

UNIT 22 – UPSC -Leadership Process and Styles (Organisational Behaviour and Design)

In current business marketplace, leadership style has great role in organization's economic wealth and progress. Leadership is indispensable in an organization because leader's trait may affect the success of organization. The major intent of every organization is to cultivate. The relationship between the management and employees has a great impact to that effect. Concept of leadership is defined as a process in which a leader tries to influence his or her followers to establish and achieve a goal or goals. Leadership is the capacity to lead others and command. It is a process of an act or instance of guiding; direction, guidance, lead, management. Leadership is appreciated in business culture, especially when it helps to attain goals that are helpful to the organization. It is elaborated in managerial studies that leadership is a social influence process. Leadership cannot exist without a leader and one or more followers. Leadership prompts controlled action on the part of followers. The voluntary nature of compliance separates leadership from other types of influence based on formal authority. Ultimately, leadership results in followers' behaviour that is determined and goal-directed in some sort of organized setting.



Huge theoretical literature is available to explain the style of leadership and its impact on organization. According to Kouzes (2002), "Leadership is not a place, it's not a position, and it's not a secret code that can't be deciphered by ordinary people. Leadership is an observable set of skills and abilities. Of course some people are better at it than others". In the academic literature, leadership has been recognized as significant topic in the field of organizational behaviour. Leadership is one with the most dynamic effects during individual and organizational interaction. It is said that ability of management to perform "collaborated effort" depends on leadership capability. According to Lee and Chuang (2009), the brilliant leader not only inspires subordinate's potential to enhance efficiency but also meets their requirements in the process of achieving organizational goals. Stogdill (1957), described leadership as the individual behaviour to guide a group to achieve the common target. Another theorist, Fry (2003), explicates leadership

as use of leading strategy to offer inspiring motive and to enhance the staff's potential for growth and development.

Leadership includes the ultimate source of power but has that positive ability in persuading other individuals and to be innovative in decision making. Bennis and Nanus stated that, many organizations are over managed and under led. The difference is crucial, managed are people who do things right, but leaders are people who do the right things always. Leadership mainly deals with influence. A manager may or may not be an effectual leader. A leader's ability to influence others may be based on a variety of factors other than his or her formal authority or position. Historically, there are three major leadership theories which included the trait approach (1930s and 1940s), the behavioural approach (1940s and 1950s), and the contingency or situational approach (1960s and 1970s).

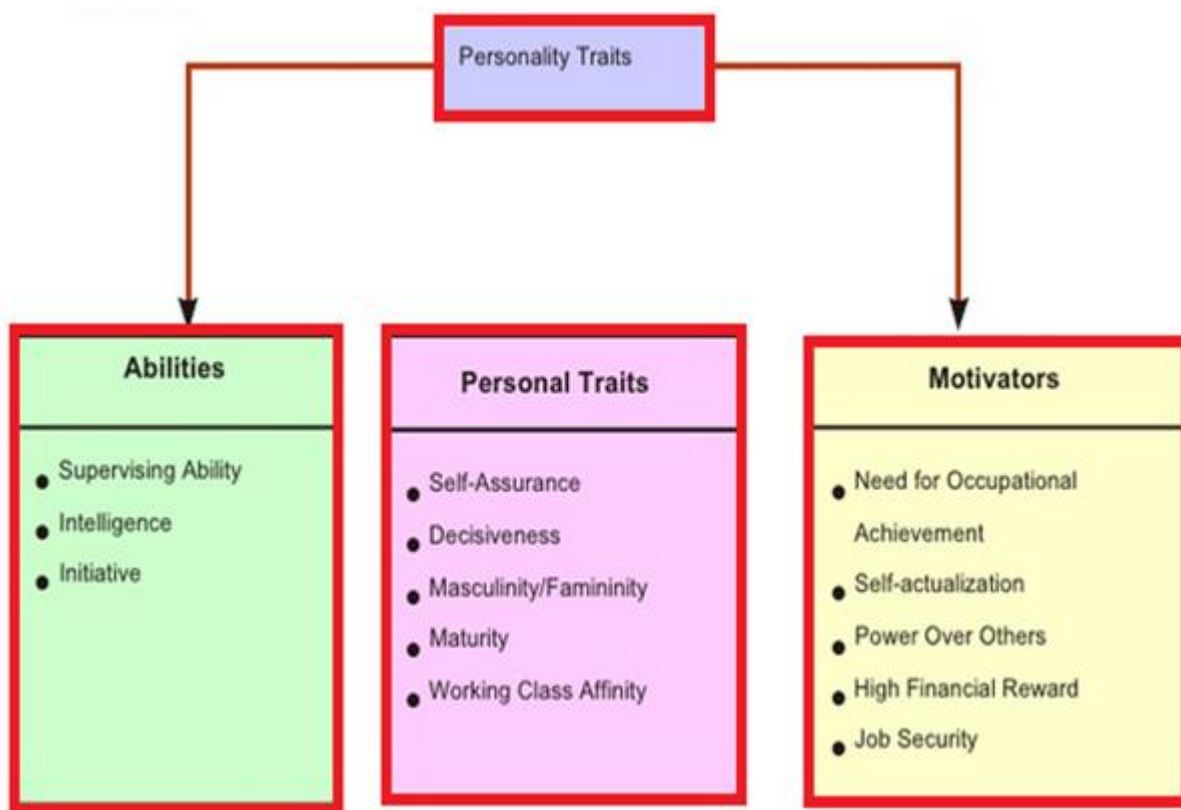
Historical Leadership Theories

Leadership Theories	Time of initiation	Major tenets
Trait theories	1930s	Individual characteristics are different than those of nonleaders.
Behaviour theories	1940s and 1950s	The behaviour of effective leaders are different than behaviour of ineffective leaders. Two major classes of leaders are task oriented behaviour and relationship oriented behaviour
Contingencies theories	1960s and 1970s	Factor unique to these situation determine whether specific leader characteristics and behaviour will be effective.
	Historical leadership theories	
Leadership Theories	Time of initiation	Major tenets
Leader member exchange	1970s	Leaders from high quality relationships with some subordinates but not others. The quality of leader subordinates relationship affects numerous workplace outcomes.
Charismatic leadership	1970s and 1980s	Effective leaders inspire subordinates to commit themselves to goals by communicating a vision, displaying charismatic behaviour, and setting a strong personal example.
Substitute for leadership	1970s	Characteristics of the organization, task, and subordinates may substitute for or negate the effects of leadership behaviour.

Trait Approach

The scientific study of leadership initiated with the traits of effective leaders. The basic principle behind trait theory was that effective leaders are born, not made, thus the name sometimes applied to early versions of this idea, the "great man" theory. Many leadership studies based on this theoretical framework were conducted in the 1930s, 1940s, and 1950s. Leader trait research scrutinized the physical, mental, and social characteristics of individuals. In general, these studies simply looked for significant associations between individual traits and measures of leadership effectiveness. Physical traits such as height, mental traits such as intelligence, and social traits such as personality attributes were all subjects of empirical research.

Trait theory was condemned on various grounds and experts emphasized the behaviour aspects for developing good leadership quality in an individual. In his famous study, Stogdill concluded that 'A person does not become a leader by virtue of the possession of some combination of traits (1948). Trait theory was contradicted by behaviourist theorist who asserted that the behaviours displayed by leaders are more important than their physical, mental, or emotional traits.



Leader Behaviour Approach

Behavioural theory was developed in response to the need to account for employee behaviour and motivation. The shift moved management from a production-orientation to a leadership style focused on the workers' human need for work-related satisfaction and good working conditions. Likert stated that organizational effectiveness depends considerably on successful leadership provided by managers. By involving the process of employee participation in structuring the work and the work environment, a manager can successfully lead people towards achieving organizational goals. Likert identified four main styles of leadership-Exploitative, Benevolent authoritative, Consultative and Participative or Democratic. Explorative leadership style is highly production oriented. Such leader does not involve the subordinates in any decision making. He

uses fear, threat, rewards or punishments to coerce the subordinates into compliance. Benevolent Authoritative Leadership Style has a very superior attitude. The leader-employee relationship for him is like a master- servant relationship. This type of a leader trusts his employees have enough confidence in them to seek and use their ideas. Consultative Leadership Style is displayed by those managers who show so much confidence in their subordinates that they consult them before taking any decision related to organization function. In participative or Democratic leadership style, leaders functioning in democratic style believe in open communication within the group and facilitate involvement of the workers in the decision making process. They highlight on group goals and perform to achieve the common organizational goals.

Behavioural theories of leadership do not look for inborn traits or capabilities. Rather, they observe what leaders actually do. Behavioural theory encourages the value of leadership styles with an emphasis on concern for people and collaboration. It promotes participative decision making and team development by supporting individual needs and aligning individual and group objectives.

Contingency (situational) Approach

Contingency or situational theories of leadership recommend that the organizational or work group context affects the extent to which given leader traits and behaviours will be successful. Contingency theories gained importance in the late 1960s and 1970s. Four of the more recognized contingency theories are Fiedler's contingency theory, path-goal theory, the Vroom-Yetton-Jago decision-making model of leadership, and the situational leadership theory. Fiedler's contingency theory was the first to identify how situational factors interact with leader traits and behaviour to influence leadership effectiveness. The theory proposes that the "favourability" of the situation decides the effectiveness of task- and person-oriented leader behaviour. Fiedler's contingency theory has been criticized on both conceptual and methodological grounds. However, empirical research has supported many of the specific propositions of the theory, and it remains an important contribution to the understanding of leadership effectiveness.

Another approach of leadership is Path-goal theory which proposes that subordinates' characteristics and characteristics of the work surroundings decide which leader behaviours will be more successful. Main characteristics of subordinates identified by the theory are locus of control, work experience, ability, and the need for affiliation. Important environmental characteristics named by the theory are the nature of the task, the formal authority system, and the nature of the work group. The theory includes four different leader behaviours, which include directive leadership, supportive leadership, participative leadership, and achievement-oriented leadership. The path-goal theory is a process in which leaders select specific behaviours that are best suited to the employees' needs and the working environment so that they may best guide the employees through their path in the obtainment of their daily work activities (goals) (Northouse, 2013). Theorists disapproved this theory on the basis of fact that it does not consider interactions among the contingency factors and also because of the complexity of its underlying theoretical model, expectancy theory. Empirical research has provided some support for the theory's propositions, mainly as they relate to directive and supportive leader behaviours. Basic steps in path goal theories are as follows:

1. Determine the employee and environmental characteristics
2. Select a leadership style
3. Focus on motivational factors that will help the employee succeed

The Vroom-Yetton-Jago decision-making model was initiated by Victor Vroom and Phillip Yetton in 1973 and modified by Vroom and Jago in 1988. The theory focuses principally on the degree of subordinate involvement that is suitable in different situations. It emphasizes the decision-making style of the leader. Many challengers criticized the Vroom-Yetton-Jago model for its complexity, for its assumption that the decision makers' goals are consistent with organizational goals, and for ignoring the skills needed to arrive at group decisions to difficult problems.

Currently, theoretical frameworks for the study of leadership have been advanced and new theories are proposed that include leader-member exchange theory, transformational leadership theory, the substitutes for leadership approach, and the philosophy of servant leadership.

Leader-member exchange theory was introduced by George Graen and various social groups in the 1970s and has been modified. This theory highlights the dyadic relationships between leaders and individual subordinates, instead of the traits or behaviours of leaders or situational characteristics. Theory indicates that leaders do not treat all subordinates in the same manner, but establish intimate relationships with some (the in-group) while remaining aloof from others (the out-group). Those in the in-group enjoy relationships with the leader that is marked by trust and mutual respect. They tend to be involved in important activities and decisions. Equally, those in the out-group are excluded from important activities and decisions.

Transformational Leadership Theories

Transformational leadership theory distinguishes between the transactional and the transformational leader. Transactional leadership concentrates on role and task requirements and utilizes rewards contingent on performance. Whereas, transformational leadership deals with developing mutual trust, fostering the leadership abilities of others, and setting goals that go beyond the short-term needs of the work group. Bass's transformational leadership theory recognized four aspects of effective leadership, which include charisma, inspiration, intellectual stimulation, and consideration. A leader who shows these qualities will motivate subordinates to be high achievers and put the long-term interest of the organization ahead of their own short-term interest, according to the theory.

Substitutes for Leadership Theory

Substitutes for leadership are actually important in many different organizational settings, but their existence is not explicated in any of the dominant leadership theories. Kerr and Jermier initiated the substitutes for leadership theory in 1978. The theory is related with providing a description for the lack of stronger empirical support for a relationship between leader traits or leader behaviours and subordinates' satisfaction and performance. The substitutes for leadership theory propose that characteristics of the organization, the task, and subordinates may substitute for or negate the effects of leadership, thus weakening observed relationships between leader behaviours and important organizational outcomes. This theory states that there are aspects of

the situation that can reduce the importance of leadership. It sorts these aspects into two categories: substitutes (an aspect of the situation that leads employees to behave in the same way that a leader would get them to behave) and neutralizers (a neutralizer is something that lessens the effect of something else). If substitutes for leadership work, then leaders would not be required. The main contribution of leadership Substitutes theory is that it has offered insights into how employees might be encouraged to work hard by means other than through the formal leader. Influence leaders provide could also come in part from work design, reward systems, peer leadership, and self-management. The leader is only one source of influence on employee efforts and behaviour.

Servant Leadership

This theoretical approach of leadership reflects that leaders should be servants first. Servant-leadership, first proposed by Robert K. Greenleaf in 1970, is a theoretical structure that promotes a leader's primary motivation and role as service to others. It advocates that leaders must place the needs of subordinates, customers, and the community ahead of their own interests in order to be effective. Features of servant leaders include empathy, stewardship, and commitment to the personal, professional, and spiritual growth of their subordinates. Servant leadership has not been subjected to wide empirical testing but has created substantial attention among both leadership scholars and practitioners. Servant-leadership, therefore, emphasizes core personal characteristics and beliefs over any specific leadership techniques. Servant-leadership is admired for its importance on a "holistic" approach to the individual worker, one that addresses his or her spiritual as well as economic needs. Lee and Zemke (1993), for example, point to the instabilities of today's work environment. Servant-leadership has been broadly applied in the workplace, demonstrating its potential as a practical as well as theoretical approach to organizational management.

Leadership style is the manner and approach of providing direction, implementing plans, and motivating people. As seen by the employees, it includes the total pattern of explicit and implicit actions performed by their leader (Newstrom, Davis, 1993). It is found in numerous studies that three types of leadership are common in business which include authoritarian, democratic and laissez-faire. Each type of leadership impacts organizational performance in a different way. Authoritarian leadership is commanding and sets clear expectations for employees in the organizational. Democratic leadership promotes feedback and input from managers or employees regarding organizational performance. Laissez-faire is a hands-off approach, where managers and employees work according to their own preference and schedule. This leadership style can lead to poor motivation and work practices. Organizations are successful when managers and employees have healthy relationships. Leadership can be an evolutionary process in firms. Business holders who provide leadership can change an employee from a worker completing projects to a valuable team member. Leadership skills can assist in changing an employee's mentality by instilling an ownership mind-set. Many studies have demonstrated that role of leadership is critically important to accomplish the performance of organizations (Boal and Hooijberg, 2000; Peterson). A good leader uses all three styles, depending on what forces are involved between the followers, the leader, and the situation.

To summarize, leadership is about coping with change. Leaders establish direction by developing a vision of the future; then they support people by communicating this vision and inspiring them to beat hurdles. Organizations need strong leadership for good performance. While a good leader may give direction to organization.