

# Theories of Leadership

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# Course Outline

## Early Leadership Theories

- Great Man Theory
- Trait Theory
- Behavioral / Style Theories

## Situational & Contingency Theories of Leadership

- Hersey & Blanchard Situational Leadership Theory
- Fiedler's Contingency Model
- Path-Goal Theory
- Leader – Member Exchange Theory
- Vroom's Decision Tree Model

# Course Outline

## Transformational Leadership

- Transformational vs Transactional Leadership
- Charismatic Leadership
- The Level Five Leadership
- The Five Levels of Leadership

## Leaders and Followers Relationship

- Why should anyone be led by you?
- Leadership and Emotional Intelligence

# Great Man Theory

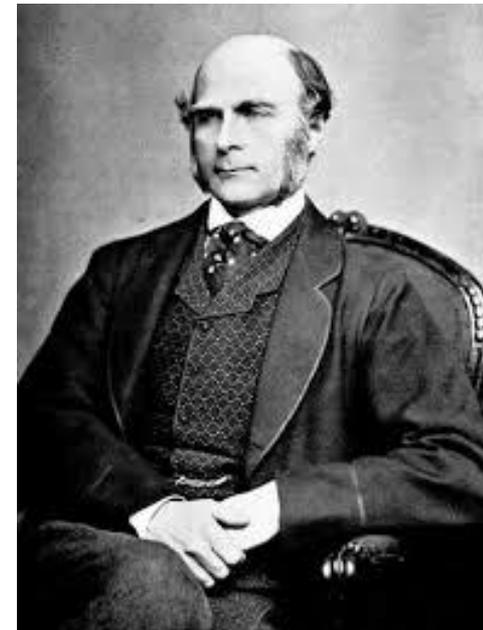
**Great Man Theory:** History can be largely explained by the impact of "great men", or heroes, i.e. highly influential individuals.

• This theory assumes physical and psychological characteristics account for effective leadership:

- Basic intelligence
- Clear and strong values
- High personal energy

• **Sir Francis Galton**

- Wrote "Hereditary Genius" pub. 1869
- Believed leadership qualities were *genetic*
- Distant relative of Charles Darwin



# Great Man Theory

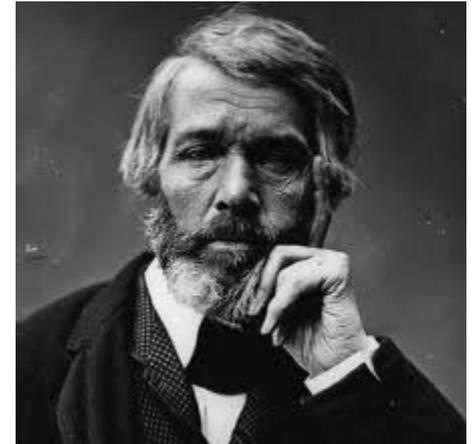
- **Thomas Carlyle**

- One of the earliest leadership theorists

- "The history of the world is but the biography of great men.
- "Heroes shape history through both their personal attributes and divine inspiration. "

- Letters and Speeches of Oliver Cromwell (1599-1658) pub. 1845

- On Heroes, Hero-Worship and the Heroic in History, pub. 1840



Lecture I. The Hero As Divinity. Odin. Paganism: Scandinavian Mythology.

Lecture II. The Hero As Prophet. Mahomet: Islam.

Lecture III. The Hero As Poet. Dante: Shakspeare.

Lecture IV. The Hero As Priest. Luther; Reformation: Knox; Puritanism.

Lecture V. The Hero As Man Of Letters. Johnson, Rousseau, Burns.

Lecture VI. The Hero As King. Cromwell, Napoleon: Modern Revolutionism.

# Trait Theory

**Trait Theory** seeks to identify common personal characteristics (traits) that effective leaders (great men?) possess.

## **Paul Von Hindenburg**

First Chancellor of Germany, post WWI  
Used the trait theory for selecting and developing military leaders

## **Primary qualities for leadership ability**

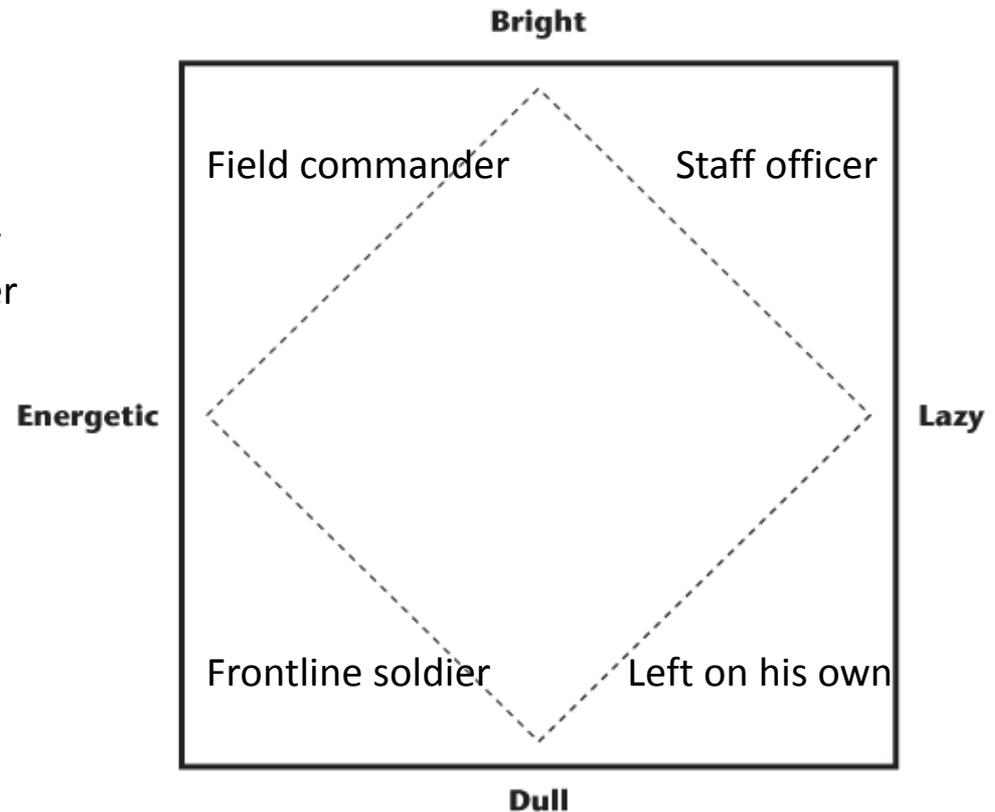
Intelligence (bright vs. dull)  
Vitality (energetic vs. lazy)



# Trait Theory - Early Applications

## Dimensions Leadership

- **Bright & Lazy** : Staff officer
- **Energetic & Dull** : Frontline soldier
- **Bright & Energetic** : Field commander
- **Lazy & Dull** : Left on his own



# Trait Theory - Developments

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 between themselves and 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.

Source: S. A. Kirkpatrick and E. A. Locke, "Leadership: Do Traits Really Matter?" 1991.

# Criticisms of the Trait Approach

- Research on identifying personal characteristics that differentiated *leaders* from *non-leaders* was unsuccessful.
- **Some effective leaders do not possess** all of these traits, and some leaders who possess these traits are not effective.
- For at least some traits, it is **not clear which comes first**, being in a leadership position or possessing the trait in question.
- The trait approach provides **little guidance** concerning what advice or training to give current or **soon-to-be leaders**.
- The approach **ignores the situation** in which leadership takes place.

# Behavioral Theory

In the 1930s, emphasis on behavioralism moved researchers in the direction of leadership behavior

The **BEHAVIOR THEORY** focuses on the behaviors that effective leaders engage in.

Behavioral studies focus on identifying critical behavioral determinants of leadership that, in turn, **could be used to train people** to become leaders.



# Behavioral Theory – University of Iowa

**Kurt Lewin** trained assistants in behaviors indicative of three leadership styles:

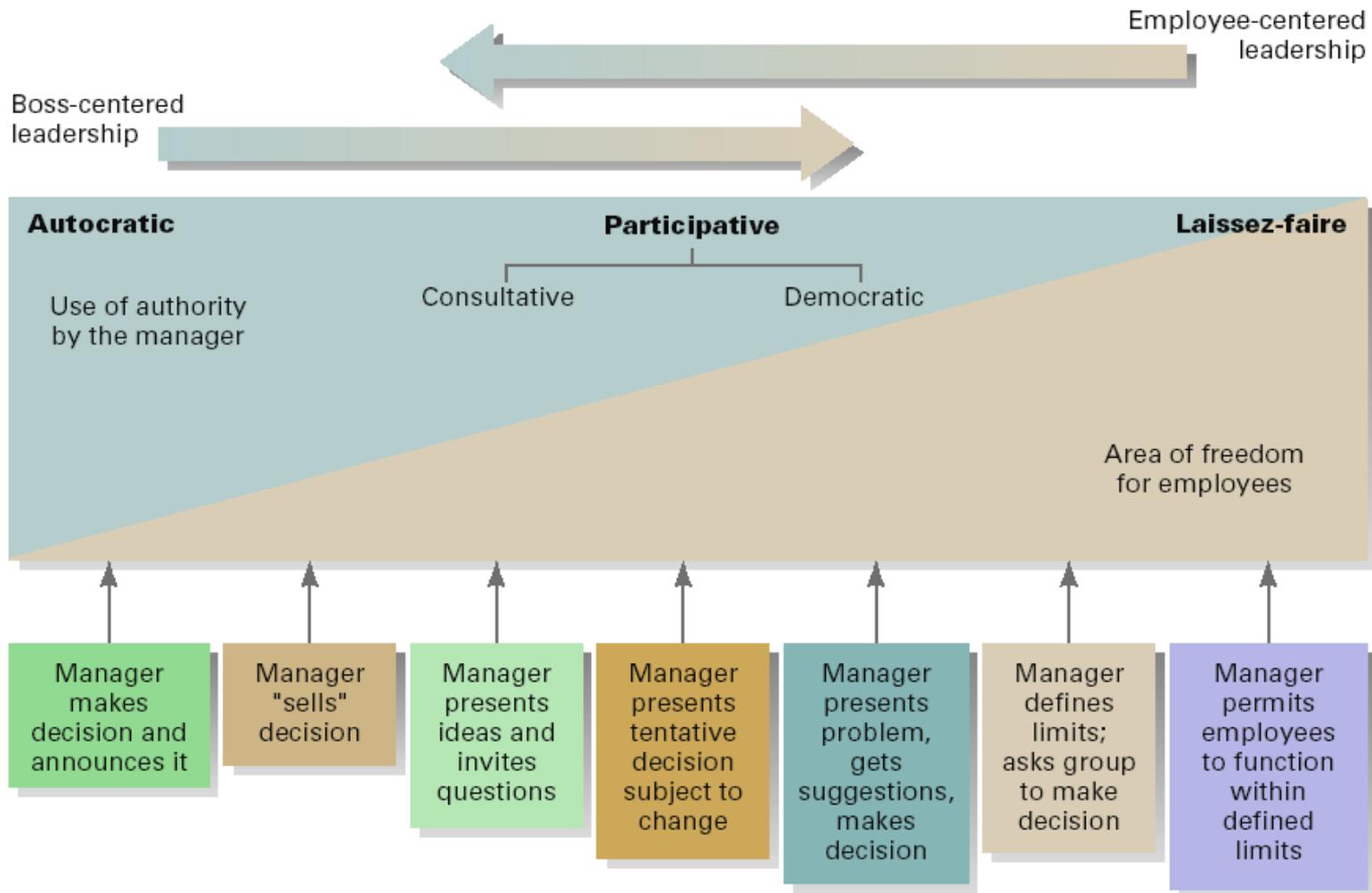
- An experiment was carried on in which small **boys' clubs** were made by the leaders in charge of these groups managed the boys' activities on alternately democratic, autocratic, and anarchist principles, and then compared differences in behavior produced by each method.
- **Autocratic:** tight control of group activities, decisions made by the leader
- **Democratic:** group participation, majority rule
- **Laissez-faire:** little activity of any type by the leader



# Behavioral Theory – University of Iowa

- Conclusions about leadership styles
  - The laissez-faire leadership style is ineffective.
  - Quantity of work is equal under authoritarian and democratic leadership styles
  - Quality of work and satisfaction is higher under democratic leadership.
  - No specific style was consistently better for producing better performance
  - Employees were more satisfied under a democratic leader than an autocratic leader.

# Continuum of Leader Behavior



Source: "How to Choose a Leadership Pattern" by R. Tannenbaum and W. Schmidt, May-June 1973. HBR

# Behavioral Theory – Ohio State University

- **Ralph Stogdill at Ohio State University**

The research was based on questionnaires known as the Leader Behavior Description Questionnaire (LBDQ) described leaders' behavior in two dimensions:

1. **Initiating Structure**

The extent to which a leader defines and structures his or her role and the roles of employees to attain goals.

2. **Consideration**

The extent to which a leader has job relationships characterized by mutual trust, respect for employees' ideas, and regard for their feelings.

Research findings: mixed results

High-high leaders generally, but not always, achieved high group task performance and satisfaction.

Evidence indicated that situational factors appeared to strongly influence leadership effectiveness.

# Behavioral Theory – University of Michigan

- Rensis Likert at the University of Michigan conducted leadership studies

- Studied leaders' behaviors related to worker motivation and group performance

- Identified two dimensions of behavior:

- **Job centered** (initiating structure)

- **Employee centered** (showing consideration)



## Research findings:

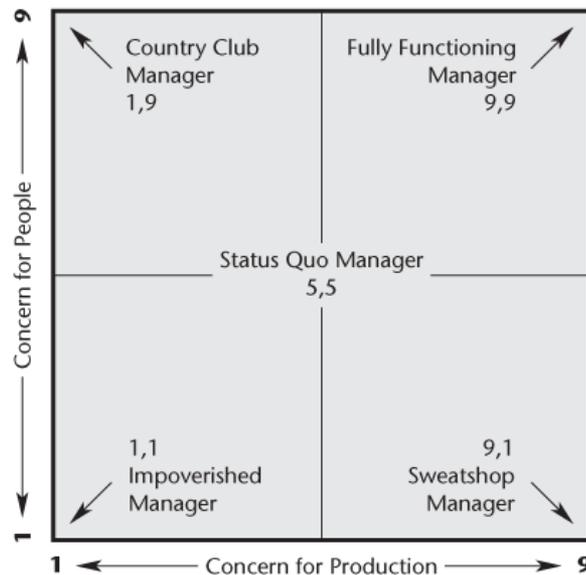
Leaders who are **employee oriented** are strongly associated with high group productivity and high job satisfaction.

# Behavioral Theory – Managerial Grid

Robert Blake and Jane Mouton

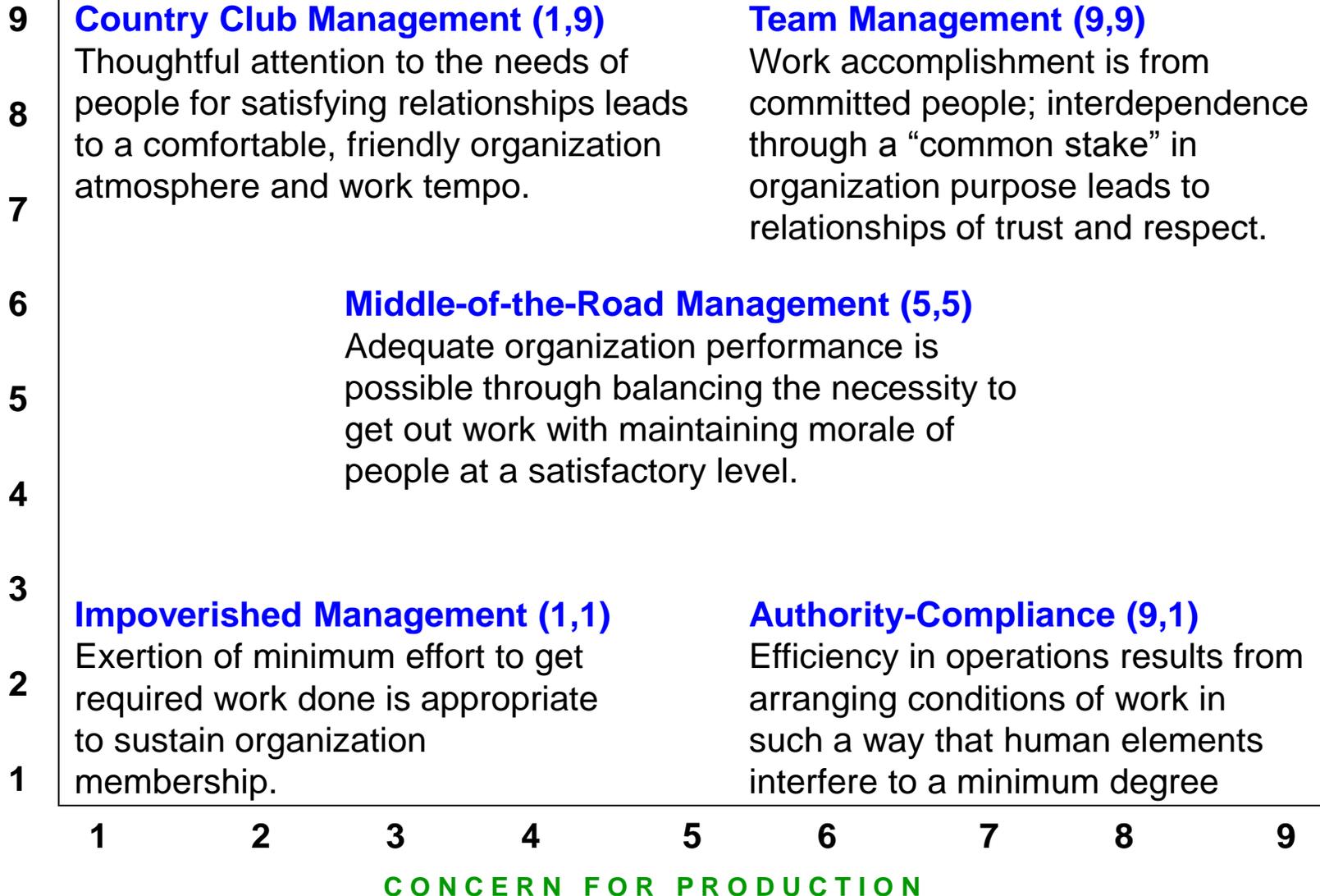
- Developed a managerial grid reflecting Ohio and Michigan dimensions
- The ideal leader has high concern for both production and people

Figure 1-2  
The Managerial Grid for  
Leadership Effectiveness



# Behavioral Theory – Managerial Grid

C  
O  
N  
C  
E  
R  
N  
  
F  
O  
R  
  
P  
E  
O  
P  
L  
E



# Criticisms of the Behavioral Approach

- The **relationship** between
  - leader behaviors and
  - subordinate performance and
  - satisfactionare not necessarily **clear-cut**.
- The behavior approach ignores the situation in which leadership takes place.



# Situational & Contingency Theories

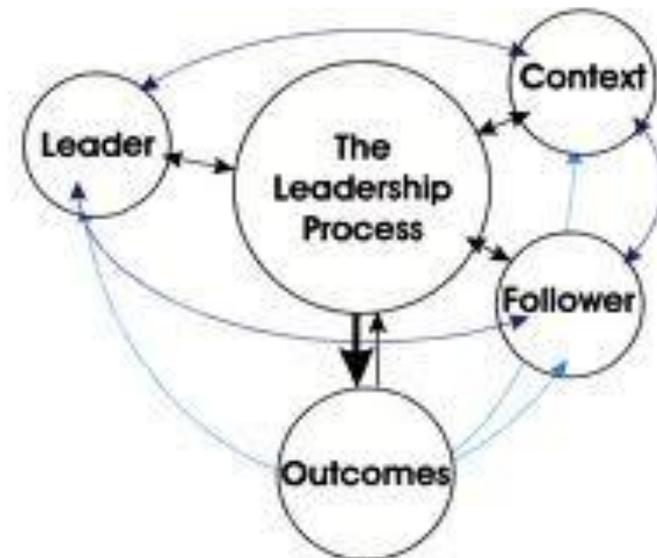
Both trait and behavioral theories tried to identify the one best leader or style for all situations

- By the late 1960s, it became apparent that there is no such a universal answer

Leadership effectiveness depends on a *combination* of the:

- Leader
- Followers
- Situational factors

**Figure 1: The Leadership Process**  
(Based on: R. B. Dunham and J. L. Pierce, *Managing*, Glenview IL: Scott Foresman 1989, Pg 556)



# Hersey and Blanchard's Situational Theory

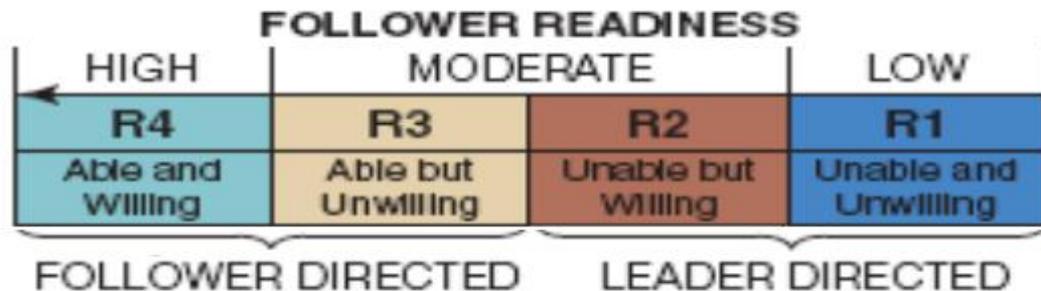
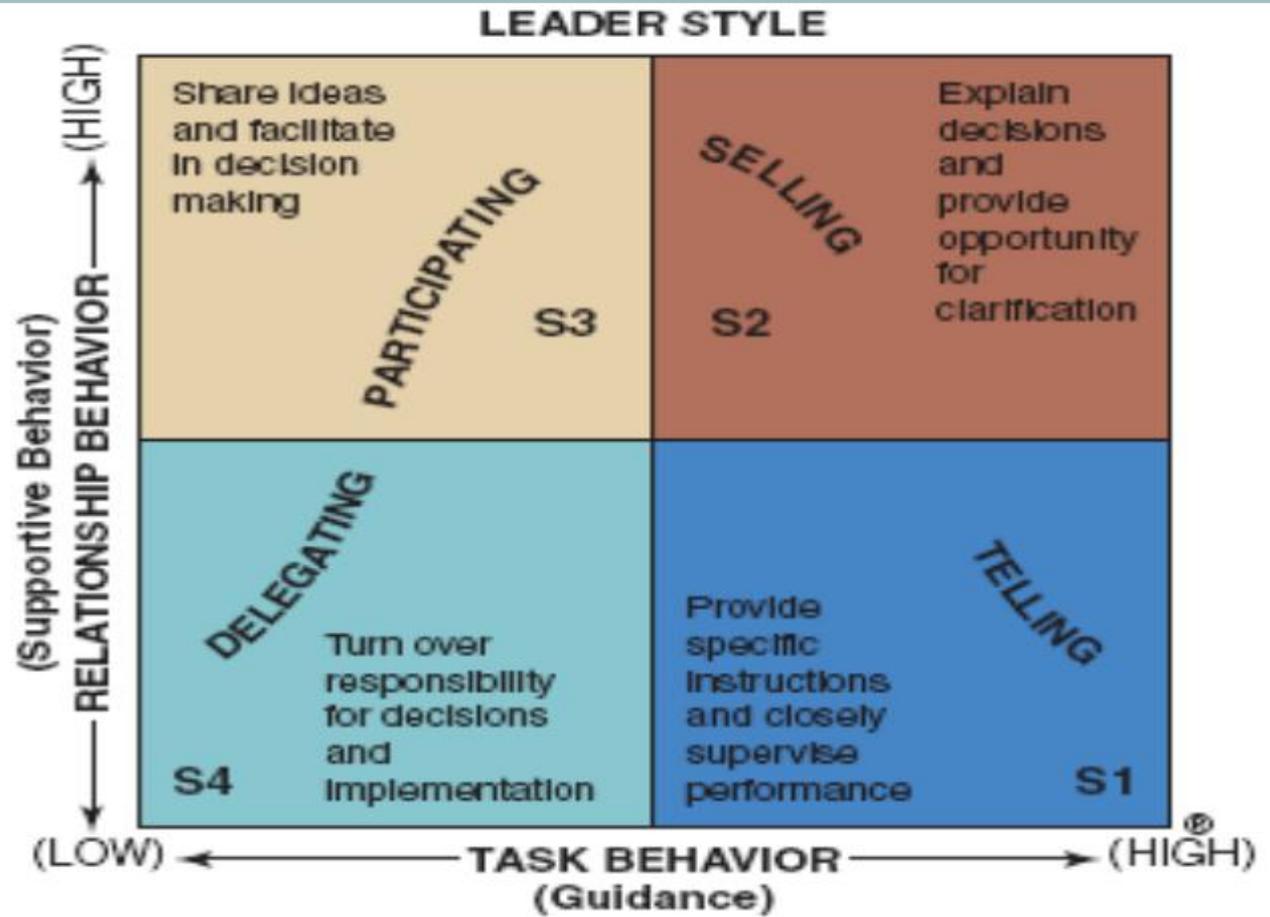
A contingency approach to leadership that [links](#)

1. The **leader's style** with
2. The task **readiness of subordinates**.

Four leadership styles emerge:

1. **Telling style** – reflects a high concern for production and a low concern for people.
2. **Selling style** – based on a high concern for both people and production.
3. **Participating style** – based on a combination of high concern for people and low concern for production.
4. **Delegating style** – reflects a low concern for both people and production.

# Hersey and Blanchard's Situational Theory



# Fiedler's Contingency Theory

Effective group performance depends on the proper match between the **(1) leader's style** of interacting with employees and the degree to which the **(2) situation** gives control and influence to the leader.

## **(1) Leader's Style:**

- **Relationship-oriented leader** – concerned with people, as in the consideration style.
- **Task-oriented leader** – primarily motivated by task accomplishment, which is similar to the initiating structure style.

# Fiedler's Contingency Theory

**(2) Situation** can be analyzed in terms of three elements:

1. **Leader-member relations** – refers to group atmosphere and members' attitude toward and acceptance of the leader.
2. **Task structure** – refers to the extent to which tasks performed by the group are defined, involve specific procedures, and have clear, explicit goals.
3. **Position power** – is the extent to which the leader has formal authority over subordinates.



# Fiedler's Contingency Theory

	HIGH LEADER CONTROL			MODERATE LEADER CONTROL			LOW LEADER CONTROL	
	I	II	III	IV	V	VI	VII	VIII
<b>Leader-Member Relations</b>	Good	Good	Good	Good	Poor	Poor	Poor	Poor
<b>Task Structure</b>	High	High	Low	Low	High	High	Low	Low
<b>Position Power</b>	Strong	Weak	Strong	Weak	Strong	Weak	Strong	Weak
<b>Recommended Leadership Style</b>	<i>Task-Oriented</i>			<i>Relationship-oriented</i>			<i>Task-Oriented</i>	
<b>Very Favorable to Leaders</b>							<b>Very Unfavorable to Leaders</b>	

# Path – Goal Theory

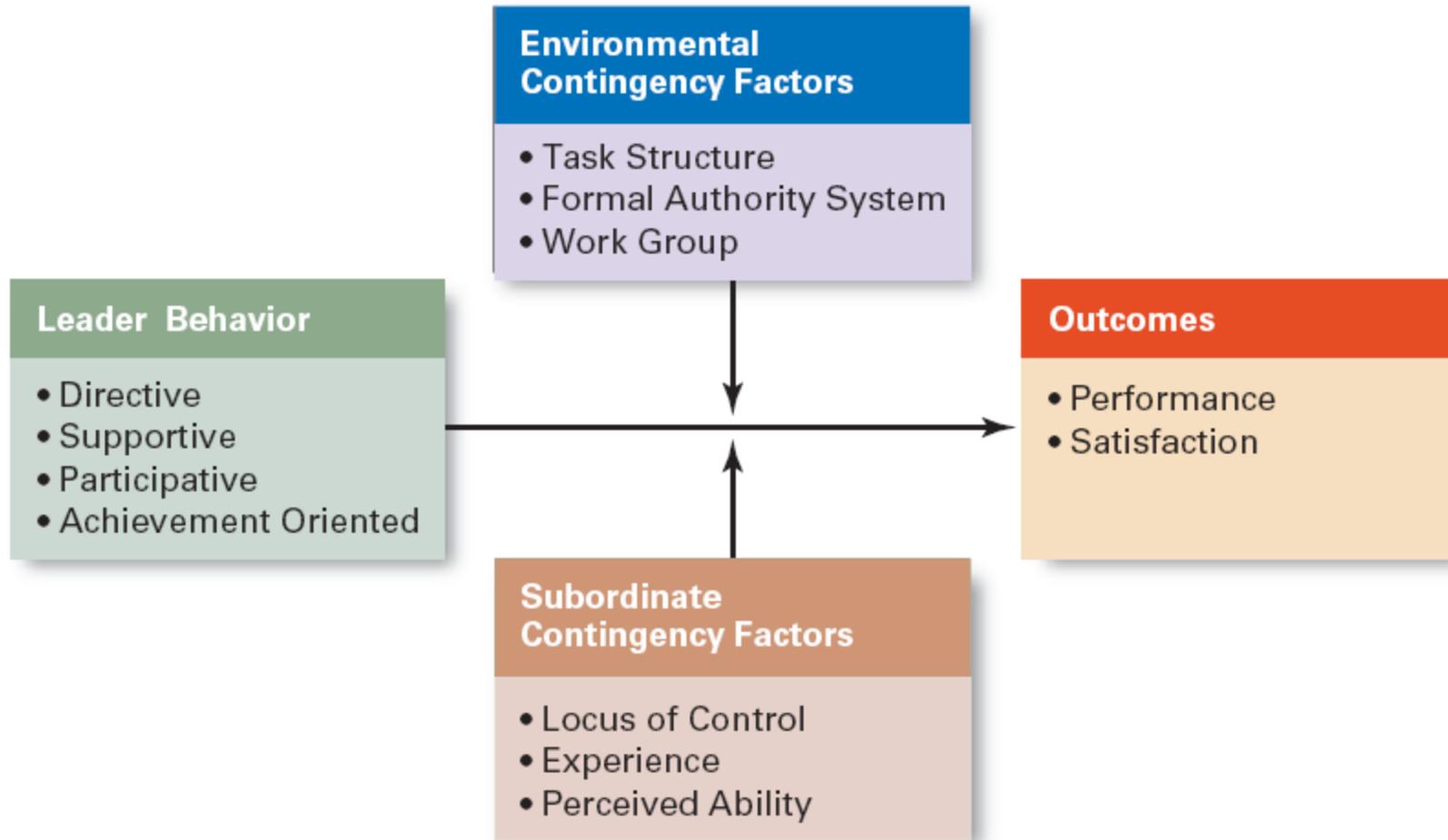
A contingency approach to leadership specifying that the leader's responsibility is to increase subordinates' motivation by clarifying the **behaviors** necessary for task accomplishment and **rewards**.

This model is called a contingency theory because it consists of three sets of contingencies:

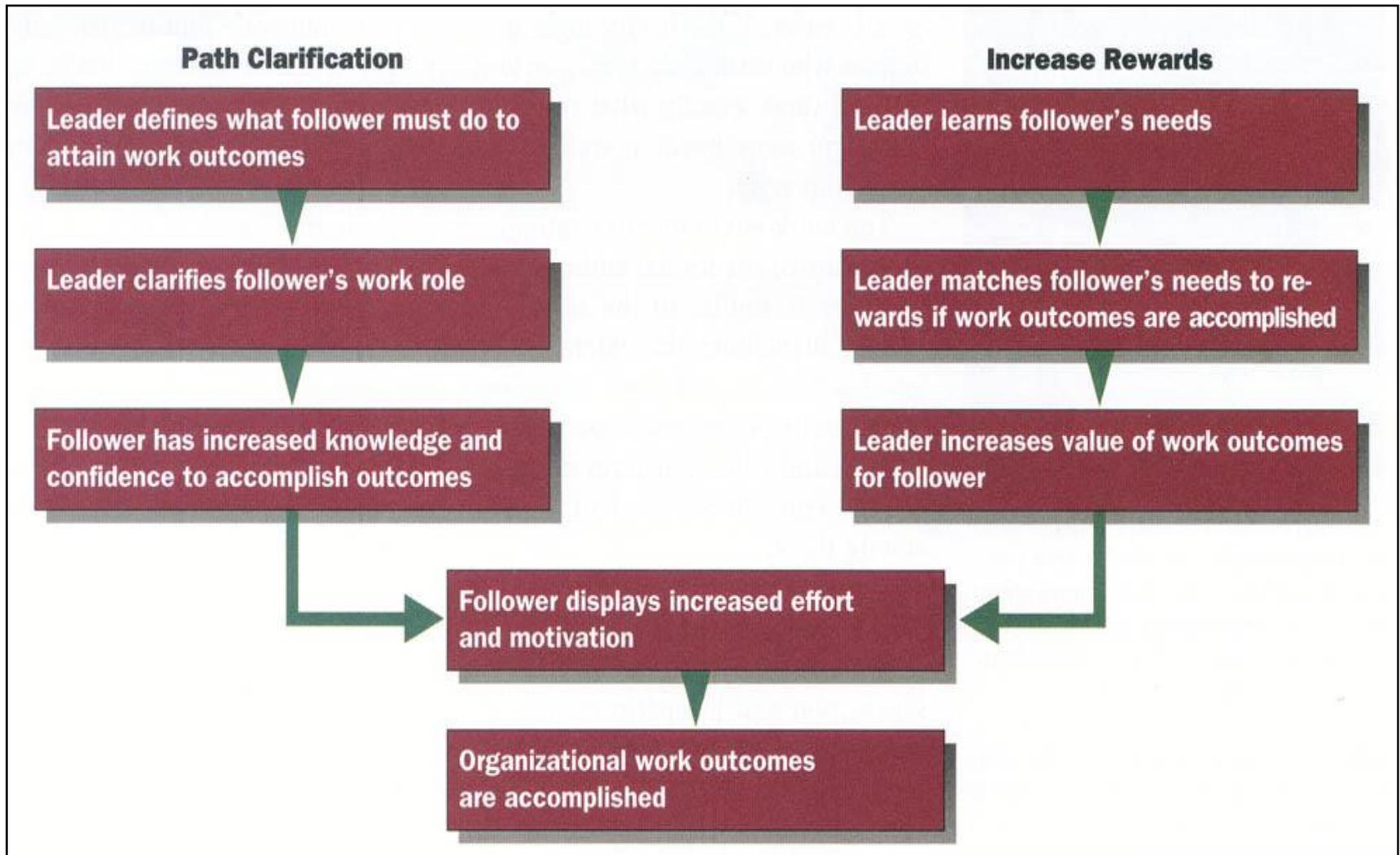
1. Environmental contingency factors,
2. Leader behavior and style, and
3. Subordinate contingency factors.



# Path – Goal Theory



# Leader Roles in the Path-Goal Theory

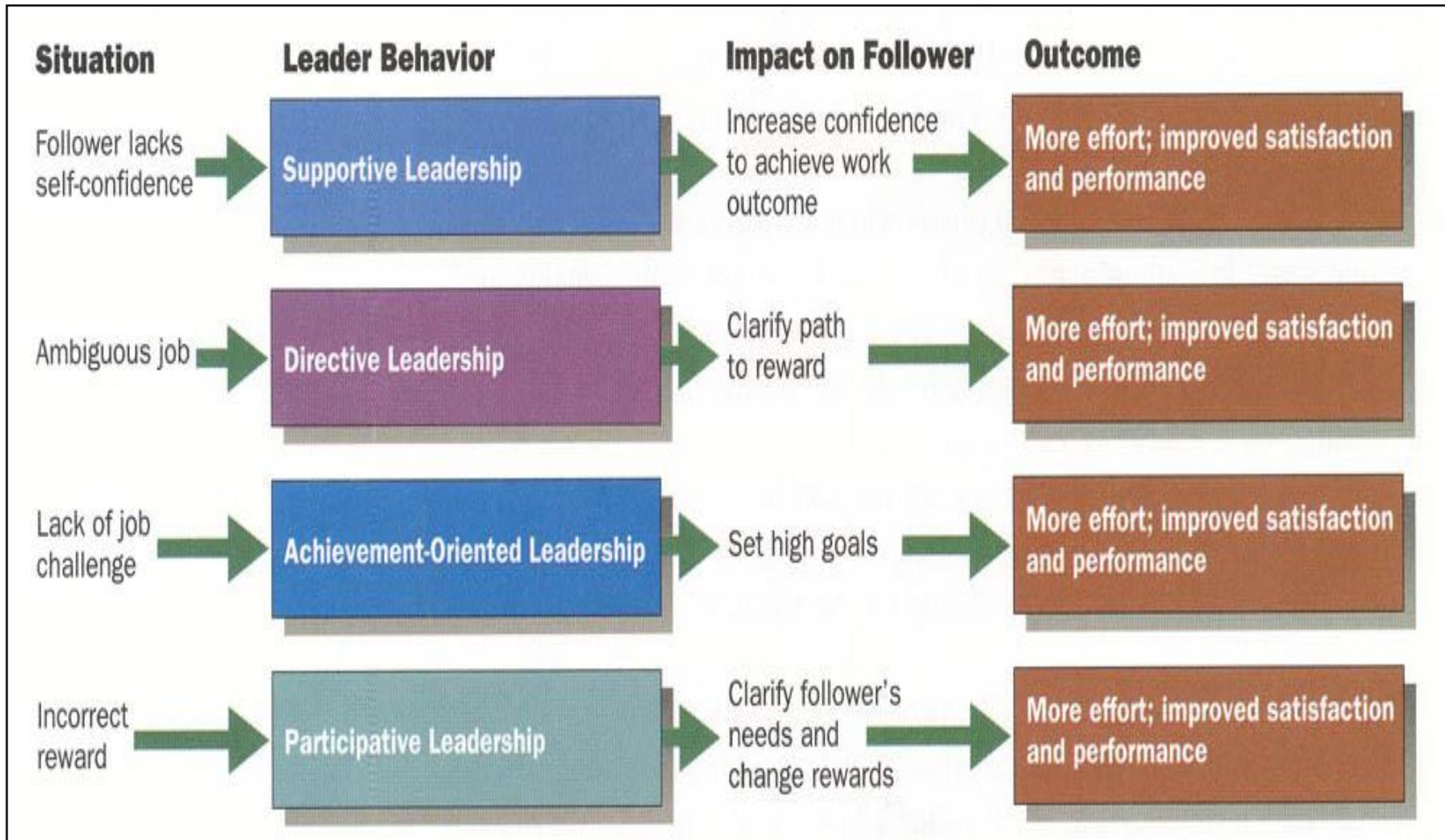


# Path – Goal Theory

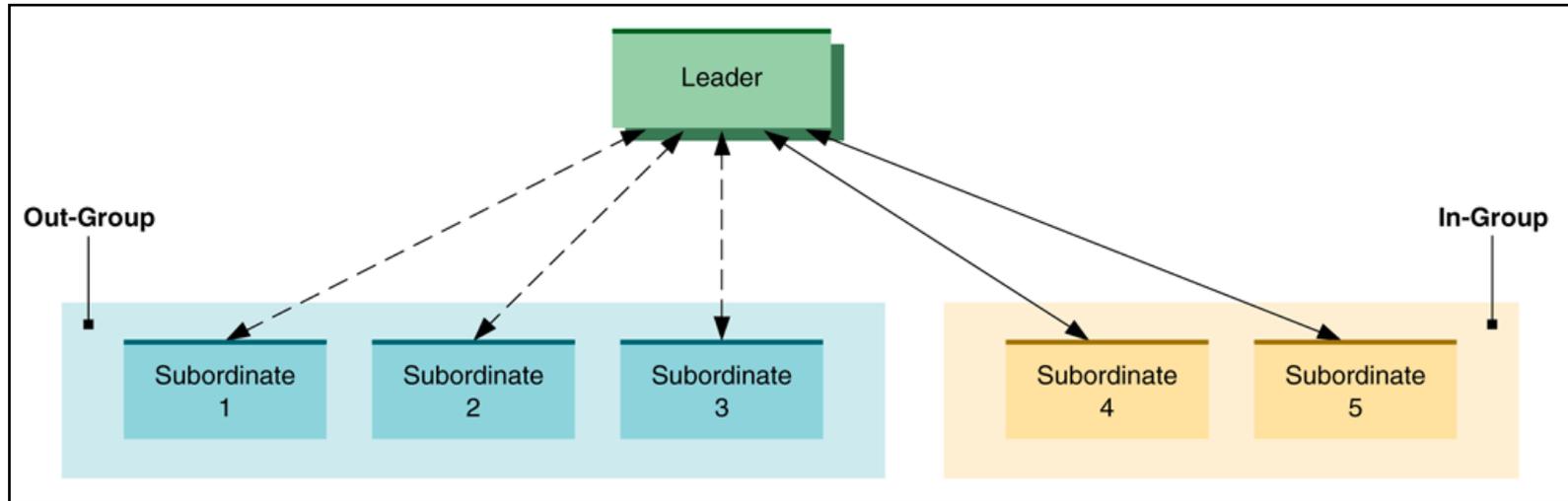
Fourfold classification of leader behaviors:

1. **Supportive leadership** – involves leader behavior that shows concern for subordinates' well-being and personal needs. This is similar to the consideration leadership.
2. **Directive leadership** – occurs when the leader tells subordinates exactly what they are supposed to do. This is similar to the initiating-structure leadership.
3. **Participative leadership** – the leader consults with his/her subordinates about decisions.
4. **Achievement-oriented leadership** – occurs when the leader sets clear and challenging goals for subordinates.

# Path – Goal Preferred Leader Behavior



# The Leader – Member Exchange (LMX) Model



This model stresses the fact that leaders develop unique working relationships with each of their subordinates.

- Supervisors establish a special relationship with a small number of trusted subordinates referred to as the in-group; subordinates who are not part of this group are called the out-group.
- The in-group usually receives special duties requiring responsibility and autonomy; members may also receive special privileges.
- Studies have generally found that in-group members have a higher level of performance and satisfaction than out-group members.

# Vroom's Decision Tree Model

- A model that describes the different ways in which leaders can make decisions and guides leaders in determining the extent to which subordinates should *participate in decision making*.
- The model first requires leaders to determine whether
  - an *individual decision* or
  - a *group decision* needs to be made.

The model requires that managers use one of two different decision trees:

**Time-driven model (tree)** – intended for use in making an effective decision as quickly as possible

**Development-driven model (tree)** – used for developing the decision-making skills of other.



# Vroom's Decision Tree Model

- Situational Factors
  - After choosing a tree, the leader assesses the situation in terms of several factors. This assessment involves determining whether the given factor is “high” or “low.”
  - Factors include:
    - Decision significance
    - The importance and likelihood of commitment by followers
    - The leader and group's expertise
    - Group support
    - Team competence
- Decision Styles and Subordinate Participation
  - The five decision styles are:
    - Decide
    - Delegate
    - Consult (individually)
    - Consult (group)
    - Facilitate



# Vroom's Time-Driven Decision Tree

		Decision Significance	Importance of Commitment	Leader Expertise	Likelihood of Commitment	Group Support	Group Expertise	Team Competence											
P R O B L E M  S T A T E M E N T	H	H	H	H	H	-	-	-	Decide										
					L	H	H	H	H	H	Delegate								
								L	L	-	Consult (Group)								
					L	H	H	L	-	-		Facilitate							
								L	L	-	Consult (Individually)								
					L	L	L	L	-	-		Facilitate							
				L				H	H	L	Consult (Group)								
				L	H	L	L	-	H	H		H	Facilitate						
											L	L	-	Consult (Individually)					
											L	-	-						
											L	L	L	-	-	-	-	H	Decide
																		L	H
	L	L	L								-	-	-	-	L	Decide			
				L	-	-	Decide												

Reference: Vroom's Time-Driven Decision Tree from *A Model of Leadership Style*, by Victor H. Vroom.

# Vroom's Development Driven Decision Tree

	Decision Significance	Importance of Commitment	Leader Expertise	Likelihood of Commitment	Group Support	Group Expertise	Team Competence				
P R O B L E M  S T A T E M E N T	H	H	-	H	H	H	H	Decide			
						L	-	Facilitate			
					L	-	Consult (Group)				
				L	L	-	L	H	H	H	Delegate
									L	-	Facilitate
								L	-	Consult (Group)	
	L	L	-	-	H	H	H	Delegate			
						L	-	Facilitate			
						L	-	Consult (Group)			
	L	H	-	H	-	-	-	Decide			
				L	-	-	-	Delegate			
				L	-	-	-	Decide			

Reference: Vroom's Time-Driven Decision Tree from *A Model of Leadership Style*, by Victor H. Vroom.

# Leaders and Followers Relationship



Great Man & Trait Theories



Behavioral / Style Theories



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Situational Theories

# Leaders and Followers Relationship



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Situational Theories

Transactional Leadership



Transformational Leadership

# Transformational Vs. Transactional Leadership

- **Transactional leaders**

Leaders who guide or motivate their followers toward established goals by clarifying role and task requirements.

- Focus on exchanges between leaders and followers
- Emphasize exchanging one thing for another

- **Transformational leaders**

Leaders who inspire followers to transcend their own self-interests for the good of the organization and are capable of having a profound and extraordinary effect on followers.

- Focus on the potential relationship between the leader and the followers
- Engage the full person of the follower
- Tap the motives of the followers

Transformational leadership was first discussed by **Downton**.

See also **Burns & Bass**.

## Variations of Transformational Leadership

- **Leaders As Catalyst Of Change** (Bennis, Covey, Kouzes and Posner)
- **Leaders As Strategic Visionaries** (Senge)
- **Leadership And Spirituality** (Fullan, Nelson, Frye)
- **Servant Leadership** (Greenleaf)
- **Distributed Leadership** (Belbin)
- **Charismatic Leadership** (House)
- **Level Five Leadership** (Jim Collins)
- **Five Levels of Leadership** (John Maxwell)

# Charismatic Leadership

## Charismatic Leader

- Leader who has the ability to motivate subordinates to transcend their expected performance.
- Charismatic leaders tend to be less predictable than transactional leaders. They create an atmosphere of change , and they may be obsessed by visionary ideas that excite, stimulate, and drive other people to work hard.

## Max Weber's definition of charisma:

- A quality that sets an individual apart from ordinary people
- To be treated as if endowed with exceptional powers or qualities

# Behaviors of Charismatic Leaders

- **Charismatic leaders...**

- Are role models
- Demonstrate ability that elicits respect
- Have visions, ideological goals with moral overtones
- Communicate high expectations and show confidence in meeting them
- Ignite the motives of followers
- Trusting subordinates and earning their complete trust in return

- **Types of motives...**

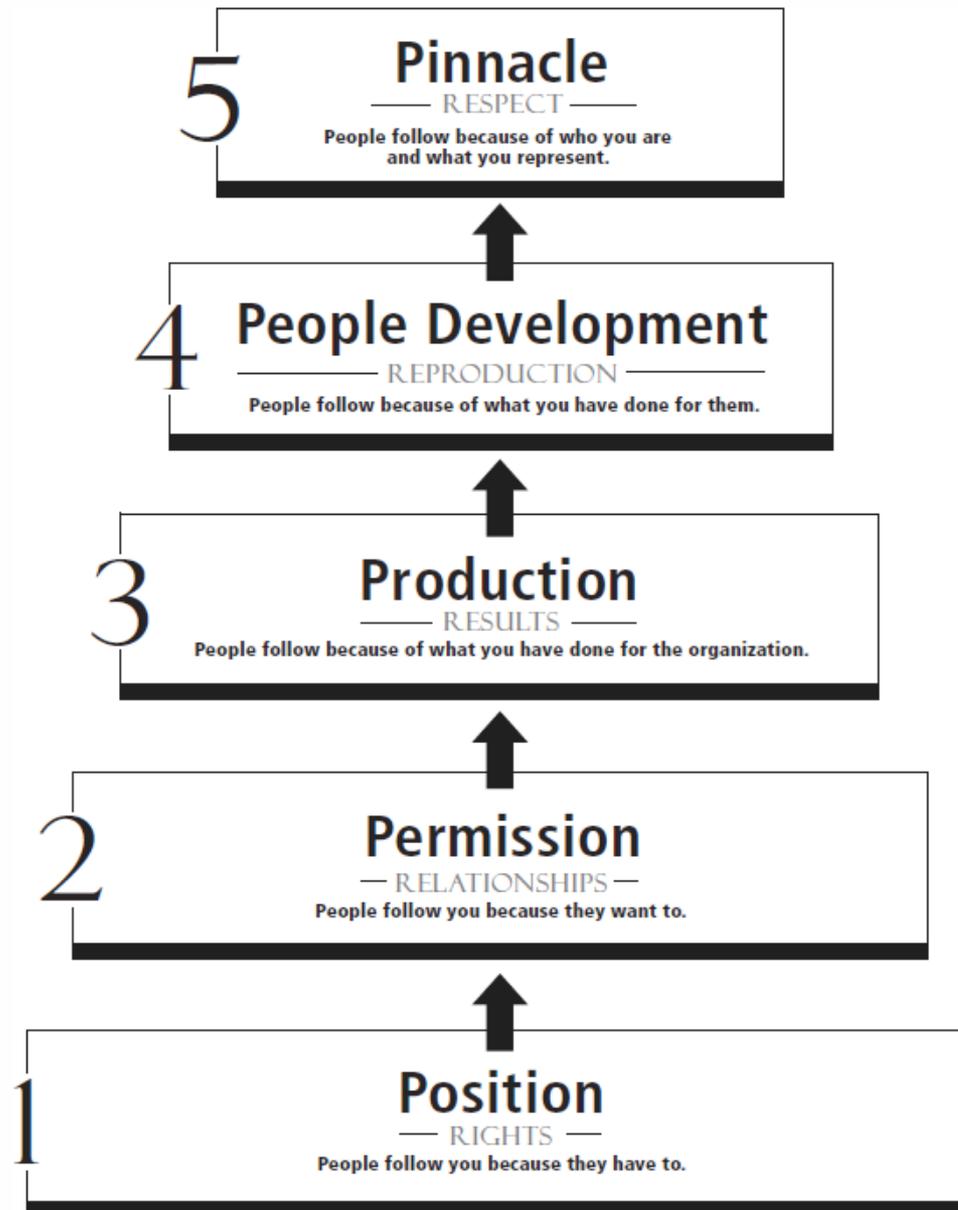
Affiliation, power and achievement



# The Level 5 Leadership Hierarchy



# The 5 Levels of Leadership



# Leaders and Followers Relationship



Transformational Leadership



Why Should Anyone Be Led By You?

# Why Should Anyone Be Led By You?

**Leadership is non-hierarchical, a relational concept!**

Characteristics of successful leaders:

- They rely heavily on **intuition** to gauge the appropriate timing and course of their actions. Their ability to collect and interpret soft data helps them know just when and how to act.
- They reveal their **differences**. They capitalize on what's unique about themselves.
- They selectively show their **weaknesses**. By exposing some vulnerability, they reveal their approachability and humanity.
- They manage employees with **tough empathy**. Leaders empathize passionately—and realistically—with people, and they care intensely about the work employees do.

Robert Goffee and Gareth Jones, 2006.

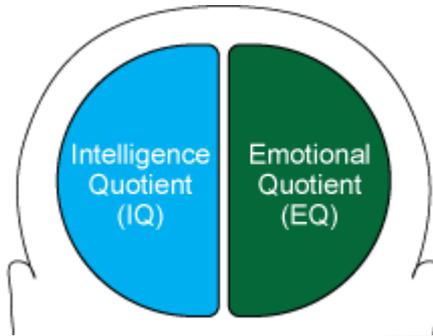
# Leaders and Followers Relationship



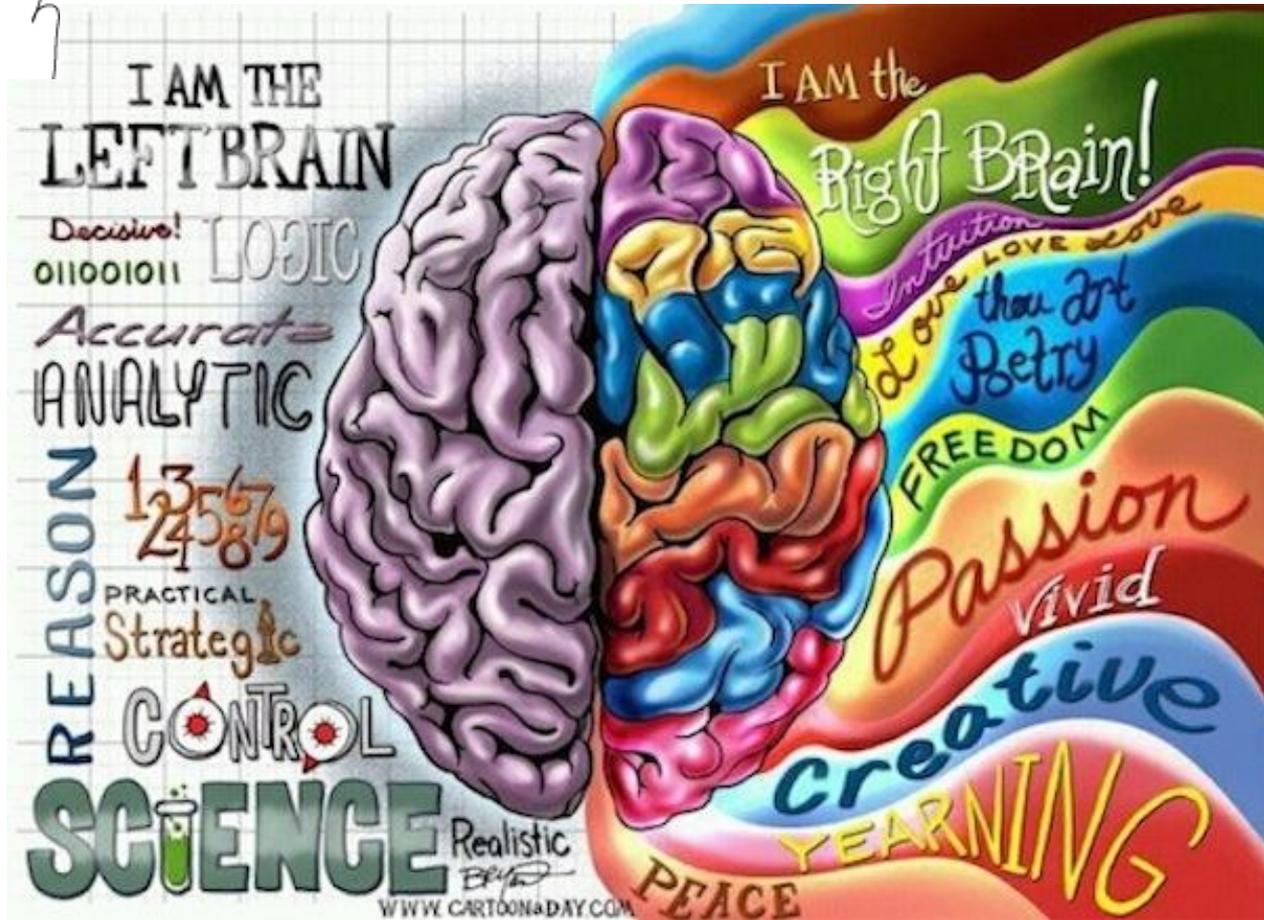
Transformational Leadership



Relationships > IQ & EQ ?



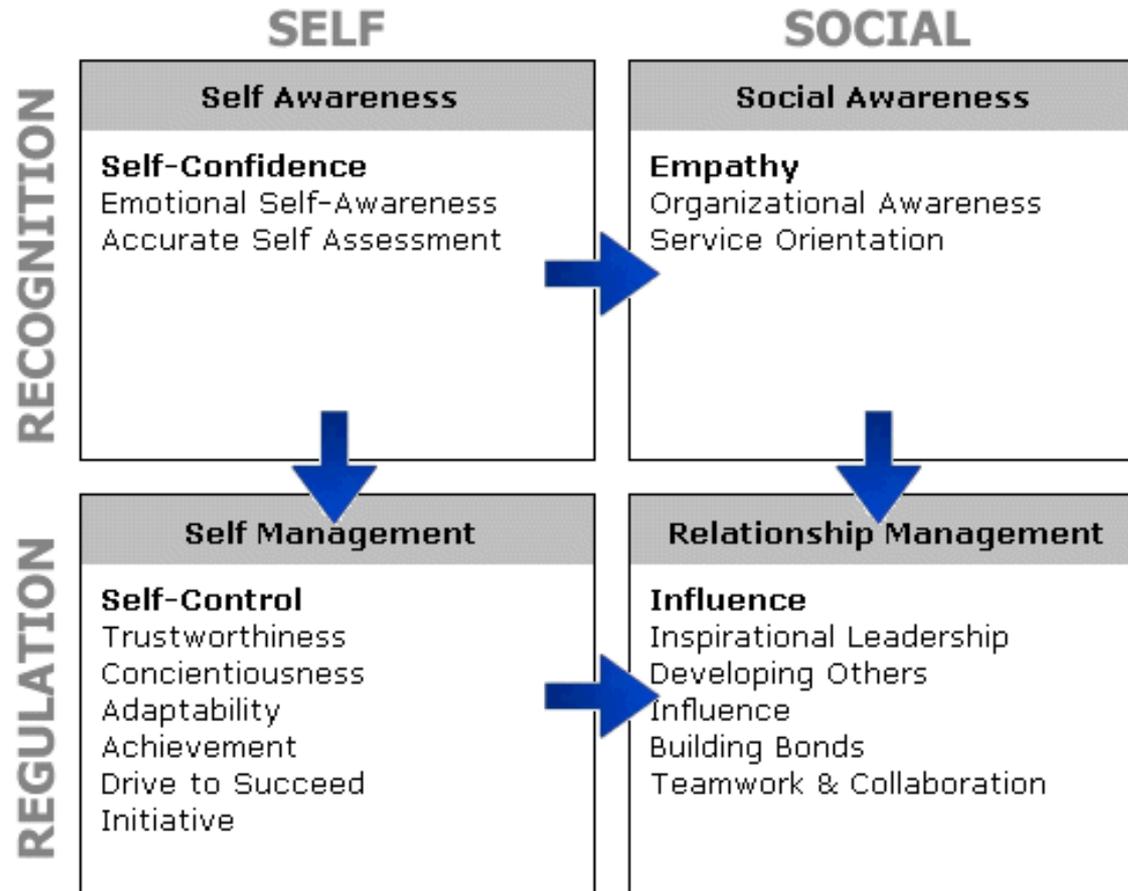
# IQ or EQ ?



## IQ vs. EQ

<b>IQ : School Smart</b>	<b>EQ : Street Smart</b>
<ul style="list-style-type: none"><li>• Traditionally used to predict potential for one's success</li></ul>	<ul style="list-style-type: none"><li>• Recently understood to be an important (70%) predictor of one's potential for success</li></ul>
<ul style="list-style-type: none"><li>• <u>Focus</u>: Developing one's cognitive abilities; more academically oriented</li></ul>	<ul style="list-style-type: none"><li>• <u>Focus</u>: Developing an understanding of and an ability to manage emotions</li></ul>
<ul style="list-style-type: none"><li>• Generally thought to be established at birth and cannot be enhanced</li></ul>	<ul style="list-style-type: none"><li>• Can be enhanced throughout one's life</li></ul>
<ul style="list-style-type: none"><li>• Allows development of needed knowledge base</li></ul>	<ul style="list-style-type: none"><li>• Fosters understanding and management of own emotions</li></ul>
<ul style="list-style-type: none"><li>• Enables development of technical skills and abilities</li></ul>	<ul style="list-style-type: none"><li>• Promotes positive relationships</li></ul>
<ul style="list-style-type: none"><li>• Enables conceptual thinking</li></ul>	<ul style="list-style-type: none"><li>• Increases self-motivation and drive</li></ul>

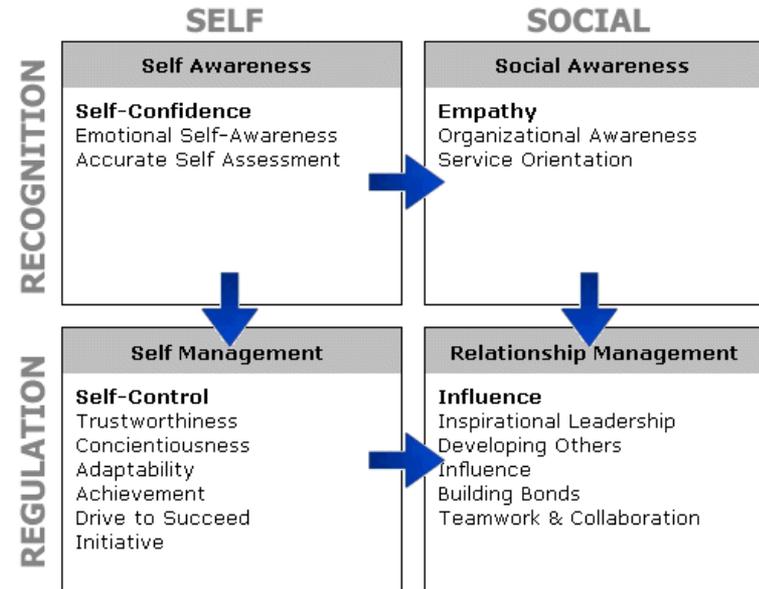
# Emotional Intelligence



# Management + Emotional Intelligence = Leadership



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