HADERSHIP!

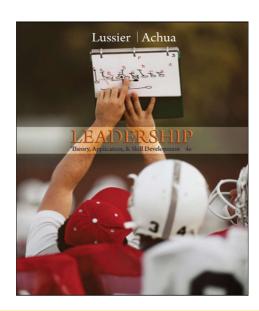
Theory, Application, Skill Development

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Chapter 1

Who Is a Leader?

Chapter 1 Learning Outcomes

- P Briefly describe the five key elements of leadership.
- b List the ten managerial roles based on their three categories.
- p Explain the interrelationships among the levels of leadership analysis.
- Describe the major similarity and difference between the trait and behavioral leadership theories.
- Discuss the interrelationships between trait and behavioral leadership theories and contingency theories.
- Define the key terms listed at the end of the chapter.

Why Leadership is Important

For individual career success and organizational performance: the success of individual careers and the fate of organizations are determined by the effectiveness of leaders' behavior.

For employee recruitment and retention: the organization's leaders must foster a leadership mentality throughout the organization.

The past few years well-publicized corporate failures have pointed to the critical role that leadership plays in the success or failure of organizations.

Ethical Dilemma 1

- p Is leadership really important?
- p Pg. 4

Defining Leadership

- No universal definition Leadership is complex and thus hard to define
- Many different definitions

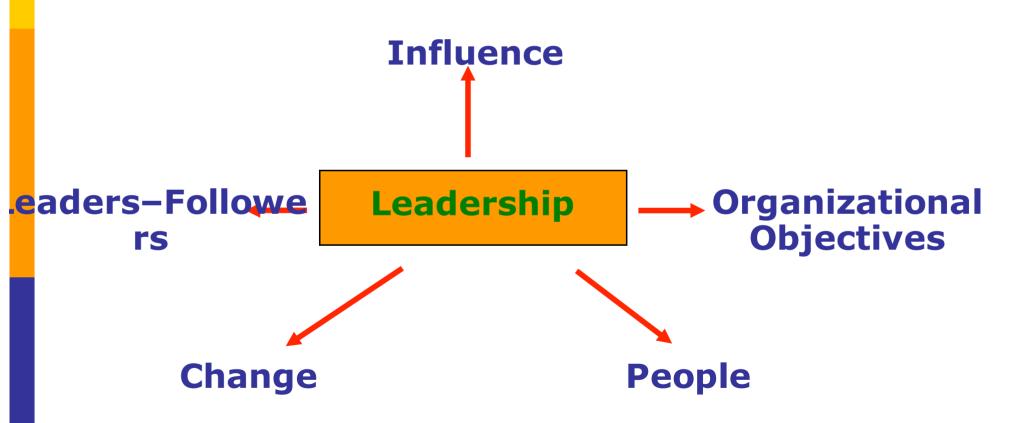
Defining Leadership (cont.)

Leadership is the influencing process of leaders and followers to achieve organizational objectives through change

Student Definitions

- Leads by example
- P Hold themselves to the same standards they hold others
- p Diversity, creativity, change and vision
- P Team player

Key Elements of Leadership



5 Key Elements of Leadership

- b Leaders-Followers
- Influence process of a leader communicating ideas, gaining acceptance of them, and motivating followers to support and implement the ideas through change
- Organizational Objectives Effective leaders influence followers to think not only of their own interests but the interest of the organization
- change influencing and setting objectives is about change. Organizations need to continually change, in adapting to the rapidly changing global environment
- People leadership is about leading people

Discussion Question #1

Should leadership be the manager's job, or should leadership be a shared process?

Discussion Question #2

Are you interested in sharing leadership, or do you prefer to be a follower?

Functions Performed by Managers

All managers perform four major functions:

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Planning
Organizing

Leading

Thus, leadership is a part of every manager's job

Controlling
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Are All Leaders Managers?

Manager = formal title and authority Leader = person (manager or nonmanager) with influence Follower = person influenced by a leader

Influence

Is the process of a leader communicating ideas, gaining acceptance of them, and motivating followers to support and implement the ideas through change. It is the essence of leadership Managers may influence through coercion Leaders influence by gaining followers' commitment and enthusiasm

Effective Leaders

Know when to lead and when to follow Influence followers to support organizational interests Provide direction Set challenging objectives and lead the charge to achieve them Influence change for continual improvement Enjoy working with people

To Ponder...

- P Recall a past/present job. Were you both a leader and a follower?
- Where/are the managers where you work(ed) effective at influencing their employees to bring about change?
- p Do manager(s) where you work(ed) treat their employees as valuable assets?

Discussion Question #3

Are leaders born or made?

Are Leaders Born or Made?

Most researchers say the answer is both Some are born with natural ability and develop it

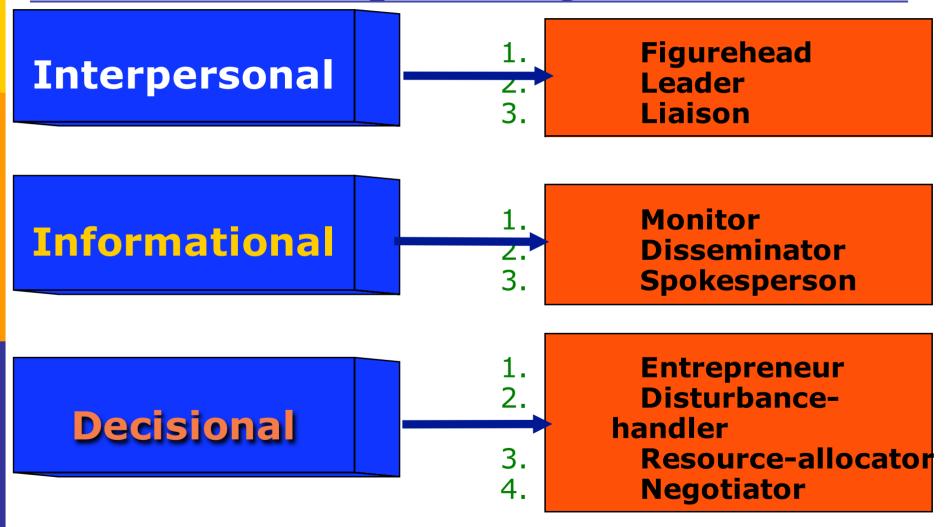
Some are developed through effort and hard work

All people have potential leadership skills Organizations spend millions of dollars every year to develop leadership skills of their employees

Continued

Legendary football coach Vince Lombardi once said, "Contrary to the opinion of many people, leaders are not born, leaders are made, and they are made by effort and hard work."

Leadership Managerial Roles



Interpersonal: Figurehead Role

Represent the organization or department in legal, social, ceremonial, or symbolic activities Generally considered a top management function However, leaders throughout the organization can perform this role

Includes:

Signing official documents

Entertaining clients and official visitors

Speaking engagements (formal and informal)

Presiding at meetings and ceremonies

Interpersonal: Leader Role

Pervades all managerial behavior Influences how leaders perform other roles

Includes:

Hiring and training
Giving instructions and coaching
Evaluating performance

Interpersonal: Liaison Role

Interacting with people outside the organizational unit

Includes:

Networking

Developing relationships

Gaining information and favors

Serving on committees

Attending professional meetings

Keeping in touch with other people and organizations

Informational: Monitor Role

Gathers information
Analyzes the information to discover problems and opportunities
Includes:
Reading memos, reports, and publications

Reading memos, reports, and publications
Talking to others
Attending meetings
Observing competitors

Informational: Disseminator Role

Sends information to others Information passed via:

Oral means

Telephone or voice mail

One-on-one discussions

Meetings

Written media

E-mail

Printed documents

Handwritten notes

Informational: Spokesperson Role

Provides information to people outside the organizational unit

Examples:

Meeting with the boss to discuss performance

Meeting with the budget officer to discuss the

unit budget

Answering letters

Reporting information to the government

Decisional: Entrepreneur Role

- Innovative
- Initiation of improvements
- Examples:
 - Developing new or improved products and services
 - Developing new ways to process products and services
 - Purchasing new equipment

Decisional: Disturbance-Handler Role

Takes corrective action during crisis or conflict situations

Involves reactions to unexpected events Leaders typically give this role priority Examples:

A union strike

Equipment breakdown

Needed material not arriving on time

Tight schedules

Decisional: Resource-Allocator Role

Involves scheduling, requesting authorization, and performing budgeting activities

Examples:

Deciding what is done now, later, or not at all

Setting priorities and time management Allocating raises, overtime, and bonuses Scheduling employee, equipment, and material use

Decisional: Negotiator Role

Represents their organizational unit in transactions without set boundaries Examples:

Setting pay and benefits for a new professional employee or manager Reaching agreement on a labor union contract

Contracting with customers or suppliers

Ethical Dilemma 2

- Executive Compensation
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Leadership Theories

Are explanations of some aspects of leadership

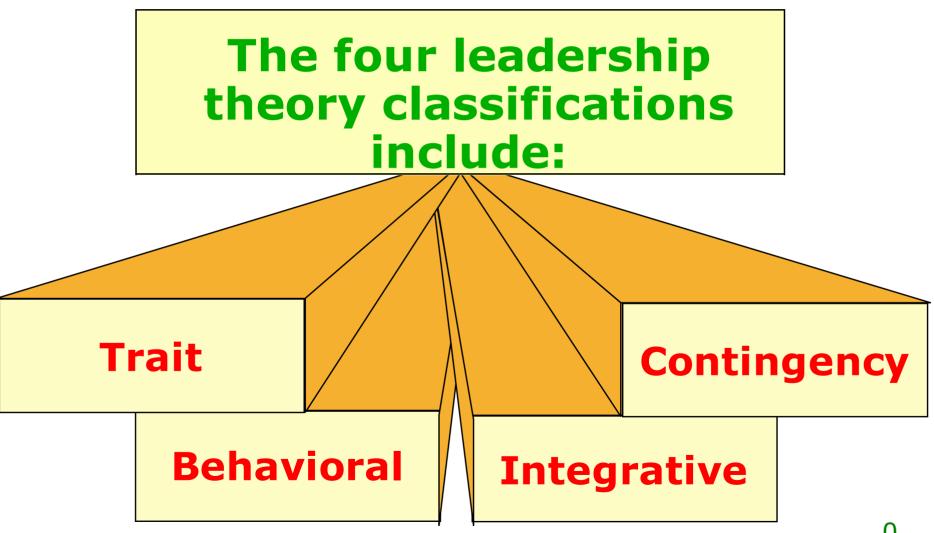
Have practical value because they are used to better understand, predict, and control successful leadership

Leadership Paradigm

Is a shared mindset that represents a fundamental way of thinking about, perceiving, studying, researching, and understanding leadership

Has changed over the last 60 years during which it has been studied

Leadership Theory Classifications



Leadership Trait Theories

Attempt to explain distinctive characteristics accounting for leadership effectiveness to identify a set of physical and psychological traits that all successful leaders possess

Examples:

High energy level

Appearance

Aggressiveness

Persuasiveness

Dominance

Self-reliance

Behavioral Leadership Theories

Attempt to explain distinctive styles used by effective leaders, or to define the nature of their work
What the leader actually does on the job (behavior)

Behavioral Leadership Theory

Assumptions

- Leaders can be made, rather than are born.
- Successful leadership is based in definable, learnable behavior.

Description

- Behavioral theories of leadership do not seek inborn traits or capabilities. Rather, they look at what leaders actually do.
- If success can be defined in terms of describable actions, then it should be relatively easy for other people to act in the same way. This is easier to teach and learn then to adopt the more ephemeral 'traits' or 'capabilities'.

Discussion

- Behavioral is a big leap from Trait Theory, in that it assumes that leadership capability can be learned, rather than being inherent. This opens the floodgates to leadership development, as opposed to simple psychometric assessment that sorts those with leadership potential from those who will never have the chance.
- A behavioral theory is relatively easy to develop, as you simply assess both leadership success and the actions of leaders. With a large enough study, you can then correlate statistically significant behaviors with success. You can also identify behaviors which contribute to failure, thus adding a second layer of understanding.

Contingency Leadership Theories

Attempt to explain the appropriate leadership style based on the leader, followers, and situation Are called "universal theories"

Try to predict which traits and/or behaviors will result in leadership success given the situational variables

No best leadership style In all situations!!!

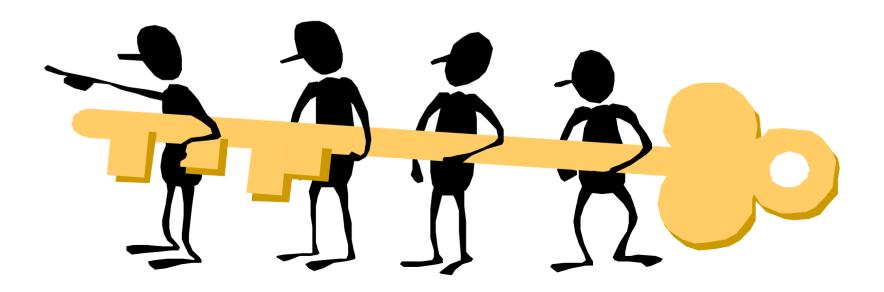
Integrative Leadership Theories

Attempt to combine the trait, behavioral, and contingency theories to explain successful, influencing leader-follower relationships

Discussion Question #4

Some people say the hard skills (finance, quantitative analysis) are more important for managers than soft skills (developing relationships, leadership), and some say the opposite is true. What do you think?

Paradigm Has Shifted From Management to Leadership!



From the Management to the Leadership Theory Paradigm

Is a shift from the older autocratic management style to the newer participative leadership style of management

The Old Management Paradigm

Managers:

- Were autocratic
- Made all decisions
- Maintained tight controls over employees

The New Leadership Paradigm

Managers:

- Are primarily participative
- Focus on leadership
- Share management functions with employees
- Have good relationships with followers
- Realize that people are the most important asset

Leaders vs. Managers

- Successful leaders are also good managers
- Successful managers are also good leaders
- The leadership and management paradigms overlap

Discussion Question #5

Is leadership ability universal, or is a good leader in one environment also effective in another? For example, can a leader in one industry (e.g., a hospital) be successful in another industry (e.g., a bank)?

Discussion Question #6

p Do you agree that, in general, mean or tough bosses are not successful leaders?

Case Study

- Steve Jobs Apple
- p Pg. 24
- Answer questions 1 & 2