What Are Some Basic Elements of Management?

- Establish the organization’s strategy
  - Establish objectives and priorities
  - Devise operational plans
- Manage Internal Components of the Organization
  - Organizing and staffing
  - Directing personnel and the personnel management system
  - Controlling performance
- Manage Interactions with the Organization’s External Environment
  - Dealing with “external” units of the organization (above, below, across the organization)
  - Dealing with independent organizations (e.g., other agencies)
  - Dealing with the press and the public

What Are a Public Manager’s Different Roles?

- Interpersonal Roles
  - Figurehead
  - Leader/Motivator
  - Liaison (in/outside organization)
- Informational Roles
  - Monitor (gather information)
  - Disseminator (transfer information)
  - Spokesperson
- Decisional Roles
  - Entrepreneur (initiate change)
  - Disturbance handler (resolve conflicts)
  - Resource allocator (sets priorities)
  - Negotiator (formal/informal)

Leadership

“The wicked leader is he who people despise. The good leader is he who people revere. The great leader is he who the people say we did it ourselves” *Lao Tsu*

Definitions and Key Concepts

- *Leadership* is the ability to influence a group to achieve goals in a given situation
  - The source of influence may be formal (e.g., possession of managerial rank) or informal (he is respected)
  - Leadership is a function of the characteristics of leaders, followers, and the situation
  - Nonsanctioned leadership is the ability to influence that arises outside of the formal structure of an organization
- Not all leaders are managers and all managers are not leaders
Sometimes leadership is irrelevant
- Certain individual, job, and organizational variables can act as substitutes for leadership thus negating the formal leader’s ability to exert either positive or negative influence over their subordinate’s attitudes and effectiveness
- Characteristics of employees such as their experience, training, professional orientation, and need for independence can negate the effect of leadership
- People working in well-defined and routine jobs may not require leadership
- Organizational characteristics such as rigid rules and procedures, formal goals, and cohesive work groups may take the place of formal leadership
- Too simplistic to argue that subordinates are guided to goal accomplishment solely on the basis of their leader’s behavior

Trait Theories
- Early studies focused on identifying characteristics that would identify leaders from nonleaders. It was based on the assumption that certain identifiable individual characteristics distinguish leaders from those lacking such skill
- Trait theory achieved prominence in the 1940s and 1950s
- Stogdill’s (1948) survey of the leadership literature tried to make some sense of these trait studies and came up with the most comprehensive list of traits.
  - Stogdill’s found that intelligence, scholarship, dependability, responsibility, social participation, and socioeconomic status tend to be the traits most commonly identified that differentiate leaders from nonleaders
  - However, there was no real pattern to the findings in that no single characteristic or trait consistently distinguished leaders from nonleaders.
  - Others traits often cited include
    - Drive and ambition
    - Desire to lead and influence others
    - Honesty and integrity
    - Self-confidence
    - Intelligence
    - In-depth technical knowledge related to their area of responsibility
  - Important to note that later studies failed to find a consistent set of traits distinguishing leaders from nonleaders
- Criticisms
  - Many questioned whether natural leaders exist. Neglects importance of training.
  - Primary problem with these theories is they ignore situational factors. Stogdill (1948) noted that leadership situations vary significantly and place different demands on leaders
  - Demise of trait-based theory coincided with the rise of behavioralism that swept the social sciences in the 1950s
Behavioral Theories

- Developed in response to the dissatisfaction with trait theories and the growth of the human relations and behavioral movements
  - Researchers wondered if there was something unique about the way leaders behave
  - If behavioral determinants are critical, then we can train individuals to be leaders
- Difference between trait and behavioral theories lies in their underlying assumptions
  - If trait theories are valid, leaders are born
  - If their are specific behaviors that identify leaders, then we can teach leadership

Ohio State Studies

- Most comprehensive and replicated studies of behavioral theories began at Ohio State University in the late 1940s.
- Research focused on identifying independent dimensions of leader behavior, which eventually were narrowed to two:
  - Initiating structure: the extent to which a leader is likely to define and structure their role and those of employees in the search for goal attainment. This includes behavior that attempts to organize work, work relationships, and goals
  - Consideration: The extent to which a person is likely to have job relationships characterized mutual trust, respect for employees’ ideas, and regard for their feelings. This type of leader shows concern for his followers’ comfort, well-being, status, and satisfaction
- Leaders high in initiating structure and consideration (H-H) tended to achieve higher employee performance than L-H, H-L, or L-L
- High in initiating structure tended to have greater rates of grievances, absenteeism, turnover, and lower levels of job satisfaction

University of Michigan Studies

- Studies at Michigan at the same time as the Ohio State studies have similar research objectives.
- They also came up with two dimensions:
  - Employee-oriented: leaders emphasized interpersonal relations; take a personal interest in the needs of their employees and the individual differences of employees
  - Production-oriented: emphasize the technical or task aspects of their job and emphasize accomplishing the group’s tasks
- Researchers favored the leaders who were employee-oriented in their behavior because they were associated with higher group productivity and higher job satisfaction. Production-oriented leaders tended to be associated with low group productivity and low worker satisfaction

Blake and Mouton’s Managerial Grid (1984) (Leadership Styles)

- Two-dimensional view of leadership style based on concerns for people vs. concerns for production (task) leads to five different styles (See Figure 5-2 in Graham and Hays 1993)
  - Style 1, 1 – Impoverished or default leadership (low, low): Exertion of minimum effort to get required work done
  - Style 9, 9 – eye to eye or team leadership (high, high): Work is accomplished by committed people and a common stake in organizational purpose leads to trust and respect
− Style 9, 1 – task or authority compliance leaders (high task, low people): efficiency in operations such that human elements interfere to a minimum degree
− Style 1, 9 – good neighbor or country club leader (high people, low task): thoughtful attention to the needs of people for satisfying relationships
− Style 5, 5 – middle of the road (Med, Med): adequate organizational performance is possible through balancing the necessity for getting work out with maintaining satisfactory morale

- Theory argues that Situation 9, 9 is always preferable, which is why other names are derogatory.
  − It is now recognized that the grid implies a bias towards a team style of leadership
  − There has been little success in identifying consistent relationships between patterns of leadership behavior and group performance
  − Missing is consideration of the situational factors that influence success or failure

Contingency Theories of Leadership

- Unlike the trait and behavioral theories, contingency and transactional theories tend to focus on the importance of situational characteristics and small groups
- **Fiedler Model**
  − Fielder’s model proposes that effective group performance depends on the proper match between the leader’s style of interacting with employees and the degree to which the situation gives control and influence to the leader
  − *Least-preferred co-worker (LPC)* questionnaire measures whether a person is task oriented or relationship oriented
    − Fielder argued that the leadership style was innate and that you cannot change your style to fit changing situations
  − Three situational criteria that can be manipulated to create a proper match with the orientation of the leader
    − *Leader-member relations*: the degree of confidence, trust, and respect employees have in their leader (either good or poor).
    − *Task structure*: the degree to which the job assignments of employees are structured or unstructured (either high or low)
    − *Position power*: the degree of influence a leader has over power variables such as hiring, firing, discipline, promotions, and salary increases (either strong or weak)
  − The better the leader-member relations, the more highly structured the job, and the stronger the position power, the more control or influence a leader has.
  − Concluded that task-oriented leaders tend to perform better than relationship-oriented leaders that are very favorable to them and in situations that are very unfavorable to them.
  − See Exhibit 10-2 for different relationships
- **Path-goal theory** is a model developed by Robert House and his colleagues, which combines the Ohio State research on initiating structure and consideration with the expectancy theory of motivation. It is, in part, a transactional model with elements of a contingency perspective. One of the most comprehensive theories to be developed.
  − Effective leaders increase motivation and satisfaction among subordinates when they help them pursue important goals
Effective leaders help subordinates see the goal
The paths to the goals
How to follow the paths to achieve the goals
Essence of the theory is that it is the leader’s job to assist their followers in attaining their goals and to provide direction and/or support needed to ensure that their goals are compatible with the overall goals of the organization
Role of the leader is to clarify the path to help followers get to their goals and to make the journey along that path easier by reducing roadblocks and pitfalls
Leader’s behavior is acceptable to subordinates if they view the leader as an immediate source of future source of satisfaction
Leader’s behavior is motivational if it:
- Makes the subordinate’s satisfaction contingent on performance
- Provides the coaching guidance, support, and rewards necessary for effective performance
Four leadership behaviors (styles)
- Directive (autocratic) leaders let subordinates know what is expected of them and gives specific guidance
- Supportive (human relations) leaders are friendly and show concern for the needs of subordinates
- Coaching (participative) leader consults with subordinates and uses their suggestions to make a decision
- Achievement-oriented leaders set challenging goals and expect subordinates to perform at their highest levels
In contrast to Fielder’s contingency model, path-goal theory assumes that managers can alter their leadership style as needed
Style that is best depends upon situational factors
- Is the task structured
- Are clear goals provided
- Do subordinates have well developed skills
- How much formal authority a leader has
- Does the work group have strong norms and social relationships
Factors influencing the contingency relationship are:
- Environmental factors beyond the control of the leader (e.g., task structure, formal authority system, and work group)
- Personal characteristics of the subordinates (e.g., locus of control, experience, and perceived ability)
Path-goal model provides a framework for explaining and predicting leadership effectiveness that has developed a solid, empirical foundation
Leader will be ineffective when their behavior is redundant with the sources of environmental structure or incongruent with subordinate characteristics
See sample hypotheses on page 140 – 141 of Robbins
**Leader-participation model**
- Vroom and Yetton developed the leader participation model in 1973
- Researchers argued that leader behavior should adjust to reflect the task structure
- The model employs a decision tree with seven contingencies that lead to five alternative leadership styles
- Unfortunately, the model is too complex for the typical manager to use on a regular basis

**Follower-Based Theory** developed by Hersey and Blanchard (1982)
- It is a situational leadership theory is most popular among management consultants, trainers, and practicing administrators (Graham and Hays 1986).
- It shares many similarities with path-goal theory including the notion that different leadership styles are needed under different circumstances and those leaders can and should alter their behavior to fit changing situations.
  - However, whereas path-goal theory emphasizes the degree of ambiguity in the work situation, Hersey and Blanchard (1982) believe that task maturity is the most important situational variable
- Task maturity is “the ability and willingness of people to take responsibility for directing their own behavior (Hersey and Blanchard 1982, 151).
- Theory argues that managers should alter their leadership style based on the task maturity and the employees they are supervising (follower maturity)
  - At low levels of follower maturity, managers should engage in telling behavior, explaining how to accomplish tasks and monitoring employee performance
  - As follower maturity increases, leaders should use less task-oriented behavior and more relationship behavior
  - When followers are at their highest level of maturity, the leader’s style should be both low task and low relationship behavior
  - They use a form of Blake and Mouton’s managerial grid (Graham and Hays 1986).
- Four basic leadership styles termed
  - **Telling**: Leader defines roles, explains how to accomplish tasks, and closely monitors compliance and performance.
  - **Selling**: Leader combines directive and supportive behavior to reinforce a worker’s willingness and enthusiasm. Engages in two-way communication and explanation of tasks.
  - **Participating**: Leader is supportive but nondirective. Decision making is shared. Primary role is to facilitate the work process through reinforcement and communication.
  - **Delegating**: Leader adopts a low profile: May still identify goals and problems but leaves task accomplishment to the workers (Graham and Hays 1986).
- Advantage is the use of task maturity as a proxy for other situational variables. Thus leaders only need to look at two variables to determine the appropriate leadership style (Graham and Hays 1986).

**Gender as a Contingency Variable: Do males and females lead differently?**
- Similarities between male and female leadership styles tend to outweigh the differences
- Main difference appears to be that women use a rather democratic leadership style whereas men feel more comfortable with a directive leadership style
Other differences

- Women are more likely to encourage participation, share power and information, and enhance followers’ self-worth
- Men are more likely to use directive command-and-control style and rely on formal authority

**Transactional approach** developed initially by George Graen and Steven Ginsburgh (1977)

- **Transactional leaders** guide and motivate their followers in the direction of established goals by clarifying role and task requirements
- Unlike contingency models which concentrate only on the problems confronting the leader in dealing with a small group, transactional approaches also examine the leader’s subordinates and the problems confronting them
- Emphasizes the relationship between a leader and his subordinates
- Relies on attribution theory which deals with those rational processes that form people’s judgments of each other
- Research indicates that when people make a judgment about someone else, the attribute a person’s behavior to internal causes
- Judgments are highly biased and personal
- Supervisors tend to render more negative judgments and focus these judgments on a subordinate’s internal attributes

**Charismatic Leadership: Trait Theories Updated**

- Previous leadership theories involved transactional leaders who guide or motivate their followers in the direction of established goals by clarifying role and task requirements
- James MacGregor Burns in *Leadership* (1978) presents his view of transformational leaders.
  - Transformational leaders (or charismatic leaders) inspire followers to transcend their own self-interests for the good of the organization and is capable of having a profound and extraordinary effect on their followers
  - They don’t engage in simple exchanges of benefits with their followers. Rather they appeal to Maslow’s higher-order needs like self-actualization
  - This research draws a sharp distinction between management and leadership

- Excellent leaders lead others largely by managing themselves through such strategies as
  - **Attention through vision**: Effectively create a vision which focuses their attention and that of their followers
  - **Meaning through communication**: Effectively transmit their vision to others
  - **Trust through positioning**: Show particular skill in choosing the best course and knowing what is right and necessary
  - **Positive self regard**: Have a high regard for their own skills and use them effectively
  - **The Wallenda factor**: Leader doesn’t get obsessed with past problems or prospects for failure (Wallenda lost his life in a tightrope accident after getting obsessed with falling)
  - **Empowerment**: Expand their own capacity by empowering others
Five common attributes of charismatic leaders are

- **Self-confidence**: they have complete confidence in their judgment and ability
- **Having a vision**: An idealized goal that proposes a better future than the status quo
- **Strong convictions to their vision**: The are perceived to be willing to take a high personal risk, incur high costs, and engage in self-sacrifice to achieve their vision
- **Extraordinary behavior**: Engage in behavior that is perceived to be novel, unconventional, and counter to norms.
- **Image as a change agent**: Are perceived to be agents of change rather than adhering to the status quo

Followers of charismatic leaders tend to be:

- More self-assured
- Experienced more meaningfulness in their work
- Reported more support from their leaders
- Worked longer hours
- Saw their leaders as more dynamic
- Had higher performance ratings than the followers of noncharismatic, but effective, leaders

**Other Perspectives on Leadership**

- **Visionary leadership**
  - Ability to create and articulate a realistic, credible, and attractive vision of the future for an organization that grows out of and improves upon current conditions
  - Serves to energize the organization and help attract the skills, talents and resources necessary to achieve the vision

- **Team Leadership**
  - Leadership is increasingly taking place within a team context, which creates new challenges
  - Many command and control techniques are not appropriate
  - Team leaders need to learn new skills such as the patience to share information, trust others, give up authority, and understand when they should intervene
  - Common responsibilities of team leaders are coaching, facilitating, handling disciplinary problems, reviewing team/individual performance, training, and communicating
  - Team leaders often focus on:
    - Being **liaisons with external constituencies** such as upper management, other teams, customers, and suppliers. Leader represents the team to other constituencies
    - Being a **trouble shooter**. Focus is often on resolving problems
Theory Z (Ouchi 1981)
- Basic assumption is that workers are the key to high productivity. Management’s role is to structure the work situation in such a way that employees can work together more effectively.
- It builds on management practices commonly used in Japan and argues that the work climate in the U.S. is missing key attributes:
  - Long-term employment: employees should expect to work in a single organization for all or most of their careers and to accept a variety of responsibilities
  - Trust: Employees should believe that their contributions over a lifetime will be rewarded in an equitable and just manner
  - Discernment: Employees should develop norms of behavior that emphasize the utility of working together with other employees to improve productivity
  - Intimacy: Employees should develop close personal relationships that reflect values such as care, unselfishness, and sacrifice for others
- Management strategies that can be used to accomplish these attributes are:
  - Close and frequent personal contact between supervisors and subordinates
  - Relatively flat organizational structures consisting of a few hierarchical levels
  - Group involvement using techniques such as quality circles
  - Use a family approach in that management can adopt a paternalistic attitude towards subordinates
  - Use of selection, training, compensation, promotion, and appraisal strategies that reinforce communal and familial values of the organization

Trust and Leadership
- Trust is a positive orientation that another will not act opportunistically whether it is through words, actions, or decisions.
  - It assumes some knowledge or familiarity with the other person/organization.
  - Trust is a history-dependent process based on past experience or information about a party’s trustworthiness
  - There is an inherent risk and vulnerability in any trust-based relationship
  - Trust is the willingness to take a risk be you expect that they will not take advantage of you
- Trust is important because management often delegates decision-making responsibility to teams and work groups as well as lower management. Trust is also important when organizations establish relationships with other organizations (i.e., collaboration).
- Key dimensions of trust
  - Integrity is ones honesty or trustfulness
  - Competence encompasses an individual’s technical and interpersonal knowledge and skills
  - Consistency relates to an individuals reliability, predictability, and good judgment
  - Loyalty is the willingness to protect and “save face” for another person
  - Openness is whether you can rely on the person to tell you the whole truth
Three types of trust
- **Deterrence-based trust**: one violation or inconsistency can destroy the relationship. Relationship is fragile and is often based on the fear of reprisal if trust is violated
- **Knowledge-based trust**: based on the behavioral predictability that comes from a history of interaction. This is the basis for most organizational relationships
- **Identification-based trust**: This is the highest level of trust and exists when there is an emotional connection between the parties. One party can act as an agent for the other and substitute for that person in interpersonal transactions.

Ways to build trust
- Practice openness
- Be fair
- Speak your feelings
- Tell the truth
- Show consistency
- Fulfill your promises
- Maintain Confidences
- Demonstrate competence

Contrasting Leadership and Management
- Mintzberg (1990) defines leadership as being a part of what all managers do.
  - He delineates three important roles for a manager with formal authority and status
    - Interpersonal roles: figurehead, leader, liaison
    - Informational roles: monitor, disseminator, spokesperson
    - Decisional roles: entrepreneur, disturbance handler, resource allocator, negotiator
  - Instead of being a clear line of demarcation between the functions of leaders and managers, he sees them as being overlapping, complementary, and intermixed depending on the organizational context
  - More often than not, an effective leader is also an effective manager
- There is a distinction between the roles and functions of organizational leaders, managers, and supervisors
- Remember that leadership is not necessarily confined to those in positions of formal authority. Effective leaders often exist in positions absent formal authority

Contrasting Leadership and Power
- **Power** refers to the capacity A has to influence the behavior of B so that B does something that they would otherwise not do. The definition implies:
  - A potential that need to not be acted upon to be effective
  - A dependence relationship
  - Actor B has some discretion over their behavior
- Power determines what goals a group will pursue and how a group’s resources will be distributed among its members
- Leaders may use power as a way to attain group goals. Accordingly, power facilitates a leader’s achievement
Power and leadership are not synonymous.
- Power does not require goal compatibility, merely dependence
- Leadership requires some congruence between the leader and follower’s goals
- Research on leadership emphasizes style.
- Research on power tends to focus on a broad area with emphasis on tactics for gaining compliance

**Sources of Power**
- Weber identified three types of authority
  - Traditional authority: comes from historically established relationships between the leader and the led. Followers perceive the leader’s power as being justified by virtue of custom and tradition.
  - Charismatic authority: is accepted by followers because of the force of the leader’s personality and unique qualities. They obey because the leader’s charisma induces a sense of trust, respect, and perhaps admiration
  - Rational-legal authority (sometimes called bureaucratic authority): derives its legitimacy from the follower’s perception that it is based on generally accepted standards of behavior contained in rules (formal or informal) that have assumed the mantle of legality and correctness. Examples include laws and the formal and informal rules enforced by bureaucratic organizations.
- French and Raven (1959) provide the most comprehensive framework, which identifies five bases of power
  - Coercive power depends on fear. One reacts to fear of the negative consequences that might occur if one fails to comply
  - Reward power is the opposite of coercive power. People comply because doing so produces positive benefits
  - Legitimate power represents the power a person receives as a result of their position in the formal organizational hierarchy
  - Expert power results from expertise, special skill, or knowledge
  - Referent power is based on admiration for a person who has desirable resources or personal traits
- Other potential sources of power include
  - Information power results because information is a valuable resource in any organization and those who have access to information or can control its flow have power
  - Connection power arises when an individual is tied to important persons inside/outside of the organization. Closely related to information power.
  - Obligation power results when you have the obligation to return favors that were done for you by someone else
  - Dependence power results from an individual’s perception that they are dependent upon an individual for help or protection
  - Control over the physical environment, technology, and the organization of work (Yukl 1989).
  - Powers of rational persuasion to convince subordinates to undertake tasks in specified ways (Yukl 1989).
Dependency is the key to power

- The general dependency postulate states that the greater B’s dependency on A, the greater power A has over B
  - This explains why many organizations try and rely on many different suppliers instead of only one
- Dependency on a person or organization increases when the resource that person controls is important or scarce
  - Importance -- Dependency is created when a person controls something that is perceived as important
  - Scarcity -- If something is plentiful, its possession does not increase power. A resource needs to be scarce to create dependency

Subunits will have more power when other subunits are dependent on them or they have some of the sources of power listed above

Findings from studies on power in Graham and Hays (1993) offer some guidance for managers looking to exercise leadership:

- Legitimate power is the most significant in explaining why workers complied with orders followed by expert, reward, referent, and coercive power. However, expert and referent power were the most important determinants of employee performance
- Expert power is strongly correlated with work satisfaction and performance among diverse employee populations
- Legitimate power is consistently related to compliance but is not clearly related to performance
- Coercive power was the least significant reason for compliance and tends to have a negative impact on performance. It is almost always negatively correlated with employee satisfaction and effectiveness.
- Nonformal power bases such as expert and referent power tend to be highly correlated with performance
- Because research shows a high degree of interrelatedness among various types of power, too much confidence should not be placed in these findings

Graham and Hays (1993) also note some tactics managers can use for exerting influence and that use different sources of power:

- Reason: using data, facts, and logic; most commonly used with superiors (persuasive power)
- Friendliness: Relying on personal regard and good will; generally used with peers and subordinates
- Building coalitions: getting others to join in and support your position; can be used with all groups
- Bargaining: trading and negotiating; used primarily with peers and subordinates
- Assertiveness: employing a forceful and direct manner; used almost exclusively with subordinates
- Upward appeal: asking higher levels of authority for support; used sparingly mostly with peers and subordinates since going over the heads of superiors repeatedly is often a violation of organizational etiquette
- Sanctions: rewarding or punishing the behavior of others; used mostly with subordinates
– **Blocking**: failing to cooperate in order to subvert the actions of another employee; used mostly with coworkers
– Note that most of these tactics are based on referent and expert power rather than formal powers like reward, coercive, and legitimate and tactics requiring positional authority tend to be avoided

**Importance of Power**

- Those “out of power” often want to be “in” power
  - Those who want power will often attempt to build a personal power base by forming a coalition such that by joining together they can better themselves at the expense of those outside the coalition
- Power is often an important component of sexual harassment
  - *Sexual harassment* is defined as unwelcome advances, requests for sexual favors, or other verbal or physical conduct, whether overt or subtle, that is of a sexual nature
  - Considerable disagreement about what constitutes sexual harassment but power is often central to understanding sexual harassment
  - Supervisor-employee dyad best characterizes an unequal power relationship (position power)
- *Political behavior* are those activities that are not required as part of one’s formal role in the organization but that influence or attempt to influence the distribution of advantages and disadvantages within the organization
  - Behavior requires some attempt to use one’s power bases
  - Political behavior helps explain why employees withhold information, restrict output, attempt to “build empires”, publicize their successes, hide failures, distort performance figures to make themselves look better, and engage in other behaviors at odds with the organization’s desires for effectiveness and efficiency
  - Individual characteristics related to political behavior include:
    - Authoritarian employees
    - Employees with a high risk propensity
    - Employees with an external locus of control (forces outside them control their destiny)
    - High need for power, autonomy, security, and status are other contributors
  - Organizational factors:
    - Often function of an organization’s culture
    - Culture’s characterized by low trust, role ambiguity, unclear performance evaluation systems, zero-sum reward allocation practices, democratic decision making, high pressures for performance, and self-serving senior management

- **Impression Management**
  - Process by which individuals attempt to control the impressions others form of them
  - Techniques include:
    - *Self descriptions* of personal attributes and traits
    - *Conformity* with others opinions to gain their approval
    - *Accounts* such as excuses, justifications, or other explanations of a predicament-creating event
− Apologies and admitting responsibility for an undesirable event
− Acclaiming or explaining a favorable event in way that maximizes favorable impressions
− Flattery: complementing others about their virtues
− Favors: doing something nice for someone to gain that person’s approval