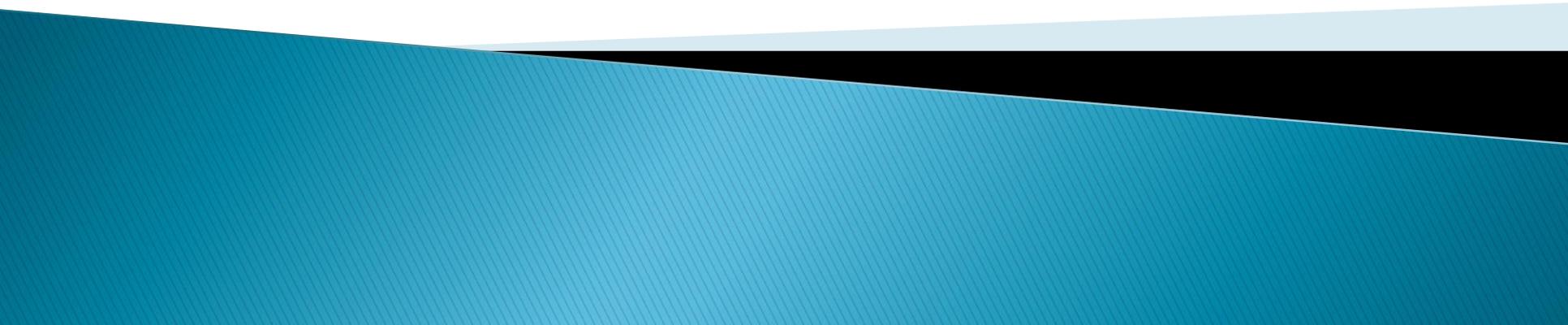


# Unit 3: Organisation and Behaviour

Lesson 6

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# Learning Outcome 2

- ▶ Learning Objectives:
- ▶ LO2 Understand different approaches to management and leadership:
  - 2.1 compare the effectiveness of different leadership styles in different organisations
  - 2.2 explain how organisational theory underpins the practice of management
  - 2.3 evaluate the different approaches to management used by different organisations

# In This Session

- ▶ LO 2 Understand different approaches to management and leadership
    - AC 2.1 Compare the effectiveness of different leadership styles in different organisations
  - ▶ Assessment Criteria
  - ▶ Review Questions
  - ▶ References
- 

# What is Leadership?

- ▶ Leaders are people who do the right thing; managers are people who do things right – Professor Warren G. Bennis.
- ▶ Leadership is the art of getting someone else to do something you want done because he wants to do it – Dwight D. Eisenhower.

# Leadership Styles / Model

- ▶ Different types of leadership styles exist in work environments. Advantages and disadvantages exist within each leadership style. According to Johnson (2016) the culture and goals of an organization determine which leadership style fits the firm best.
- ▶ Some companies offer several leadership styles within the organization, dependent upon the necessary tasks to complete and departmental needs.

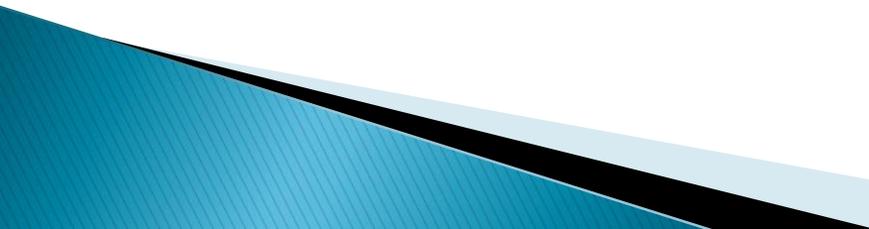
# Types of Leadership Styles

- ▶ Johnson (2016) identifies 5 major Leadership styles practice in organisation:
  - Laissez-Faire
  - Autocratic
  - Participative
  - Transactional
  - Transformational

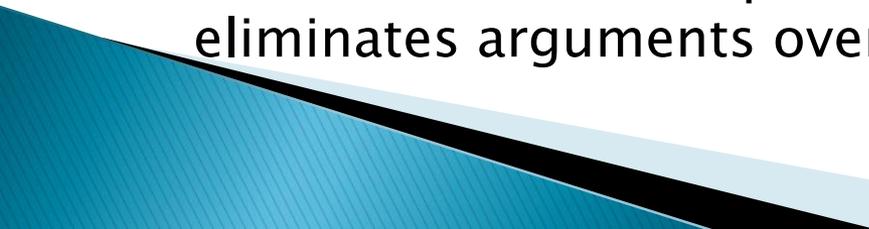
# Laissez-Faire

- ▶ The style according to (Johannsen, 2014) is largely a “hands off” view that tends to minimize the amount of direction and face time required.
  - ▶ It works well if you have highly trained, highly motivated direct reports.
- 

# Laissez-Faire Characteristics

- ▶ Johnson (2016) identifies the following:
    - Lacks direct supervision of employees and fails to provide regular feedback to those under his supervision.
    - Highly experienced and trained employees requiring little supervision fall (however, not all employees possess those characteristics).
    - Hinders the production of employees needing supervision.
    - Produces no leadership or supervision efforts from managers (can lead to poor production, lack of control and increasing costs).
- 

# Autocratic

- ▶ Autocratic leaders insist on doing it all themselves (ctb.ku.edu, 2016). They have all the power, make all the decisions, and don't often tell anyone else about what they're doing. If you work for an autocratic leader, your job is usually to do what you're told.
  - ▶ An autocratic leader often maintains his authority by force, intimidation, threats, reward and punishment, or position. Although he may or may not have a clear vision, and may or may not be steering the organization in the right direction, he's not concerned with whether anyone else agrees with what he's doing or not.
  - ▶ Autocratic leadership allows quick decision-making, and eliminates arguments over how and why things get done.
- 

# Autocratic Characteristics

- ▶ According to Johnson (2016) The autocratic leadership style has the following characteristics:
  - Managers make decisions alone without the input of others.
  - Managers possess total authority and impose their will on employees.
  - No one challenges the decisions of autocratic leaders.
  - This leadership style benefits employees who require close supervision.
  - Creative employees who thrive in group functions detest this leadership style.

# Participative

- ▶ It's hard to order and demand someone to be creative, perform as a team, solve complex problems, improve quality, and provide outstanding customer service (Johannsen, 2014).
- ▶ The participative style according to (Johannsen, 2014) presents a happy medium between over controlling (micromanaging) and not being engaged and tends to be seen in organizations that must innovate to prosper.
- ▶ According to Johnson (2016) this is often called the democratic style.

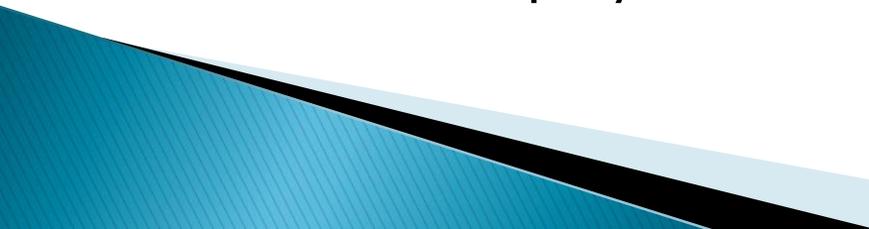
# Participative Characteristics

- ▶ Johnson (2016) notes that:
    - The input of team members and peers are valued, but the responsibility of making the final decision rests with the participative leader.
    - Employee morale are boosts because employees make contributions to the decision-making process.
    - It causes them to feel as if their opinions matter.
    - Helps employees accept changes easily because they play a role in the process.
    - This style meets challenges when companies need to make a decision in a short period.
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# Transactional

- ▶ The approach emphasizes getting things done within the umbrella of the status quo; almost in opposition to the goals of the transformational leadership.
  - ▶ According to Johannsen (2016) it is considered to be a “by the book” approach in which the person works within the rules. As such, it’s more commonly seen in large, bureaucratic organizations where political considerations are part of daily life.
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# Transactional Characteristics

- ▶ Johnson (2016) indicates that:
    - Tasks are given to perform and rewards (such as bonuses) or punishments provided to team members based on performance results.
    - Managers and team members set predetermined goals together, and employees agree to follow the direction and leadership of the manager to accomplish those goals.
    - The manager possesses power to review results and train or correct employees when team members fail to meet goals.
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# Transformational Leader

- ▶ The model was first proposed by James MacGregor Burns and then developed by Bernard Bass. It highlights visionary thinking and bring about change, instead of management processes that are designed to maintain and steadily improve current performance (mindtool.org, 2016).
  - ▶ An effective leader is a person who does the following:
    1. Creates an inspiring vision of the future.
    2. Motivates and inspires people to engage with that vision.
    3. Manages delivery of the vision.
    4. Coaches and builds a team, so that it is more effective at achieving the vision.
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# Characteristics

- ▶ Johnson (2016) indicates that:
    - Depends on high levels of communication from management to meet goals.
    - Leaders motivate employees and enhance productivity and efficiency through communication and high visibility.
    - Requires the involvement of management to meet goals.
    - Leaders focus on the big picture within an organization and delegate smaller tasks to the team to accomplish goals.
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# Frames of reference for leadership activities

- ▶ The way in which a leader operates and carry out his/her functions can be seen through the following frames:
    - Opportunist
    - Diplomat
    - Technician
    - Achiever
    - Strategist
    - Magician
    - Pluralistic
    - Transformational
    - Change
- 

# Opportunistic

- ▶ In the world of businesses, tapping into an opportunity is considered to be good. It is a symbol of an agile, aggressive and growing business organizations (Shukla, 2009) . But within an organization or team at an individual level carrying a tag of ‘opportunistic’ is almost seen as a negative.
  - ▶ Opportunities for a business (within and outside) emerge on a random basis as companies and individuals navigate through the plans, strategies, work and statuses during various business interactions.
  - ▶ These opportunities can be in any area such as
    - Talent leverage
    - Market opportunity
    - Customer relationship opportunity
    - Organizational correction opportunity
    - Innovation
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# Diplomatic

- ▶ Leadership involves negotiating, representing interests and policies, speaking publicly and resolving conflicts (Duggan, 2016). Diplomatic leadership requires a person to be a good manager, resilient negotiator and a trusted adviser. It enables her to raise awareness and assist constituents:
  - Build Relationship
  - Safeguard Integrity
  - Gain Advantage without force
  - Negotiate Agreements

# Technician

- ▶ The job knowledge required for a particular leadership role can be termed as the technical skills. The leader must understand the output of the organization in terms of product or services, without which he cannot possibly utilize his conceptual skills to their maximum ability.
  - ▶ The next step is to have good knowledge of organization management processes to boost the effectiveness.
- 

# Frames of Leadership Activities

- ▶ **Achiever:** describes a constant need for achievement. You feel as if every day starts at zero. By the end of the day you must achieve something tangible in order to feel good about yourself (Gallup.com, 2016). It includes:
  - Team orientation
  - Open to feedback
  - Concerned with meeting goals
  - Inhibit thinking outside of the box
- ▶ **Technician:** The job knowledge required for a particular leadership role can be termed as the technical skills (Robb-Walters, 2014). The leader must understand the output of the organization in terms of product or services, without which he cannot possibly utilize his conceptual skills to their maximum ability. The next step is to have good knowledge of organization management processes to boost the effectiveness.

# Frames of Leadership Activities

- ▶ **Strategic leadership** refers to a manager's potential to express a strategic vision for the organization, or a part of the organization, and to motivate and persuade others to acquire that vision.
  - ▶ **Traits of Strategist:**
    - Loyalty – powerful and effective leaders demonstrate their loyalty to their vision by their words and actions.
    - Keeping them updated – Efficient and effective leaders keep themselves updated about what is happening within their organization. They have various formal and informal sources of information in the organization.
    - Judicious use of power – Strategic leaders makes a very wise use of their power. They must play the power game skilfully and try to develop consent for their ideas rather than forcing their
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# Magician

- ▶ Becoming a great leader takes time, knowledge, and perseverance in addition to a little of what University of Notre Dame's Jason Monaghan calls "magic."
  - ▶ The magic of a great leader is developed over time and through years of professional awareness.
  - ▶ "The qualities that make a good team a great one depend largely on the leader's ability to create an environment of complete engagement."
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# Pluralistic

- ▶ Objective should be to lead a more diverse group of people being identified, hired, and advanced to leadership positions.
  - Such a leadership culture will lead to the expansion of curriculum within leadership training to include a broader range of traits, behaviours, power/influence processes, and cognitive processes.
  - Awareness of multiple ways to define leadership can facilitate sounder organizational communication as organizational participants realize the necessity of explaining their assumptions about leadership.
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# Nature of managerial authority

- ▶ **Authority** is a force for achieving desired outcomes, but only as prescribed by the formal hierarchy and reporting relationships. Decker (2014) states that it is a formal right to make decision based on formal organizational relationships. Authority is vested in organizational positions, not because of the personalities and personal characteristics of the individuals, but because of the position that a person is holding.
- ▶ **Power** is the ability to influence others to modify behaviour to achieve stated objectives. Power according to Decker (2014) is the potential or actual ability of a person to affect the behaviour of others. This ability can be based on a number of factors, such as knowledge, personality, and even on authority. When power receives formal recognition and backing by the organization, it will be called authority.

# Nature of managerial authority

- ▶ **Responsibility** comes with authority. Nigam (2012) identifies two types of responsibility:
  1. Operating Responsibility – can be delegated to subordinate
  2. Ultimate responsibility – cannot be delegated. Remains with the manager who is accountable for the actions & omissions of his subordinates.
  
- ▶ Conflict is a problem. Human life is full of problems. There is no living human being that does not have one type of problem or the other no matter the person's level of intelligent, wisdom, and the amount of authority and power that the person possesses (Decker, 2014). This is the same thing with organizations. Organizations are made up of human beings and therefore cannot avoid conflict.

# Nature of managerial authority

- ▶ A manager alone cannot perform all the tasks assigned to him. In order to meet the targets, the manager should **delegate** authority. Delegation of Authority means division of authority and powers downwards to the subordinate. Delegation is about entrusting someone else to do parts of your job.
- ▶ According to [managementstudyguide.com](http://managementstudyguide.com) (2016) delegation of authority can be defined as subdivision and sub-allocation of powers to the subordinates in order to achieve effective results.
- ▶ It has 3 main elements:
  - Authority
  - Responsibility
  - Accountability

# Assessment Criteria

- ▶ To discuss in Class

# Review Questions

- ▶ Who is a Laissez-Faire leader and explain what are the benefits of using such styles in an organisation?
  - ▶ What is delegation and which type of leader would be more inclined engaged in delegation?.
  - ▶ A good manager, resilient negotiator and a trusted adviser would be seen through which leadership frame?
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# Resource Sites

- ▶ <http://ctb.ku.edu/en/table-of-contents/leadership/leadership-ideas/leadership-styles/main>
- ▶ <http://newagepublishers.com/samplechapter/000951.pdf>
- ▶ <http://www.slideshare.net/AlexanderDecker/authority-power-and-conflict-in-organization>

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