption that as long as team members are happy and secure then they will work hard. What tends to result is a work environment that is very relaxed and fun but where production suffers due to lack of direction and control.

**Produce or Perish Leadership** - High Production/Low People

Also known as Authoritarian or Compliance Leaders, people in this category believe that employees are simply a means to an end. Employee needs are always secondary to the need for efficient and productive workplaces. This type of leader is very autocratic, has strict work rules, policies, and procedures, and views punishment as the most effective means to motivate employees.

**Impoverished Leadership** - Low Production/ Low People

This leader is mostly ineffective. He/she has neither a high regard for creating systems for getting the job done, nor for creating a work environment that is satisfying and motivating. The result is a place of disorganization, dissatisfaction and disharmony.

**Middle-of-the-Road Leadership** - Medium Production/Medium People

This style seems to be a balance of the two competing concerns. It may at first appear to be an ideal compromise. Therein lies the problem, though: When you compromise, you necessarily give away a bit of each concern so that neither production nor people needs are fully met. Leaders who use this style settle for average performance and often believe that this is the most anyone can expect.

**Team Leadership** - High Production/High People

According to the Blake Mouton model, this is the pinnacle of managerial style. These leaders stress production needs and the needs of the people equally highly. The premise here is that employees are involved in understanding organizational purpose and determining production needs. When employees are committed to, and have a stake in the organization's success, their needs and production needs coincide. This creates a team environment based on trust and respect, which leads to high satisfaction and motivation and, as a result, high production.

## Reddin's 3-D Leadership model

{ref:[http://www.wjreddin.co.uk/content/uploads/files/english\\_reference\\_reddin-s\\_3-d\\_leadership\\_model\\_def.pdf](http://www.wjreddin.co.uk/content/uploads/files/english_reference_reddin-s_3-d_leadership_model_def.pdf)}

Bill Reddin introduced a model of leadership style containing four basic types, namely:

1. High relationship orientation & high task orientation is called as INTEGRATED TYPE.
2. High relationship orientation & low task orientation is called as RELATED TYPE.
3. Low relationship orientation & high task orientation is called as DEDICATED TYPE.
4. Low relationship orientation & low task orientation is called as SEPARATED TYPE.

Further, by measuring the level of effectiveness of each style Reddin developed this basic model into eight leadership styles.

The modified model is called “The 3-D Theory of Managerial Effectiveness.”

The below table shows the Less Effective & More Effective Leadership styles in each basic types.

Less Effective	Basic types	More Effective
Deserter	SEPARATED	Bureaucratic
Missionary	RELATED	Developer
Autocratic	DEDICATED	Benevolent Autocratic
Compromiser	INTEGRATED	Executive

#### SEPARATED BASIC TYPES

##### DESERTER: LESS EFFECTIVE LEADERSHIP STYLE.

This is essentially a hand-off or laissez-faire approach : avoidance of any involvement or intervention which would upset the status; assuming a neutral attitude toward what is going on during the day; looking the other way to avoid enforcing rules; keeping out of the way of both supervisors and subordinates; avoidance of change and planning. The activities undertaken (or initiated) by managers who use this approach tend to be defensive in nature. People who achieve high scores may be adverse to managerial tasks or may have begun to lose interest in such tasks. This does not necessarily mean they are bad managers; they just try to maintain the status quo and avoid “rocking the boat”.

##### BUREAUCRATIC: MORE EFFECTIVE LEADERSHIP STYLE

This is a legalistic and procedural approach: adherence to rules and procedures; acceptance of hierarchy of authority; preference of formal channels of communication. High scorers tend to be systematic. They function at their best in well structured situations where policies are clear, roles are well defined and criteria of performance are objective and universally applied. Because they insist on rational systems, these managers may be seen as autocratic, rigid or fussy. Because of their dependence on rules and procedures, they are hardly distinguished from autocratic managers.

#### RELATED BASIC TYPES

#### MISSIONARY: LESS EFFECTIVE LEADERSHIP STYLE.

This is an affective (supportive) approach. It emphasizes congeniality and positive climate in the work place. High scorers are sensitive to subordinates' personal needs and concerns. They try to keep people happy by giving the most they can. Supportive behavior represents the positive component of this style. It has, however, a defensive counterpart. They may avoid or smooth over conflict, feel uncomfortable enforcing controls and find difficulty denying requests or making candid appraisals.

#### DEVELOPER: MORE EFFECTIVE LEADERSHIP STYLE

This is the objective counterpart of the missionary style. Objective in a sense that concern for people is expressed professionally: subordinates are allowed to participate in decision making and are given opportunities to express their views and to develop their potential. Their contribution is recognized and attention is given to their development. High scorers are likely to have optimistic beliefs about people wanting to work and produce. Their approach to subordinates is collegial: they like to share their knowledge and expertise with their subordinates and take pride in discovering and promoting talent.

#### DEDICATED BASIC TYPES

##### AUTOCRATIC: LESS EFFECTIVE LEADERSHIP STYLE.

This is a directive and controlling approach. Concern for production and output outweighs the concern for workers and their relationship. Managers who score high tend to be formal. They assign tasks to subordinates and watch implementation closely. Errors are not tolerated, and deviation from stated objectives or directives is forbidden. They make unilateral decisions and feel no need to explain or justify them. They minimize interaction with people, or limit communication to the essential demand of the task at hand. They believe in individual responsibility and consider group meetings a waste of time. They tend to be formal, straightforward and critical. For that reason, they are likely to be perceived as cold and arbitrary, particularly by subordinates who have strong need for support and reassurance.

##### BENEVOLENT AUTOCRATIC: MORE EFFECTIVE LEADERSHIP STYLE

This is the communicative counterpart of the autocratic style. It is still directive and interventionist. High scorers are seen as task masters who devote themselves comfortably to the accomplishment of production objectives. They enjoy tackling operational problems and may have less patience dealing with problems of human relation. They keep in touch with subordinates, instructing them, answering their questions and helping them with operational problems. They structure daily work, set objectives give orders or delegate with firm accountability. They would not hesitate to discipline or reprimand, but do that fairly and without antagonizing their subordinates. They meet group needs but ignore one-to-one personal relationship.

#### INTEGRATED BASIC TYPES

##### COMPROMISER: LESS EFFECTIVE LEADERSHIP STYLE.

Express appreciation of both human relations orientation and task orientation. They however admit to difficulties in integrating them. Therefore they may vacillate between task requirements and demand for human relations. In order to alleviate immediate pressures, they may resort to compromise solutions or expediency. They may be sensitive to reality considerations which stand in the way, and willing to delay action for whatever reason, internal or external. Their realistic assessment of situations may explain why they do not use freely the approach they actually prefer, that is, the Executive approach.

## **EXECUTIVE: MORE EFFECTIVE LEADERSHIP STYLE**

This approach integrates task orientation and human relations orientation in response to realistic demand. It is best described as consultative, interactive, and problem solving approach. This approach is called for in managing operations which require exploration of alternative solutions, pooling different resources, and integrating opposing perspectives. They favor a team approach in problem solving, planning and decision making. They stimulate communication among subordinates, thus obtain collective ideas and suggestions. Managers who use this approach are usually perceived as good motivators who tend to deal openly with conflict and who try to obtain collective commitment

## **Six Emotional leadership styles by Goleman**

New research by the consulting firm Hay/McBer, which draws on a random sample of 3,871 executives selected from a database of more than 20,000 executives worldwide, found six distinct leadership styles, each springing from different components of emotional intelligence. The styles, taken individually, appear to have a direct and unique impact on the working atmosphere of a company, division, or team, and in turn, on its financial performance. And perhaps most important, the research indicates that leaders with the best results do not rely on only one leadership style; they use most of them in a given week—seamlessly and in different measure—depending on the business situation

(ref: <http://hbr.org/2000/03/leadership-that-gets-results/ar/1>)

Daniel Goleman, Richard Boyatzis and Annie McKee, in *Primal Leadership*, Daniel HBS Press, 2004 describe six styles of leading that have different effects on the emotions of the target followers. These are styles, not types. Any leader can use any style, and a good mix that is customised to the situation is generally the most effective approach.

### **The Visionary Leader**

The Visionary Leader moves people towards a shared vision, telling them where to go but not how to get there - thus motivating them to struggle forwards. They openly share information, hence giving knowledge power to others. They can fail when trying to motivate more experienced experts or peers. This style is best when a new direction is needed. Overall, it has a very strong impact on the climate. It has a highly positive impact on the climate.

### **The Coaching Leader**

The Coaching Leader connects wants to organizational goals, holding long conversations that reach beyond the workplace, helping people find strengths and weaknesses and tying these to career aspirations and actions. They are good at delegating challenging assignments, demonstrating faith that demands justification and which leads to high levels of loyalty. Done badly, this style looks like micromanaging. It is best used when individuals need to build long-term capabilities. It has a highly positive impact on the climate.

### **The Affiliative Leader**

The Affiliative Leader creates people connections and thus harmony within the organization. It is a very collaborative style which focuses on emotional needs over work needs.

When done badly, it avoids emotionally distressing situations such as negative feedback. Done well, it is often used alongside visionary leadership. It is best used for healing rifts and getting through stressful situations. It has a positive impact on climate.

### **The Democratic Leader**

The Democratic Leader acts to value inputs and commitment via participation, listening to both the bad and the good news. When done badly, it looks like lots of listening but very little effective action. It is best used to gain buy-in or when simple inputs are needed (when you are uncertain). It has a positive impact on climate.

### **The Pace-setting Leader**

The Pace-setting Leader builds challenge and exciting goals for people, expecting excellence and often exemplifying it themselves. They identify poor performers and demand more of them. If necessary, they will roll up their sleeves and rescue the situation themselves. They tend to be low on guidance, expecting people to know what to do. They get short term results but over the long term this style can lead to exhaustion and decline. Done badly, it lacks Emotional Intelligence, especially self-management. A classic problem happens when the 'star techie' gets promoted. It is best used for results from a motivated and competent team. It often has a very negative effect on climate (because it is often poorly done).

### **The Commanding Leader**

The Commanding Leader soothes fears and gives clear directions by his or her powerful stance, commanding and expecting full compliance (agreement is not needed). They need emotional self-control for success and can seem cold and distant. This approach is best in times of crisis when you need unquestioned rapid action and with problem employees who do not respond to other methods.

### **Situational Approaches**

Situational leadership theory refers to belief that the relative importance of leadership behaviors depends on the situation. Aspects of the situation that modify the importance of behavior are called situational moderator variables. Situational theories suggest that leadership effectiveness depends on the fit between personality, task, power, attitudes, and perceptions and an effective leader must be flexible and adaptive. Deciding how to lead is difficult and requires an analysis of leader, group, and situation. Successful manager (Tannenbaum and Schmidt): the successful manager "maintains a high batting average in accurately assessing the forces that determine what his most appropriate behavior at any given time should be and in actually being able to behave accordingly. Situational factors like value system, wants, confidence, willingness will determine the balance between use of authority by leader and decision making and action freedom for followers. Accordingly the styles are telling, selling, suggesting, consulting, joining, delegating and abdicating.

### **The Contingency Leadership Model**

Fiedler's model: Assumes that group performance depends on the interaction between leadership style and situational favorableness.

Fiedler (1964, 1967) proposed the LPC contingency model to predict leadership effectiveness from a measure called the *least preferred coworker score*. **Least Preferred Co-Worker (LPC) Scale** measures leadership style by assessing the degree of positive or negative feelings held by a person toward someone with whom he/she least prefers to work. Low scores indicate a task-oriented leadership style (low-LPC leader). High scores indicate a relationship-oriented style (high-LPC leader).

The leader is asked to grade their least favorite worker on a series of bipolar adjectives (e.g. pleasant versus unpleasant, friendly versus unfriendly, gloomy versus cheerful). The scales are arranged so that the most lenient leader would receive the highest LPC score. Fiedler's rationale was that leaders who received high LPC scores were primarily motivated to have positive relationships, and that the achievement of task objectives was secondary. The degree to which LPC scores correlated with effectiveness was modified by a "situational favorability variable". The situational favorability variable consisted of three aspects of the situation: leader-manager relations, position power, and task structure.

a. **Leader-member relations**—the degree of trust, confidence and respect that followers have in the leader. Has the greatest impact on the situation's favorability. b. **Task structure**—the extent to which follower tasks are structured (the second most influential factor). c. **Position power**—the amount of leader's formal power.

The most favorable situation was associated with good leader-manager relations, high task structure (authority), and strong position power.

The least favorable situation is associated with Poor leader-member relations, Low task structure and Weak position power.

According to Fiedler: Low-LPC (task-oriented) leaders are best in situations of low and high favorability. High-LPC (relationship-oriented) leaders are best in situations of moderate favorability (the situation is neither very good or very bad).

Fiedler asserts that leaders cannot be effectively trained to change their leadership style; thus, the situation's favorableness should be changed to fit the leader's style by: a. Identifying the leader's style. b. Identifying the situational favorableness of the leader's situation. c. Selecting the best strategy for matching the situation to the leader's style

**(For details please see exhibit from Organizational Behaviour, Stephen P. Robbins, Timothy A. Judge and Seema Sanghi, 12<sup>th</sup> ed, Pearson education, pp449)**

Critique of Fiedler's contingency model.

Research evidence supporting the model is weak. Measurement of LPC has questionable validity and reliability. Meaning of variables is unclear. Critic's claim Fiedler's theory can accommodate nonsupportive results.

Conclusions: despite weaknesses, Fiedler's model has contributed significantly to study and application of leadership principles by calling attention to the importance of situation.

Another contingency model was proposed by Fiedler in 1986. Cognitive resource theory attempts to examine the conditions whereby intelligence, experience, and expertise become predictive of leadership effectiveness. Fiedler proposed that the effect of cognitive resources becomes significant only when the leader is directive, when there is little stress, and when the leader has some expertise that cannot be performed by subordinates. The theory predicts that in low-stress situations, the leader's intelligence has a strong impact on effectiveness, and in high-stress conditions, the leader's expertise is more important.

### **Path-Goal Model**

Attempts to predict leadership effectiveness in different situations. Assumes that leaders are effective via positively influencing subordinate motivation, performance ability and satisfaction. It is based on expectancy motivation theory and assumes that leaders should clarify to subordinates the behaviors that result in achieving goals (path clarification).

The theory proposes four leadership styles:

1. **Directive leader**—informs subordinates of what is expected of them.
2. **Supportive leader**—treats subordinates as equals.
3. **Participative leader**—consults with subordinates and uses their suggestions and ideas in reaching a decision.
4. **Achievement-oriented leader**—sets challenging goals and has high expectations of subordinate performance, and continually seeks their performance improvement.

It also proposes two types of situational variables:

1. **Subordinates' personal characteristics**—people who view themselves as very capable are less likely to accept a directive leadership style.
2. **Environmental pressures and demands, including:** a.Task. b. Organization's authority system. c.Work group—essentially factors not within subordinates' control but that influence performance/satisfaction.

The theory asserts that leaders motivate subordinates by helping them cope with environmental uncertainties, boosting subordinate expectancies and instrumentalities.

**(For details please see exhibit from Organizational Behaviour, Stephen P.Robbins, Timothy A.Judge and Seema Sanghi, 12<sup>th</sup> ed, Pearson education, pp454)**

A critique of the Path-Goal model:

The model warrants further study because questions remain about its predictive power.

Weaknesses:

- a. Subordinate performance might be the cause of changes in leader behavior instead of the other way around.
- b. Resulted in the development of only a few hypotheses.
- c. Inconsistent research support.
- d. Much research has tested only part of the model.

Strengths:

- a. Attempt to indicate which factors affect the motivation to perform.
- b. Introduces both situational factors and individual differences in examining leadership.
- c. Attempts to explain why a particular leadership style works best in a given situation.

### **Hersey-Blanchard Situational Leadership Theory**

Situational Leadership Theory (SLT)

A contingency theory that focuses on followers' readiness; the **more** "ready" the followers (the more willing and able) the **less** the need for leader support and supervision.

SLT emphasizes leader's ability to judge followers' maturity level and to use the appropriate leadership style.

**Readiness**—the ability and willingness of people (followers) to take responsibility for directing their own behavior.

- a. Job readiness—knowledge and abilities to perform the job without a manager structuring or directing the work.
- b. Psychological readiness—self-motivation and desire to do a high quality job.

**Four leadership styles available to managers (Ohio State Studies):**

- a. **Telling**—leader defines the roles needed to do the job and tells followers what, where, how, and when to do the tasks.
- b. **Selling**—leader provides followers with structured instructions, but is also supportive.
- c. **Participating**—leader and followers share in decisions about how best to complete a high-quality job.
- d. **Delegating**—leader provides little specific, close direction or personal support to followers.

***Application of the model***

In using the SLT characteristics, the manager must:

- a. Identify followers' readiness (R) state, which lies at the intersection of two distinct variables:
  - i. Task behavior, which calls for guidance.
  - ii. Relationship behavior, which calls for support.
- b. Choose the style (S) that fits the R state.
  - i. S1: telling. Research supports this style over any of the others.
  - ii. S2: selling.
  - iii. S3: participating. Often assumed to be best, but research indicates otherwise; insecure followers may respond negatively to participation.
  - iv. S4: delegating.

Followers become willing to accept more responsibility as other leadership styles become more effective.

**Blanchard's modification/application of the model:**

Changed names of leadership styles.

- a. S1: directing.

- b. S2: coaching.
- c. S3: supporting.
- d. S4: delegating.

Changed readiness to **development level of followers**, defined in terms of followers' current competence and commitment to do the job. Training programs use analysis survey scales to assess participants' attitudes about leadership.

Conclusions.

1. Though attractive to managers, SLT leaves unanswered questions, e.g., does it work? There has been limited testing of the model.
2. Hersey and Blanchard have not provided evidence:
  - a. That predictions can be made from SLT.
  - b. Which style is best.

**Leader-Member Exchange Approach** can be used to measure in-group, out-group status. Leaders select certain followers to be “in” (favorites) based on competence and/or compatibility and similarity to leader. “Exchanges” with these “in” followers will be higher quality than with those who are “out”. Result: “In” subordinates will have higher performance ratings, less turnover, and greater job satisfaction.

( For details please see exhibit from **Organizational Behaviour, Stephen P. Robbins, Timothy A. Judge and Seema Sanghi, 12<sup>th</sup> ed, Pearson education, pp453**)

### **Comparing the Situational Approaches**

Similarities among models: 1. Focus on the dynamics of leadership. 2. Stimulate research on leadership.

Remain controversial because of: a. Measurement problems. b. Limited research testing. c. Contradictory research results.

### **Vroom-Jago Leadership Model**

A normative model developed Vroom and Yetton that indicates situations where varying degrees of participative decision making by the leader is effective. It assumes that no single leadership style is right for every situation. Unlike Fiedler's model, this model assumes that leaders must be able to alter their decision-making style to fit the situations, not vice versa.

Other assumptions are :

- a. Model should be of use in determining which leadership styles should be used in various situations.
- b. No single style is applicable to all situations.
- c. Main focus should be the problem to be solved and the situation in which the problem occurs.
- d. Style used in one situation should not constrain styles in other situations.
- e. Social problems influence subordinate participation in problem solving.

Vroom-Jago modified model to make it more accurate and predictable.

### **Nature of the Vroom-Jago Decision Styles**

Two key features:

- a. Employs the same decision process as the original Vroom-Yetton model.
- b. Retains the criteria against which the effects of participation are evaluated:
  - i. Effects of participation on decision quality.
  - ii. Effects of participation on decision acceptance.
  - iii. Effects of participation on subordinate development.
  - iv. Effects of participation on time.

### **Decision Effectiveness ( $D_{\text{Eff}}$ ):**

Depends on decision quality and subordinate commitment. **Decision quality ( $D_{\text{Qual}}$ )** refers to the technical aspects of a decision. A decision is high quality to the extent it is consistent with organizational goals and with potentially available information.

**Subordinate commitment ( $S_{\text{Comm}}$ )** refers to acceptance of decision by subordinates as indicated by feelings of commitment and joint ownership.

**Decision time ( $D_{\text{TP}}$ )** refers to the extent to which a decision is made in a timely manner.

$$e. \quad D_{\text{Eff}} = S_{\text{Qual}} + D_{\text{Comm}} - D_{\text{TP}}.$$

### **Decision Styles**

Decisions made can be classified as an individual decision when they effect only a single individual or be classified as a group decision when they affect several followers.

Five different leadership styles that fit individual and group situations are described:

- i. Autocratic (A)—the leader makes the decision without input from the followers or subordinates.
- ii. Consultative (C)—subordinates have some input, but the leader makes the final decision.
- iii. Group (G)—the group makes the decision with the leader as just another group member.
- iv. Delegated (D)—the leader authorizes the group to make the decision.

**Diagnostic Procedure**—to determine the most appropriate decision-making style for a given situation a leader performs a situational diagnosis- ‘Example Vroom-Jago Rules of Thumb,’ There are *eight* questions from this diagnosis that pertain to the discussion included in the text:

- i. How important is the technical quality of the decision?
- ii. How important is subordinate commitment to the decision?
- iii. Do you have sufficient information to make a high-quality decision?
- iv. Is the problem well structured?
- v. If making the decision alone, are you reasonably certain your subordinates would be committed to the decision?
- vi. Do your subordinates share the organizational goals to be attained in solving this problem?
- vii. Is conflict among subordinates over preferred solutions likely?
- viii. Do subordinates have sufficient information to make a high-quality decision?

Application of the Model.

Complexity of the equations precludes pencil-and-paper application.

Vroom and Jago offer two alternatives:

- a. A computer program to guide managers.
- b. Decision trees

Validity of the Model.

1. Revised model lacks complete empirical evidence to establish validity.
2. Thought to be consistent with what we know about benefits and costs of participation.
3. Value remains open to question.

## Transactional and Transformational Leadership

Both theories emphasize an exchange process between leader and follower.

### Transactional leadership

Leaders who guide or motivate their followers in the direction of established goals by clarifying role and task requirements. Leader helps the follower identify what must be done to accomplish desired results. Uses the path-goal concepts as a framework. Leader relies on contingent rewards (Contracts exchange of rewards for effort, promises rewards for good performance, recognizes accomplishments), management by exception (passive- Intervenes only if standards are not met and active- Watches and searches for deviations from rules and standards, takes corrective action) and Laissez faire- Research shows that when contingent rewards are used followers show increases in performance and satisfaction. In management by exception, the leader does not get involved unless objectives are unmet.

### The transformational theme.

Leaders motivate followers to work for transcendental goals instead of short-term self-interest, and for achievement and self-actualization instead of security. Viewed as a special kind of **transactional leadership**. Transactional leaders will adjust goals, direction, and mission for practical reasons. Transformational leaders will make major changes in the firm's mission, way of doing business, and human resource management.

### Characteristics of transformational leader

**Idealized Influence:** 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

**Individualized Consideration:** Gives personal attention, treats each employee individually, coaches, advises

## Attribution Theory of Leadership

Suggests that behavior is determined by perceived, rather than actual causes of events. It views leader as the **information processor**. The theory searches for cues as to why something is happening. It attempts to construct causal explanations that guide leadership behavior.

### Leaders attributions.

Primary attributional task—categorize the causes of follower behavior into one of three dimensions:

- i. Person (e.g., inadequate ability).
- ii. Entity (task).
- iii. Context (circumstances surrounding the event).

Seeks three types of information to form attributions:

- i. Whether behavior is **distinctive** to the task.
- ii. How frequently behavior occurs (**consistency**).
- iii. Extent to which others behave in the same way (**consensus**).

Qualities Attributed to Leaders -Leaders are intelligent, outgoing, have strong verbal skills, are aggressive, understanding, and industrious. Effective leaders are perceived as consistent and unwavering in their decisions. Effective leaders project the appearance of being a leader

Leader's perception of responsibility.

- a. Judgment of responsibility moderates the leader's response to attribution.
- b. Example: the more behavior is seen to be caused by the follower, and the more the follower is judged to be responsible, the more likely the leader is to take action toward the follower.

Attributional leadership model:

1. Better than the trait or personal-behavioral theories in explaining leader behavior.
2. Attempts to explain why behaviors happen.
3. Offers some predictions about a leader's response to follower behavior.
4. Emphasizes to linkages
  - a. Leader attempts to make attributions about poor performance.
  - b. Leader's response is determined by the attributions made.
5. Research support is limited.

### **Leader behavior: Cause or effect?**

Some argue that leaders might be expected to develop positive (or negative) attitudes toward followers based on performance. Attitudes influence future expectations. Research on cause and effect is limited. One research study on first-line supervisors concluded that: Leader consideration behavior caused

subordinate satisfaction and follower performance caused changes in the leader's emphasis on both consideration and structure.

### **Challenges to Attribution Theory of Leadership**

The idea that leadership is merely an attribution that people make about other individuals

### **Authentic Leaders and Ethical Behavior**

Authentic leaders know who they are, what they believe in and value, and act on those values openly and candidly. Followers see them as ethical. Ethical leaders use ethical means to get followers to achieve their goals, and the goals themselves are ethical.

**Ethical Leadership** work to positively change the attitudes and behaviors of employees, engage in socially constructive behaviors and do not abuse power or use improper means to attain goals

### **Trust: The Foundation of Leadership**

#### ***Trust***

A *positive expectation* that another will not—through words, actions, or decisions—act *opportunistically*. Trust is a history-dependent process (familiarity) based on relevant but limited samples of experience (risk)

#### ➤ Integrity

- Honesty and truthfulness

#### ➤ Competence

- An individual's technical and interpersonal knowledge and skills

#### ➤ Consistency

- An individual's reliability, predictability, and good judgment in handling situations

#### ➤ Loyalty

- The willingness to protect and save face for another person

#### ➤ Openness

- Reliance on the person to give you the full truth

### ***Three Types of Trust***

#### **Deterrence-based Trust**

- Trust based on fear of reprisal if the trust is violated

### **Knowledge-based Trust**

-Trust based on behavioral predictability that comes from a history of interaction

### **Identification-based Trust**

-Trust based on a mutual understanding of one another's intentions and appreciation of the other's wants and desires

### **Contemporary Leadership Roles: Providing Team Leadership**

Team Leadership Roles -Act as liaisons with external constituencies, serve as troubleshooters, managing conflict and coaching to improve team member performance

### **Contemporary Leadership Roles: Mentoring**

Mentor is a senior employee who sponsors and supports a less-experienced employee (a protégé).Mentoring activities include presenting ideas clearly, listening well, empathizing, sharing experiences, acting as role model, sharing contacts and providing political guidance

### **Contemporary Leadership Roles: Self-Leadership**

Self-Leadership is a set of processes through which individuals control their own behavior.

For creating Self-Leaders the steps are:

- Modeling self-leadership
- Encouraging employees to create self-set goals
- Encouraging the use of self-rewards
- Creating positive thought patterns
- Creating a climate of self-leadership
- Encouraging self-criticism

### **Online Leadership**

Leadership at a Distance: Building Trust

- The lack of face-to-face contact in electronic communications removes the nonverbal cues that support verbal interactions.
- There is no supporting context to assist the receiver with interpretation of an electronic communication.

- The structure and tone of electronic messages can strongly affect the response of receivers.
- An individual's verbal and written communications may not follow the same style.
- Writing skills will likely become an extension of interpersonal skills

### **Multicultural Leadership**

Leader's perform their role in a context. In a global context generalizing about leadership is not possible.

Cross-cultural research.

Bass et al. found leadership attributes associated with leadership results across cultures. Effective multicultural leaders need various leadership skills that may not be obvious. According to Bass' research, effective multicultural leaders demonstrated:

- a. Preferred awareness (willingness to be aware of others' feelings).
- b. Actual awareness (actual understanding of oneself and others).
- c. Submissiveness (to rules and authority).
- d. Reliance on others (in problem solving).
- e. Favoring of group decision-making.
- f. Concern for human relations.
- g. Cooperative peer relations.

Other factors to consider:

- a. Subordinates.
- b. Peers.
- c. Superiors.
- d. Task.
- e. Task environment.

Conclusion: there is no right or universal way to lead, but there are differences in style and preferences that can make a job less frustrating.

But much research supports cultural contingency notions in leadership. Hofstede's four cultural dimensions

- a. Employees that rank high on power distance may prefer an autocratic style.
- b. Employees that rank low on power distance may prefer a more participative style.
- c. Some leadership styles touted by American researchers are counterproductive in other cultures.
- d. Hofstede says American researchers pay too little attention to followers.

A country's prevalent leadership style is interrelated with norms, history, and the systems used

### **Attitudes of European Managers Toward Leadership Practices**

- Higher-level managers tend to express more democratic values than lower-level managers in some countries – in other countries, the opposite was true
- Company size tends to influence the degree of participative-autocratic attitudes
- Younger managers were more likely to have democratic values when it came to capacity for leadership and initiative and to sharing information and objectives
- Most European managers tend to reflect more participative and democratic attitudes – but not in every country
- Organizational level, company size, and age seem to greatly influence attitudes toward leadership
- Many of the young people in this study now are middle-aged – European managers in general are highly likely to be more participative than their older counterparts of the 1960s and 1970s

### **Japanese Leadership Approaches**

- Japan is well known for its paternalistic approach to leadership
- Japanese culture promotes a high safety or security need, which is present among home country-based employees as well as MNC expatriates
- Japanese managers have much greater belief in the capacity of subordinates for leadership and initiative than do managers in most other countries – only managers in Anglo-American countries had stronger feelings in this area

### **Differences Between Japanese and U.S. Leadership Styles**

- Except for internal control, large U.S. firms tend to be more democratic than small ones – the profile is quite different in Japan
- Younger U.S. managers appear to express more democratic attitudes than their older counterparts on all four leadership dimensions

- Japanese and U.S. managers have a basically different philosophy of managing people – Ouchi's *Theory Z* combines Japanese and U.S. assumptions and approaches providing a comparison of seven key characteristics

- Another difference between Japanese and U.S. leadership styles is how senior-level managers process information and learn

- Variety Amplification

Japanese executives are taught and tend to use variety amplification – the creation of uncertainty and the analysis of many alternatives regarding future action

- Variety Reduction

U.S. executives are taught and tend to use variety reduction – the limiting of uncertainty and the focusing of action on a limited number of alternatives

- Leadership in China

**Importance that the respondents in one study assigned to three areas:**

Individualism

Measured by importance of self sufficiency and personal accomplishments

Collectivism

Measured by willingness to subordinate personal goals to those of the work group with an emphasis on sharing and group harmony

Confucianism

Measured by the importance of societal harmony, virtuous interpersonal behavior, and personal and interpersonal harmony

- The “New Generation” group scored significantly higher on individualism than did the current and older generation groups

- They also scored significantly lower than the other two groups on collectivism and Confucianism

- These values appear to reflect the period of relative openness and freedom, often called the “Social Reform Era,” in which these new managers grew up

- They have had greater exposure to Western societal influences may result in leadership styles similar to those of Western managers

**Leadership in the Middle East**

- There may be much greater similarity between Middle Eastern leadership styles and those of Western countries
- Western management practices are evident in the Arabian Gulf region due to close business ties between the West and this oil-rich area as well as the increasing educational attainment, often in Western universities, of Middle Eastern managers
- Organizational culture, level of technology, level of education, and management responsibility were good predictors of decision-making styles in the United Arab Emirates
- There is a tendency toward participative leadership styles among young Arab middle managers, as well as among highly educated managers of all ages

(source: [www.bus.ucf.edu/lmigenes/internmgmt/NEW%20chp%2013.ppt](http://www.bus.ucf.edu/lmigenes/internmgmt/NEW%20chp%2013.ppt))

### Differences in Middle Eastern and Western Management

(ref: [www62.homepage.villanova.edu/jonathan.../Chapter13\\_HLDRev.ppt](http://www62.homepage.villanova.edu/jonathan.../Chapter13_HLDRev.ppt))

Management Dimensions	Middle Eastern management	Western Management
Leadership	Highly authoritarian tone, rigid instructions. Too many management directives.	Less emphasis on Leader's personality, considerable weight on leader's style and performance.
Organizational structures	Highly bureaucratic, over centralized, with power and authority at the top. Vague relationships. Ambiguous and unpredictable organizational environments.	Less Bureaucratic, more delegation of authority. Relatively decentralized structure.
Performance evaluation and control	Informal control mechanisms, routine checks in performance, lack of vigorous performance evaluation systems	Fairly advanced control systems focusing on cost reduction and organizational effectiveness.
Personal policies	Heavy reliance on personal contacts and getting individual from the right social origin to fill	Sound Personnel management policies. Candidates qualification are usually the basis for

	major positions.	selection decisions.
Communication	The tone depends on the communicants. Social position, power and family influence are ever present factors. Chain of command must be followed rigidly. People relate to each other tightly and specifically. Friendships are intense and binding.	Stress usually on equality and a minimization of difference. People relate to each other loosely and generally. Friendships not intense and binding.
Decision Making	Ad hoc planning, decisions made at the highest level of management. Unwillingness to take high risk inherent in decision making.	Sophisticated planning techniques, modern tools of decision making, elaborate management information systems.

Adapted from M K Badawy " Styles of mid Eastern managers" California Management Review, 1980., P57.

Rankings of the most important leadership attributes by region and country cluster

North /West European region

Anglo Culture (Great Britain, Ireland)	Nordic Culture(Sweden, Netherlands, Finland, Denmark)	Germanic Culture(Switzerland, Germany, Austria)	Czech Republic	France
Performance Oriented	Integrity	Integrity	Integrity	Participative
Inspirational	Inspirational	Inspirational	Performance Oriented	Non autocratic
Visionary	Visionary	Performance Oriented	Administratively skilled	
Team Integrator	Team Integrator	Non autocratic	Inspirational	
Decisive	Performance Oriented	Visionary	Non autocratic	

### South/East European region

Latin Culture (Italy, Spain, Portugal, Hungary)	Central Culture (Poland, Slovenia)	Near East Culture (Turkey , Greece)	Russia	Georgia
Team Integrator	Team Integrator	Team Integrator	Visionary	Administratively skilled
Performance Oriented	Visionary	Decisive	Administratively skilled	Decisive
Inspirational	Administratively skilled	Visionary	Inspirational	Performance Oriented
Integrity	Diplomatic	Integrity	Decisive	Visionary
Visionary	Decisive	Inspirational	Integrity	Integrity

Adapted from Brodbeck et al "Cultural Variation of Leadership Prototypes across 22 European Countries" Journal of Occupational and Organizational Psychology 73 (2000), p15.

### Leadership Approaches in Developing Countries

- Managerial attitudes in India are similar to Anglo-Americans toward capacity for leadership and initiative, participation, and internal control, but different in sharing information and objectives
- Leadership styles in Peru may be much closer to those in the United States than previously assumed
- Developing countries may be moving toward a more participative leadership style

### Leader Behaviour, Leading Effectiveness and Leading Teams

One of the keys to successful global leadership is knowing what style and behaviour works best In a given culture and adapting appropriately.

In affective cultures, such as the United States, leaders tend to exhibit their emotions

In neutral cultures such as Japan and China, leaders do not tend to show their emotions

When managing or being managed in

Affective cultures	Neutral Cultures
Avoid a detached, ambiguous and cool demeanor because this will be interpreted as negative behaviour.	Avoid warm, excessive or enthusiastic behaviours because these will be interpreted as a lack of personal control over one's feelings and be viewed inconsistent with one's high status.
Find out whose work and enthusiasm are being directed into which projects so you are able to appreciate the vigour and commitment they have for these efforts	Extensively prepare the things you have to do and then stick tenaciously to the issues
Let people be emotional without personally becoming intimidated or coerced by their behaviour.	Look for cues whether people are pleased or angry and then amplify their importance.

When doing business with individuals in

Affective Cultures (for those from Neutral Cultures)	Neutral Cultures (for those from Affective cultures)
Do not be put off stride when others create scenes and get histrionic; take timeouts for sober reflection and hard assessments.	Ask for time outs from meetings and negotiations where you can patch each other up and rest between games of poker with the impassive ones.
When others are expressing goodwill, respond warmly.	Put down as much as you can on paper before beginning the negotiation
Remember that other person's enthusiasm and readiness to agree or disagree does not mean that the individual has made up his/her mind	Remember that the other persons lack of emotional tone does not mean that the individual is disinterested or bored, only that the person does not like to show his/her hand.
Keep in mind that the entire negotiation is typically focused on you as a person and not so much on the object or proposition that is being discussed.	Keep in mind that the entire negotiation is typically focused on the object or proposition that is being discussed and not on you as a person.

Recognize the way in which people behave in

Affective cultures	Neutral cultures
They reveal their thoughts and feelings both verbally and nonverbally	They often do not reveal what they are thinking or feeling
Emotions flow easily, vehemently and without inhibition	Emotions are often dammed up, although they may occasionally explode.
Heated, vital and animated expressions are admired	Cool and self possessed conduct is admired.
Touching, gesturing and strong facial expressions are common	Physical contact, gesturing or strong facial expressions are not used.
Statements are made fluently and dramatically.	Statements are often read out in a monotone voice.

Adapted from Trompenaars et al “ Riding the waves of culture; Understanding diversity in global business, 2<sup>nd</sup> ed, Newyork, Mc Graw Hill, 1998, pp80-82.

### **Substitutes for Leadership**

**Leadership substitutes**—task, organizational, or subordinate characteristics that render relationship- and/or task-oriented leadership as not only impossible, but also unnecessary.

**Leadership neutralizer**—something that makes it impossible for leadership to make a difference.

Substitutes for leadership are claimed to be prominent in many organizations, but leadership approaches fail to include them in efforts to explain behavior.

Examples:

1. Subordinate ability, need for independence, and professional orientation' can neutralize a leader's task-oriented influence.
2. Cohesive work groups and an intrinsically satisfying task can negate a leader's relationship-oriented influence.

*Source:* Based on S. Kerr and J. M. Jermier, “Substitutes for Leadership: Their Meaning and Measurement,” *Organizational Behavior and Human Performance*, December 1978, p. 378.

<b>Substitute or neutralizer</b>	<b>Effect on supportive leadership</b>	<b>Effect on instrumental leadership</b>
<b>A. Subordinate characteristics</b>		
1, experience, ability, training		Substitute
2. Professional orientation	Substitute	Substitute
3. Indifference towards reward	Neutralizer	Neutralizer
<b>B. Task Characteristics</b>		
1. Structured routine task		Substitute
2. feedback provided by task		Substitute
3. Intrinsically satisfying task	Substitute	
<b>C. Organization characteristics</b>		
1. Cohesive workgroup	Substitute	Substitute
2. Low position power	Neutralizer	Neutralizer
3. Formalization (roles, procedures)		Substitute
4. Inflexibility (rules, policies)		Neutralizer
5. Dispersed subordinate work sites	Neutralizer	Neutralizer

## Questions

1. What is Leadership? Compare Leadership vs management. Discuss the different functions of Leadership.
2. What are the different approaches to the study of Leadership? Discuss the different leadership styles under behavioural approach. Which style according to you is most effective and why?
3. Discuss the different leadership styles under situational approach. Which style according to you is most effective and why?
4. Write short notes on (a) Charismatic Leadership (b) Attribution Theory of Leadership (c) Authentic Leaders and Ethical Behavior (d) Trust: The Foundation of Leadership  
(e) Substitutes for Leadership
5. What are the Contemporary Leadership Roles? Discuss the significant aspects of Online Leadership
6. What is Multicultural Leadership and why knowledge of it is important for managers? -Justify with suitable examples
7. Discuss with suitable examples the significant aspects of Leadership approaches in Developing Countries