Leadership and Leadership Styles

Definition

- Leadership is defined as the process of influencing group activities toward the accomplishment of goals in a given situation.
- In this context the leader is viewed as the person in the group who is capable of influencing group activities with regard to goal formation and goal accomplishment.

Theories

- Trait leadership refers to what characteristics the leader possesses.
- What are traits?
  - Traits are inborn and inherent personal qualities of individuals.
- The “Trait Theory” therefore believes that leaders possess certain inborn traits which are inherited rather than acquired.

- The followers of this traditional theory believe that managers or leaders are born not made.
- The following are some of the traits that are shared by most successful leaders, according to the trait theory.

- Intelligence leaders tend to have somewhat higher intelligence than their followers
- Social maturity and breadth leader tend to be emotionally mature and have a broad interest range.

- Inner motivation and achievement drive leaders want to achieve things; when they achieve one thing, they seek out another.
- Human relation attitudes. Leaders develop a healthy respect for people and realize that to accomplish tasks, they must be considerate of others.

- **Behavioral theory** attempts to describe leadership in terms of what leaders do. According to this theory, leadership is shown by a person's acts more than by his traits.
- Some of the major studies which to caused on behavioral leadership theories include the following.

- The Michigan Studies
- After studying numerous industrial situations the Michigan University research identified two leadership styles which include:
  - Employee-centered, and
  - Production-centered task oriented.

- **Production-centered / Task-oriented leadership style: emphasizes more on the technical aspects of job, work standard, close supervision, considering employees as tools in the production process.**
- **Employee-oriented / people centered / leadership style: focuses more on treating subordinates as human beings, encouraging them in goal setting, and shows concern for their well being.**

- The Michigan research prescribed employee-oriented style of leadership to increase productivity.
- They contended that supervisory controls and production – centered leadership style will be frustrating to the employees; affects their morale leading to unsatisfactory performance on the job.

- The Ohio State University studies:
- The Ohio State University studies identified two leadership behaviors, which include:
  - Initiating structure, and
  - Consideration

- Initiating structure (IS) refers to the extent to which the leaders structure and define the activities of subordinates so that organizational goals are accomplished.
- Consideration on the other hand, refers to the ability of the leader to establish rapport, mutual respect and two-way communication with employees. The leader is friendly, approachable, and listens to the problems of employees and allows them to suggest.

Leadership - what is it?

"influencing people so that they will strive willingly towards the achievement of group goals" [1]

[1] Koontz, H. and C. O'Donnell. "Management: A System of Contingency Analysis of Managerial Functions". McGraw-Hill, New York, 1976.

Contingency

- According to the advocates of this leadership theory, leadership is a complex social and interpersonal process; and to understand if fully we need to see the situation in which a leader operates.
- The contingency theory of leadership stresses that no single leadership style is effective in all situations.

Thus, an effective leader must be flexible enough to adapt to the differences among subordinates and situations.

Positive Versus Negative Leadership Styles

- Positive leadership styles give emphasis to praise and recognition, monetary rewards, increase in security, and addition of responsibility.
- Negative leadership styles on the other hand emphasize penalties, loss of jobs, suspension, and public reprimands / critics

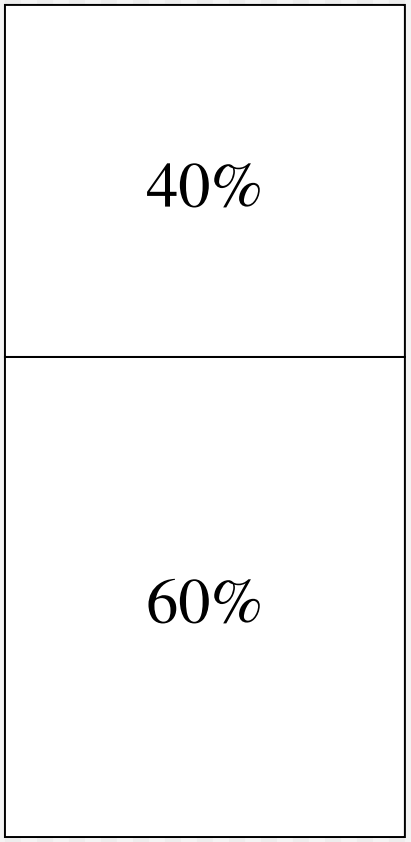
How important is a leader?

- In most cases, people will perform at about 60% of their potential with no leadership at all
- Thus, an additional 40% can be realized if effective leadership is available

capability utilization

Contribution due to leadership ability of manager

Default contribution due to need for a job, peer pressure, etc.



The 2 dimensions of management

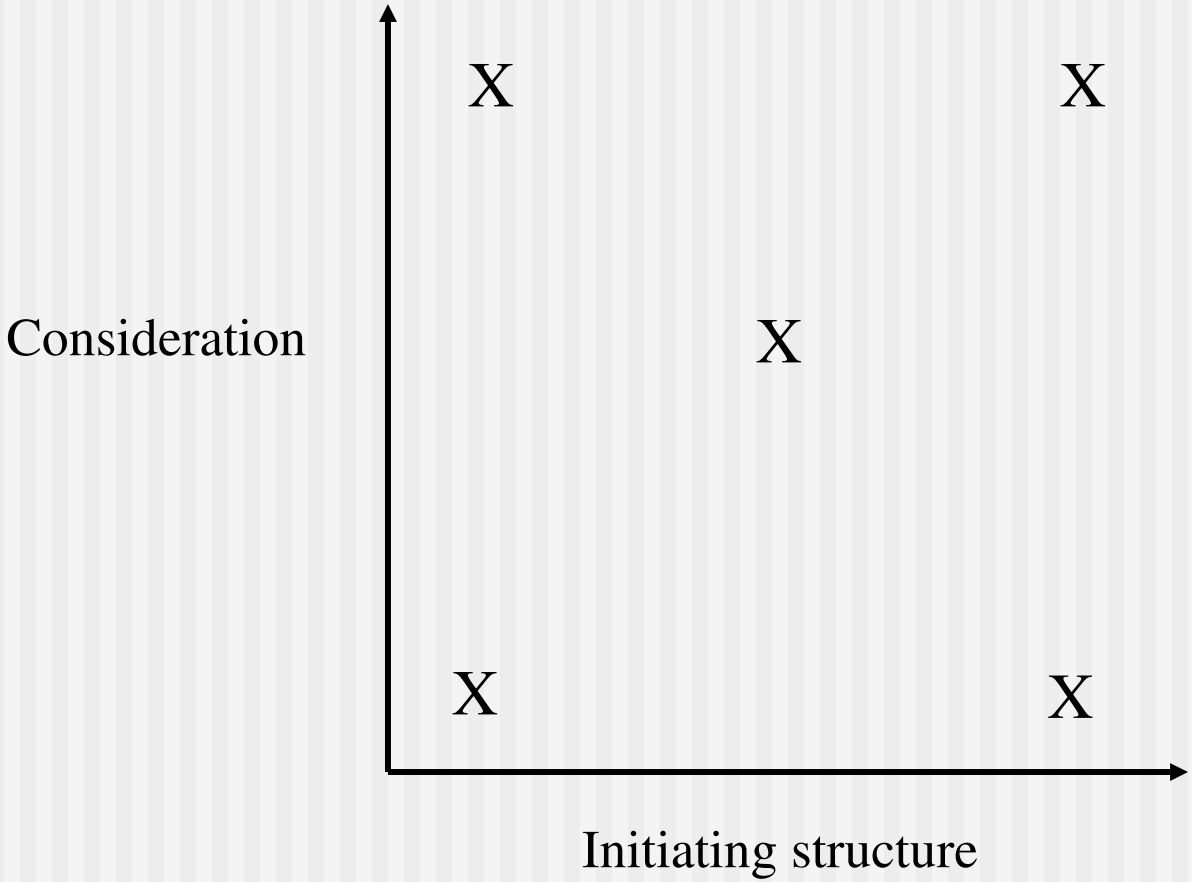
1. Economic or productivity-based
   - “concern for production”
2. Employee condition and morale
   - “concern for people”

The 2 dimensions of management

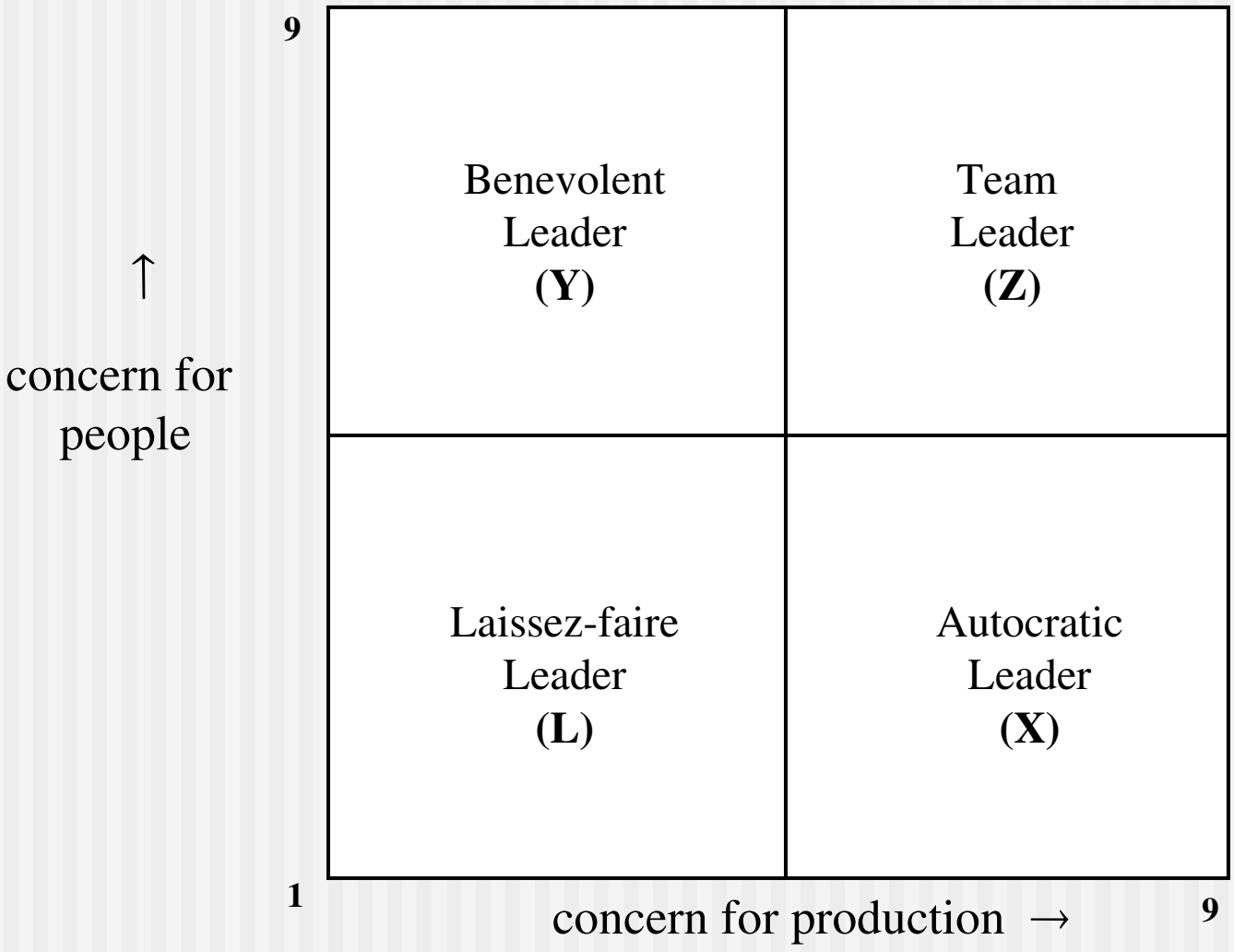
These can also be thought of as:

1. Initiating structure (get it done)
2. Consideration (human condition)

Styles of leadership



Styles of leadership



Which style of leadership works best?

- Team Leader (Z) has proven to be the *most effective* in general (9,9)
- Requires a “balancing act” of getting things done *and* having a genuine concern for people
- Certain special situations may require other styles (i.e. making the atom bomb)

Theory “L”: Laissez-faire leader

- Uninvolved - “leave them alone”
- Sees main role as passer of information
- Lets others make decisions
- Basically abdicates responsibility for team or unit

Theory “X”: Autocratic leader

- Lacks flexibility
- Controlling and demanding
- “carrot and stick” approach
- Focused solely on productivity

Theory “Y”: Benevolent leader

- Very people oriented; encouraging
- Organizes around people
- Can be paternalistic
- “country club” atmosphere: non-competitive

Theory “Z”: Team leader

- Balances production and people issues
- Builds a working team of employees
- Team approach: *involves* subordinates
- Organization is a *vehicle* for carrying out plans

Results of leadership styles

1. Theory L: “missing management”
   - Very low productivity
2. Theory X: “my way or the highway”
   - Job stress; low satisfaction; unions form
3. Theory Y: “country club”
   - Low achievement; good people leave
4. Theory Z: “good manager”
   - High productivity, cooperation, low turnover, employee commitment

Origins of leadership

Are leaders born or made?

- BOTH. Evidence that both inherent personality and environment are factors

- What kind of leader would you be?

Summary

- Learn to identify style of your manager
- If possible, seek a Theory Z environment
  - More common in recent years
- Get management training
- Inherent leadership styles *can* be changed, but takes effort