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An important attribute of successful organisations is effective leadership.

The achievement of excellence in business depends largely on the ability of the leader to convey his vision, enthusiasm and sense of purpose to his team.

Leadership plays a key role in human resource management. An organization minus a leader would end up only as a confusion of people and machines.

It is leadership that unleashes the potential of an organization and transforms it into a great one.

Leadership is one of the most researched and discussed areas of organisational behaviour.

Its importance lies not just in industry but in almost every field of life-politics,sports,religion,education and so on.

1.1 Definitions

Robin and Judge (2013) define leadership as **“the ability to influence a group towards the achievement of a vision or set of goals”**

John Newstrom and Keith Davis define leadership as **“the process of influencing and supporting others to work enthusiastically toward achieving objectives”**

1.2 Trait Theories of Leadership

According to the trait theories of leadership, leaders differ from nonleaders in their personal qualities and characteristics.

There are certain social, physical and intellectual characteristics that leaders possess that distinguish them from people who are not leaders.

A number of research studies have been carried out to identify the specific attributes that leaders possess. Unfortunately, these different studies identified different leadership traits. There were few traits that were common between them. Such varied findings only added to the confusion.

The development of the Big Five Model helped in clearing some of the confusion. The Big Five Model assumes there are five basic dimension of personality that underlie many specific traits. These five basic dimension are:

1) Extraversion- Introversion: it is the degree to which a person is social, ambitious, energetic, outgoing, assertive, talkative and expressive.

- 2) Conscientiousness: it is the degree to which a person is dependable, disciplined, committed, organized, thorough, perseverant and honest.
- 3) Agreeableness : it is the degree in which a person is polite, trusting, good natured, accepting, co-operative and forgiving
- 4) Emotional stability: it is the degree to which a person is emotionally stable, secure, content and free from depression. This dimension taps a person's ability to withstand stress.
- 5) Openness to experience: it is the degree to which a person is curious, imaginativ, flexible, artistics, playful and creative.

Research based on the big five model has found consistent support for personality traits related to leadership:

- (1) Extraversion has been found to be a very good predictor of who will emerge as a leader. Extraversion which includes being socially dominant and assertive is an important determinant of becoming a leader.
- (2) Although extraversion is a good predictor of who will become a leader, it is not a reliable determinant of leader effectiveness. In fact leaders who are very high on assertiveness are less effective than those who are moderate on assertiveness.

(3) Conscientiousness and openness to experience are two other traits that have been found to be consistently related to leadership.

(4) Agreeableness and emotional stability are not strongly correlated to leadership.

In a nutshell, one can say that those individuals who like to have people around him, are assertive, disciplined and keep their commitment.

Other than the Big Five traits, emotional intelligence (EI) has been found to be a good indicator of effective leadership.

In the opinion of many scholars, a person may not become a great leader if he has no emotional intelligence even though he has a highly analytical mind, a very attractive vision, very good training and great ideas. The empathy component of EI plays a vital role in effective leadership. Empathetic leaders genuinely care for their followers, listen to them, understand their reactions and can sense their needs.

They are good in managing their emotions. This aspect of leaders makes the followers loyal and they remain with their leaders through good and tough times.

Although EI has become the buzz word in organizations, there is a need for further investigations to determine the exact practical implications of EI on leadership. In conclusion, one can say that traits are a good predictor of who will emerge a leader but they are poor at predicting which leader will be effective and successful.

1.3 Behavioral Theories of Leadership

The inconclusive findings of the trait approach from the 1940s-1960s led researchers to focus on the behaviours of the leaders.

It seemed that effective and ineffective leaders were different not with regard to some specific traits but rather with respect to their behaviour or actions. Hence attempt were made to understand how leaders behave and how their actions affect their followers.

The difference between the trait and behavioural theories is with regard to their basic underlying assumptions:

The trait theories assume that leaders are born.

In contrast the behavioral theories assume that people can be trained to be leaders.

1.4 The Ohio State Studies

One of the earliest studies on leader behavior was conducted in 1950 at Ohio State University. This study attempted to identify relevant leader behaviors through the Leader Behaviour Description Questionnaire.

The findings of the study revealed two independent categories of leader behaviors:

Initiating structure: it is the extent to which leaders organize and plan the work, specify the tasks to be performed by each member, direct the subordinates to follow rules and set the goals to be achieved.

Leader high on this behavior assign duties and responsibilities to their followers, expect certain standards of performance and expect time schedules to be met.

consideration : it is behavior directed towards the satisfaction of the social and emotional needs of group members. Leaders who show this behaviour are friendly, approachable, trust their subordinates and are concerned with the personal welfare of group members.

Leaders high on this behaviour treat their followers as equal, are easy to approach, are appreciative and encouraging, and trying to solve the personal problems of their followers. Although the findings of the Ohio studies were initially dismissed, later studies have found that both initiating structure and consideration are related to effective leadership.

Initiating structure by leaders led to higher group and organizational productivity and performance. Consideration on the part of the leader led to greater motivation and job satisfaction in the followers. They also respected their leaders more.

1.5

THE UNIVERSITY OF MICHIGAN STUDIES

Studies at the University of Michigan identified two primary leader behaviors:

(1) Employee oriented behavior: This behavior is directed towards the satisfaction of the social and emotional needs of group members. The leader stresses growth and development of his subordinates. Leaders high on this dimension are concerned with interpersonal relationship and take personal interest in the affairs of their followers. They accept that there are individual differences among members.

(2) Production oriented behavior:

This behavior is concerned with task accomplishment. Such leaders set goals, devise work strategies and closely supervise the performance of the subordinates. Leaders high on this dimension are more concerned with technical and task aspects of the job.

The Ohio State dimensions and the Michigan dimensions have great similarity. The consideration factor relates closely to employee orientation and the initiating structure dimension relates closely to production orientation.

Further research on the Michigan studies found that.

(1) Employee oriented leadership resulted in higher group productivity and greater job satisfaction among the employees.

(2) Production oriented leadership resulted in low group productivity and lower job satisfaction among employees.

1.6

CONTINGENCY THEORIES OF LEADERSHIP

The contingency theories state that leadership effectiveness is determined by the interaction between the leader's personal characteristics and the aspects of the situation. The most effective behavior for leaders is contingent (dependent) on the characteristics of the situation in which the leaders find themselves.

1.7

FRED FIEDLER'S CONTINGENCY MODEL

Fred Fiedler is given the credit for developing the first detailed contingency model of leadership.

According to Fiedler, the style of leadership that should be used is contingent on the situation.

As the situation varies, leadership requirements also vary. Fiedler developed the Least Preferred Co-worker Scale(LPC). This scale consists of 16 opposite or contrasting adjectives such as pleasant-unpleasant, efficient-inefficient etc. Respondents had to rate their co-workers on each of the 16 set of contrasting adjectives on a scale of 1 to 8.

Based on the responses, Fielder identified two basic styles of leadership:

(a) The Task Oriented Style: Here the leader is primarily motivated to attain successful task performance.

(b) The Relationship Oriented Style: Here the leader is concerned mainly with establishing good relations with his subordinates.

Fiedler found that 84% of the respondents could be categorized in either of the two styles. Fiedler also believed that an individual's leadership style is fixed.

According to Fielder, the effectiveness (use) of the task oriented style or relationship oriented style is dependent on whether the situation is favorable or unfavourable. The favorability or unfavorability of the situation depends on three dimensions:

(1) Leader-member relationship: It is the extent to which the leader enjoys the support and loyalty of his followers. It refers to the extent to which the subordinates trust and like their leaders is the level of confidence that followers have in their leader.

(2) Degree of task structure: It is the extent to which the group's tasks, goals and the subordinates' roles are clearly defined. It is a degree to which procedures have been established to accomplish the job. A task may be structured or unstructured.

(3) Leader's position power: It is the formal authority or power given to the leader. It is the extent to which the leader has control over actions such as hiring or dismissal of employees, salary increases, promotions etc. It is the formal authority or power given to the leader.

A situation is described as very favorable if all the three dimensions are good i.e. the leader has the backing of his followers, the task is structured and clearly defined and if a great deal of authority and power is given to the leader. On the other hand if all the three dimensions are poor, then the situation is described as highly unfavorable.

According to Fielder, the task oriented leader effective for very favorable and very unfavorable situations.

His explanation was:

- (1) In favourable to highly favourable situations (category 1, 2 & 3)- where the leader has power, is accepted by the group and the task is highly structured- the group is ready to be directed and expects to be told what should be done. Hence, a task oriented leader is most suited.
- (2) In unfavourable to highly favorable situations (category VI and VIII), a relationship oriented approach would result in the leader being brushed off or ignored if too many questions were asked as to what should be done.

On the other hand a task oriented leader would be more effective. Fielder stressed the need for the human relations style of leadership when the situation is moderately favorable or unfavourable.

Fiedler later simplified and reduced the 8 situations described above to just three situations - high, moderate and low control. The task oriented style of leadership is most suitable for situations of high and low control and the relationship oriented style of leadership is most suited for situations of moderate control.

According to Fiedler, the key to effective leadership is to match the appropriate leadership style with the situation.

However, since an individual's leadership style is fixed, leader effectiveness can be improved in two ways:

- Change the leader to match the situation or
- Change the situation to match the leader. This could be done by restructuring of tasks or by increasing or decreasing leader's power to give salary raises, promotions etc.

1.8 Evaluation of Fiedler's Theory

Parts of Fiedler's theory has received considerable support and evidence. However, questions have been raised about the reliability and validity of the LPC scales. The situational dimensions of Fiedler are complex and difficult to assess. It is difficult to determine what kind of a relationship exists between the leader and followers as well as the position power a leader has.

CHARISMATIC LEADERSHIP AND TRANSFORMATIONAL LEADERSHIP

Charismatic leadership and transformational leadership are two modern theories of leadership. The key feature of these two theories is that they view leaders as individuals who inspire their followers through their words, ideas and behaviors.

1.9

CHARISMATIC LEADERSHIP

Atal Behari Vajpayee, Indira Gandhi, Steve jobs, Bill Clinton are frequently cited as examples of charismatic leaders. The word charisma is derived from a Greek word meaning 'Gift'. Sociologist Max Weber defined charisma as

"a certain quality of an individual personality, by virtue of which he or she is set apart from ordinary people and treated as endowed with supernatural, superhuman, or at least specifically exceptional powers or qualities. These are not accessible to the ordinary person and are regarded as of divine origin or as exemplary, and on the basis of them the individual concerned is treated as a leader."

Robert House was the first researcher to study charismatic leadership from the OB perspective. According to House's charismatic leadership theory,

"Followers attribute heroic or extraordinary leadership abilities when they observe certain behaviors" (Robbins and Judge, 2013).

Conger and Kanungo (1998) identified four key characteristics of a charismatic leader:

(1) Vision and articulation: Charismatic leaders build follower commitment by creating an appealing and attractive vision. They define their vision as an idealized goal. They paint a picture of a future that promises a better and more meaningful life to their followers. They communicate this message in a language which is easily understood by their followers.

(2) Personal risk: Charismatic leaders are willing to make personal sacrifices, take high risk and pay a high cost in order to achieve the vision.

(3) Sensitivity to follower needs: Charismatic leaders understand and respond to the needs and feelings of their followers.

(4) Unconventional behavior: Charismatic leaders engage in innovative behaviors which go against established norms.

An interesting finding about charismatic leadership is that charismatic leaders are born and that people can be trained to become charismatic leaders.

Research suggests that leaders are born with certain qualities that make them charismatic. They are extraverted, self-confident and achievement oriented. Studies on identical twins have supported the idea that charismatic leaders are born.

Some scholars proposed a three step process to train people to become charismatic leaders:

(1) Develop an aura of charisma: In the first step, people are taught to develop an aura of charisma by being optimistic and passionate. They are taught to project themselves as powerful, confident and dynamic. People are taught to communicate well and set lofty goals. They are taught to communicate not just with words but using their whole body. Words are communicated using a very captivating and engaging voice. They are also trained in nonverbal charismatic characteristics such as pacing up and down, sitting on the edge, maintaining direct eye contact, animated facial expressions etc. Through these verbal and nonverbal cues, people are able to generate enthusiasm among their followers.

(2) Create a bond: In the second step, people are taught to create a bond with the followers. They do so by showing Confidence in their followers ability to fulfill their expectations. The followers are thus drawn towards them and inspired to follow them.

(3) Tap in to the emotions of the followers: People are taught to tap in to the emotions of the followers and thus bring out their potential. They do so by showing empathy with the needs of their followers.

Research has found that those leaders who followed the above three steps were successful in obtaining higher task performance and task adjustment from their followers. The followers also showed better adjustment with the leaders as well.

Studies have found that charismatic leaders follow a four step process in influencing their followers:

- **Appealing vision:** Charismatic leaders **present a very appealing vision** of the future to their followers. They also present a long-term strategy for attaining a goal that will lead to a better future for the followers in the organization. The vision creates a feeling among the followers that their organization is unique and special. The vision must be seen as challenging but achievable by people working in the organization.
- **Vision statement:** Charismatic leaders communicate their vision to the followers through a vision statement that clearly states The mission Or vision Of the organization. The vision statement is repeated at every occasion to get the followers commitment to the goal and purpose of the organization. Leadership Charismatic leaders boost the self-esteem of the followers by showing immense confidence and faith in their followers' ability to live up to their expectations.
- **New set of values:** Through their words and actions, charismatic leaders convey to their followers a new set of values for them to follow. The followers thus start identifying with their leaders and are willing to comply and do whatever their leader wishes.
- **Unconventional behaviors:** Charismatic leaders **engage in unconventional behaviors** that are high on emotions to show the followers how courageous they are. They thus demonstrate their complete conviction and faith in the vision. The emotions soon spreads like an epidemic among the followers.

A number of studies have shown that organizations benefit when they have charismatic leaders:

- 1) The followers of charismatic leaders perform better and are more satisfied.
- 2) **The followers of charismatic leaders are willing to put in extra efforts due to their respect and liking for their leader**
- 3) Organizations with charismatic leaders are more profitable.

The **impact of charismatic leaders** is greater and they are more effective when:

- 1) The leaders and followers have certain **similarity in their ideology**.
- 2) There are **conditions of stress, uncertainty and threat to life**. This is because under conditions of stress, charismatic leaders have the ability to make work appear more meaningful and interesting.
- 3) Followers are **low on self-esteem**. This is because low self-worth individual find it difficult to think independently and look for directions from others.

The impact of charismatic leadership is limited by an individual's level in the organization. Individuals at lower levels in the organization have lesser impact as it is difficult for them to align their vision with the goals of the organization.

Some studies have found that there is often a "**dark side**" of charismatic leaders. Sometimes behind the charming external personality lies a person who does things which are often not in the best interest of the organization.

The problems that can occur with charismatic leaders are:

- 1) They sometimes let their **personal goals and ambition overshadow organizational goal**.
- 2) They sometimes **use organizational resources for their personal benefit**.
- 3) They sometimes **break the law and engage in unethical practices** such as causing the stock prices to rise artificially.
- 4) They start huge, **unrealistic projects** to glorify themselves. They are unwilling to accept advice from others and ignore obvious signs leading to a disaster.
- 5) Charismatic leaders spend, a great deal of **time promoting their vision but little time in implementing** the vision.
- 6) A **leadership crisis** often occurs when the leader dies or departs as charismatic leaders **fail to develop successors**. They try to keep their subordinates weak and dependent and remove people who have leadership qualities.

2.0

TRANSFORMATIONAL AND TRANSACTIONAL LEADERSHIP

Two types of leadership that complement each other are transactional leadership and transformational leadership. Robbins and Judge (2013) define transactional leaders as "leaders who guide or motivate their followers in the direction of established goals by clarifying role and task requirements."

Some of the important characteristics of transactional leaders are:

- 1) Contingent rewards:** Transactional leaders get work done from their followers by promising and giving rewards for good performance. They give recognition to the achievement of their followers.
- 2) Management by exception (active):** Transactional leaders will actively intervene in their followers work only when they deviate from established rules and standards. In such situations, they step in and take corrective actions.
- 3) Management by exception (passive):** Sometimes transactional leaders step in only if the standards are not met.
- 4) Laissez-faire:** Transactional leaders avoid making decisions and are unwilling to assume responsibility.

The approach of transactional leaders has certain drawbacks and create problems:

- 1) The contingent reward leadership style is effective only to a certain point. Followers perform for the rewards but are unwilling to put in any extra or additional efforts.
- 2) The laissez-faire style of functioning is considered as a very passive and least effective of leader behaviors.
- 3) The transactional leaders tendency to step in only when there is a problem (management by exception) can be very costly as it may be too late by the time the leader steps in.

In contrast, transformational leaders are defined as leaders who inspire followers to transcend their own self-interests and who are capable of having a profound and extraordinary effect on followers" (Robins and Judge, 2013).

Transformational leaders bring this change by paying attention to the needs and concerns of their followers, by creating awareness among their followers and by making them look at old problems in new ways.

Transformational leaders are successful in inspiring their followers who in turn are willing to put extra efforts in order to achieve organizational goals helps them to obtain superior results from their subordinates:

- 1) Idealized influence: Transformational leaders instil pride in their followers by providing them with a vision that creates a sense of mission. Transformational leaders are able to win the respect and trust of their followers.
- 2) Inspirational motivation: Transformational leaders communicate the important purposes of the organization in a very simple and easy to understand way. They motivate their followers by expressing their high expectations and through the use of symbols.
- 3) Intellectual stimulation: Transformational leaders encourage their followers to think intelligently, rationally and adopt a careful approach to problem solving.
- 4) Individual consideration: Transformational leaders serve as a coach or mentor to their subordinates. They pay careful attention to each individual follower's need for growth and advancement. They provide individual coaching and advise to their followers.

It is these four characteristics that makes a transactional leader in to a transformational leader. It is these qualities leader in to a transformational leader that enables leaders to extract the best out of their followers.

Through individual consideration, idealized influence, intellectual stimulation and inspirational motivation transformational leaders are able to motivate their follower so put organizational interests before personal interests and put extra efforts for the organization.

Research has found the Tillowers of transformational leaders are more productive, more satisfied, have higher morale, are less absent from work and show greater organizational adaptability.

Transformational leaders also demonstrate the following other characteristics:

- 1) They are more creative.
- 2) They decentralize responsibility. Through empowerment, they develop feelings of positive personal control among their followers.
- 3) They prepare compensation plans that are focused on long-term results.
- 4) They build greater consensus among group members.

The impact of transformational leadership is seen in different forms in their followers:

They are more creative.

They are willing to take more risks.

They have higher self efficacy and develop a 'can do' spirit.

They pursue ambitious goals. They identify with organizational goals and consider them personally important.

They show greater commitment and have more trust in their leader. Due to the high level of trust, the followers experience less stress.

The quality of products are better which in turn lead to higher profits for the organization.

Transformational leadership leads to higher performance at all levels - individual, team and organizational.

Research has found that transformational leadership is not effective in all situations. It is more effective:

- 1) In businesses that are small and privately held than those which are large and complex. This is because in small organizations it is possible for the leader to directly interact with their workforce and make quick decisions. This is not the case when the transformational leaders works in organizations that have complex bureaucratic structures or when the leader is in the board of directors.
- 2) Team-focused transformational leadership: In this type of leadership, the focus is on group values, beliefs, goals and collective efforts. Such a leadership results in higher group level performance. Transformational leadership like charismatic leadership can be learnt.

2.1

MENTORING - DEVELOPING LEADERS FOR THE FUTURE

An important responsibility of a leader is to nurture future leaders. This is done through the process of mentoring. Robbins and Judge (2013) describe the mentor as “**a senior employee who sponsors and supports a less experienced employee called a protégé.**”

A good or successful mentor is often a good teacher. Like a good teacher, a mentor presents his ideas clearly and listens attentively and patiently to the protégé's problems. The relationship between a mentor and his protégé has two functions: career functions and psychosocial function.

In his **career function**, the mentor:

- 1) **Lobbies** within the organization to ensure that the protégé will get challenging assignment and ensures that the protégé gets to be seen by important people in the organization.
- 2) **Coaches** the protégé to develop his skills and achieves the objectives of his work.
- 3) **Protects** the protégé from dangers and risks that could harm the reputation of the protégé.
- 4) **Nominates** the protégé for positions that will lead to his growth in the organization.
- 5) **Serves as a sounding board** or outlet for the protégé. The protégé can share those ideas with the mentor that he finds it difficult to share with his immediate supervisor.

In his psychosocial function, the mentor:

- 1) Advises and encourages** the protégé and thus increases his self-confidence.
- 2) Shares his own work and life experiences** with the protégé.
- 3) Serves as a **role model**.
- 4) Provides friendship** and acceptance.

A mentoring relationship usually develops when a leader identifies an employee at a lower level in the organization who is inexperienced but has potential.

The mentor then tests the protégé on some challenging task and if the protégé performs acceptably then the mentor begins an informal relationship with protégé.

The mentor then guides the protege as to how things really work in the organization.

The mentor steps outside the formal role described by the organization's structure and procedures.

Two explanations have been put forward as to why leaders want to mentor:

- 1) Some leaders want to **share their experience and knowledge** with the younger generation. Mentoring gives them an opportunity to do so. They can also **leave behind their legacy**.
- 2) Through mentoring, leaders get **an opportunity to know about the attitudes of employees** at lower levels in the organization.
- 3) Through their protégé's, leaders get **advance warning of the potential problem** areas in the organization.

Not all employees are able to get the benefits of being a mentor and a protégé. Research has found that mentoring is more likely to take place when the mentor and protégé share more similar ethnic, Religious, educational and gender background. That is, mentoring is more likely to take place between two men rather than between a man and a woman.

Organizations have tried to overcome the above mentioned drawback by creating formal mentoring programs. However, they have not been as effective as the mentoring that takes place informally. Poor planning and design is the main reason for formal mentoring programs not being so effective.

A critical aspect of mentoring relationship is that the mentor must see it as a mutually beneficial relationship. Besides, a protégé may not invest much of himself in, relationship which he feels has been forced upon him. For mentoring to be truly effective and successful, it is important that the work style needs and skills of the, mentor and protégé must match each other.

Research has found that the benefit of mentoring is more psychological rather than in terms of job performance or pay. The biggest benefit of mentoring is that it provides the protégé access to important resources in the organization and helps to develop a good network of relationships with important people known to the mentor. This can help the protégé to advance in his career.