Leadership

LEARNING OBJECTIVES

After studying Chapter 12, you will be able to:

LO 1 Discuss what it means to be a leader. p. 418
LO 2 Summarize what people want and organizations need from their leaders. p. 418
LO 3 Explain how a good vision helps you be a better leader. p. 419
LO 4 Identify sources of power in organizations. p. 422
LO 5 List personal traits and skills of effective leaders. p. 424
LO 6 Describe behaviors that will make you a better leader, and identify when the situation calls for them. p. 426
LO 7 Distinguish between charismatic and transformational leaders. p. 435
LO 8 Describe types of opportunities to be a leader in an organization. p. 440
LO 9 Discuss how to further your own leadership development. p. 441

CHAPTER OUTLINE

What Do We Want from Our Leaders?
Vision
Leading and Managing
Leading and Following
Power and Leadership
Sources of Power
Traditional Approaches to Understanding Leadership
Leader Traits
Leader Behaviors
Situational Approaches to Leadership
Contemporary Perspectives on Leadership
Charismatic Leadership
Transformational Leadership
Authenticity
Opportunities for Leaders
A Note on Courage
Developing Your Leadership Skills
How Do I Start?
What Are the Keys?
CAN AMORY LOVINS HELP WEAN AMERICA OFF FOSSIL FUELS?

When it comes to leaders, Amory Lovins isn’t a “larger than life” kind of guy. He doesn’t have a flamboyant rock star personality. Nor is he likely to be hogging the media spotlight, detailing the shortcomings of business or government. Instead, Lovins works quietly but determinedly to persuade people and organizations to accept his point of view. He believes we can make the world secure, prosperous, and life-sustaining by using energy more efficiently and avoiding fossil fuels—and make money by doing so.

Lovins, a scientist, environmentalist, and entrepreneur, first attracted notice with an essay in which he pointed out that the inefficient use of natural resources is responsible for the world’s energy crisis. A physicist by training, Lovins was also one of the first to recognize the dangers of global warming. In 1982, Lovins cofounded the Rocky Mountain Institute (RMI), a not-for-profit “think and do” tank in Colorado that conducts research and advises business, the government, and the military about strategies for using less energy and saving money. Tucked into a mountainside with thick insulating walls, RMI’s solar-paneled headquarters lacks a furnace and yet uses energy and heat so efficiently that its greenhouse can grow tropical fruit in the dead of a raging Rocky Mountain winter.

Lovins and his RMI staff have advised more than 80 Fortune 500 organizations, 19 heads of state, and the U.S. government about energy and environmental matters. Lovins is the author of 29 books, and in his 2004 text Winning the Oil End-game, he outlines how the United States can eliminate its use of imported oil by 2040 and all oil by 2050—and still operate profitably.¹

Becoming an effective leader doesn’t require adherence to a single path. In fact, leaders exhibit a wide range of personal styles. As you read this chapter, consider how Amory Lovins’s leadership style is effective yet different from that of other leaders you know.
People get excited about the topic of leadership. They want to know: what makes a great leader? Managers in all industries are interested in this question. They believe the answer will bring improved organizational performance and personal career success. They hope to acquire the skills that will transform an “average” manager into a true leader.

Amory Lovins would likely agree that leadership can be learned. Based on similar thinking, many large organizations such as Home Depot and Union Pacific actively recruit retired military personnel in the belief that military training and experience prepare those individuals to lead. Of course, you don’t have to join the armed services to acquire leadership skills. According to one source, “Leadership seems to be the marshaling of skills possessed by a majority but used by a minority. But it’s something that can be learned by anyone, taught to everyone, denied to no one.”

What is leadership? To start, a leader is one who influences others to attain goals. The greater the number of followers, the greater the influence. And the more successful the attainment of worthy goals, the more evident the leadership. But we must explore beyond this bare definition to capture the excitement and intrigue that devoted followers and students of leadership feel when they see a great leader in action, to understand what organizational leaders really do, and to learn what it really takes to become a truly outstanding leader.

Outstanding leaders combine good strategic substance and effective interpersonal processes to formulate and implement strategies that produce results and sustainable competitive advantage. They may launch enterprises, build organization cultures, win wars, or otherwise change the course of events. They are strategists who seize opportunities others overlook, but “they are also passionately concerned with detail—all the small, fundamental realities that can make or mar the grandest of plans.”

What do people want from their leaders? Broadly speaking, they want help in achieving their goals. These goals include not just more pay and promotions, but support for their personal development; clearing obstacles so that they can perform at high levels; and treatment that is respectful, fair, and ethical. Leaders serve people best when they help them develop their own initiative and good judgment, enable them to grow, and help them become better contributors. People want competence and proper management—the kinds of things you will read about in this chapter and that are found in other chapters in this book.

What do organizations need? Organizations need people at all levels to be leaders. Leaders throughout the organization are needed to do the things that their people want, but also to help create and implement strategic direction. Thus, organizations place people in formal leadership roles so that these leaders will achieve, not their personal goals, but the organization’s goals. Marilyn Nelson, CEO of Carlson Companies, which operates Radisson Hotels, TGI Friday’s, and Regent Seven Seas Cruises, recognizes that any chief executive’s leadership role is to serve the company:
“You actually have to subordinate your own emotions, your own desires, even make decisions on behalf of the whole that might conflict with what you would do on an individual basis.” 7

These two perspectives—what people want and what organizations need—are neatly combined in a set of five key behaviors identified by James Kouzes and Barry Posner, two well-known authors and consultants. 9 The best leaders

1. **Challenge the process.** They challenge conventional beliefs and practices, and they create change.
2. **Inspire a shared vision.** They appeal to people’s values and motivate them to care about an important mission.
3. **Enable others to act.** They give people access to information and give them the power to perform to their full potential.
4. **Model the way.** They don’t just tell people what to do, they are living examples of the ideals they believe in.
5. **Encourage the heart.** They show appreciation, provide rewards, and use various approaches to motivate people in positive ways.

You will read about these and other aspects of leadership in this and the following chapters. The topics we discuss will not only help you become a better leader but give you benchmarks that will help you assess the competence and fairness with which your boss manages you.

“The leader’s job is to create a vision,” stated Robert L. Swiggett, former chair of Kollmorgen Corporation. 10 Until a few years ago, *vision* was not a word one heard managers utter. But today, having a vision for the future and communicating that vision to others are known to be essential components of great leadership. “If there is no vision, there is no business,” maintains entrepreneur Mark Leslie. 11 Joe Nevin, an MIS director, described leaders as “painters of the vision and architects of the journey.” 12 Practicing businesspeople are not alone in this belief; academic research shows that a clear vision and communication of that vision lead to higher venture growth in entrepreneurial firms. 13

A *vision* is a mental image of a possible and desirable future state of the organization. It expresses the leader’s ambitions for the organization. 14 A leader can create a vision that describes high performance aspirations, the nature of corporate or business strategy, or even the kind of workplace worth building. The best visions are both ideal and unique. 15 If a vision conveys an *ideal*, it communicates a standard of excellence and a clear choice of positive values. If the vision is also *unique*, it communicates and inspires pride in being different from other organizations. The choice of language is important; the words should imply a combination of realism and optimism, an action orientation, and resolution and confidence that the vision will be attained. 16

Visions can be small or large and can exist at any organizational level as well as at the very top. The important points are that (1) a vision is necessary for effective leadership; (2) a person or team can develop a vision for any job, work unit, or organization; and (3) many people, including managers who do not develop into strong leaders, do not develop a clear vision—instead, they focus on performing or surviving on a day-by-day basis.

Put another way, leaders must know what they want. 17 And other people must understand what that is. The leader must be able to articulate the vision, clearly and often. Other people throughout the organization should understand the
vision and be able to state it clearly themselves. That’s a start. But the vision means nothing until the leader and followers take action to turn the vision into reality.18

One leader who articulates and models a clear vision is A. G. Lafley, chief executive of Procter & Gamble. Lafley expresses his vision for the company with the slogan “The consumer is boss.” According to this vision, every decision should be aimed at getting consumers to try P&G products and ensuring they like the products so much that they remember the experience as—at a minimum—satisfying. The vision guides major decisions such as restructuring research and development to bring in outside ideas and speed them to market, as well as Lafley’s practice of visiting consumers in stores and homes, listening to their comments about using detergents and lotions. By following Lafley’s vision, P&G has more than doubled the number of its brands with sales of at least $1 billion.19

A metaphor reinforces the important concept of vision.20 Putting a jigsaw puzzle together is much easier if you have the picture on the box cover in front of you. Without the picture, or vision, the lack of direction is likely to result in frustration and failure. That is what communicating a vision is all about: making clear where you are heading.

Not just any vision will do. Visions can be inappropriate, and even fail, for a variety of reasons.21 First, an inappropriate vision may reflect merely the leader’s personal needs. Such a vision can be unethical, or it may fail because of lack of acceptance by the market or by those who must implement it. Second (and related to the first), an inappropriate vision may ignore stakeholder needs. Third, the leader must stay abreast of environmental changes. Although effective leaders maintain confidence and persevere despite obstacles, the time may come when the facts dictate that the vision must change. You will learn more about change and how to manage it later in the text.

Where do visions come from?22 Leaders should be sensitive to emerging opportunities, develop the right capabilities or worldviews, and not be overly invested in the status quo. You also can capitalize on networks of insightful individuals who have ideas about the future. Some visions are accidental; a company may stumble into an opportunity, and the leader may get credit for foresight. Some leaders and companies launch many new initiatives and, through trial and error, occasionally hit home runs. If the company learns from these successes, the “vision” emerges.

City administrator Steve Hewitt desperately needed a vision when a powerful tornado smashed his town of Greensburg, Kansas. Hewitt emerged after the storm to discover that the tornado had destroyed his own house plus the homes of most of the town’s 1,400 residents. It also wiped out Greensburg’s hospital, fire station, elementary and high schools, water tower, and business district. Hewitt immediately contacted employees and assessed the extent of the damage. He found a safe place for his family to stay and then turned his full attention to rescue and recovery.

First, Hewitt had to deal with the emergency at hand. Supervising crews of city workers and volunteers operating out of tents, Hewitt directed the search and rescue, and later the cleanup. Even as these activities continued, Hewitt had to begin making decisions about the future. Though a small town might understandably give up, Hewitt was determined to rebuild. And out of that tragedy, he seized an opportunity.

Hewitt envisioned a town that would model an energy-efficient and sustainable way of living. He persuaded the city council to pass a resolution that all new municipal buildings meet the stiff LEED (Leadership in Energy and Environmental Design) Platinum certification for “green” buildings, for major energy savings. Hewitt communicated his vision and encouragement in radio broadcasts and flyers handed out at emergency checkpoints. He educated the community about the practical advantages of rebuilding homes to meet LEED standards, persuading many homeowners and store owners to adopt the standards themselves. He developed plans for wind farms to supply electricity to the town. Besides inspiring the locals, these efforts have drawn publicity and donations, including an eco-friendly playground.23
Effective managers are not necessarily true leaders. Many administrators, supervisors, and even top executives perform their responsibilities successfully without being great leaders. But these positions afford an opportunity for leadership. The ability to lead effectively, then, will set the excellent managers apart from the average ones.

Whereas management must deal with the ongoing, day-to-day complexities of organizations, true leadership includes effectively orchestrating important change. While managing requires planning and budgeting routines, leading includes setting the direction (creating a vision) for the firm. Management requires structuring the organization, staffing it with capable people, and monitoring activities; leadership goes beyond these functions by inspiring people to attain the vision. Great leaders keep people focused on moving the organization toward its ideal future, motivating them to overcome whatever obstacles lie in the way.

Good leadership, unfortunately, is all too rare. Managers may focus on the activities that earn them praise and rewards, such as actions that cause a rise in the company’s stock price, rather than making tough ethical choices or investing in long-term results. Some new managers, learning that “quick wins” will help them establish their credibility as leaders, push a pet project while neglecting the impact on the very people they were assigned to lead. This approach tends to backfire, because employees distrust this type of manager and lose any commitment they might have had to the team’s long-term success. Successful leaders, in contrast, enlist the team in scoring collective quick wins that result from working together toward a shared vision.

It is important to be clear here about several things. First, management and leadership are both vitally important. To highlight the need for more leadership is not to minimize the importance of management or managers. But leadership involves unique processes that are distinguishable from basic management processes. Moreover, just because they involve different processes does not mean that they require different, separate people. The same individual can exemplify effective managerial processes, leadership processes, both, or neither.

Some people dislike the idea of distinguishing between management and leadership, maintaining that it is artificial or derogatory toward the managers and the management processes that make organizations run. Perhaps a better or more useful distinction is between supervisory and strategic leadership. Supervisory leadership is behavior that provides guidance, support, and corrective feedback for day-to-day activities. Strategic leadership gives purpose and meaning to organizations. Strategic leadership involves anticipating and envisioning a viable future for the organization, and working with others to initiate changes that create such a future.

**Leading and Following**

Organizations succeed or fail not only because of how well they are led but because of how well followers follow. Just as managers are not necessarily good leaders, people are not always good followers. As one leadership scholar puts it, “Executives are given subordinates; they have to earn followers.” But it’s also true that good followers help produce good leaders.

As a manager, you will be asked to play the roles of both leader and follower. As you lead the people who report to you, you will report to your boss. You will be a member of some teams and committees, and you may head others. While the leadership roles...
Effective followers also distinguish themselves from ineffective ones by their enthusiasm and commitment to the organization and to a person or purpose—an idea, a product—other than themselves or their own interests. They master skills that are useful to their organizations, and they hold performance standards that are higher than required. Effective followers may not get the glory, but they know their contributions to the organization are valuable. And as they make those contributions, they study leaders in preparation for their own leadership roles.

Central to effective leadership is power—the ability to influence other people. In organizations, this influence often means the ability to get things done or accomplish one’s goals despite resistance from others.

**Sources of Power**

One of the earliest and still most useful approaches to understanding power, offered by French and Raven, suggests that leaders have five important potential sources of power in organizations. Figure 12.1 shows those power sources.

**Legitimate Power**  The leader with legitimate power has the right, or the authority, to tell others what to do; employees are obligated to comply with legitimate orders. For example, a supervisor tells an employee to remove a safety hazard, and the employee removes the hazard because he has to obey the authority of his boss. In contrast, when a staff person lacks the authority to give an order to a line manager, the staff person has no legitimate power over the manager. As you might guess, managers have more legitimate power over their direct reports than they do over their peers, bosses, and others inside or outside their organizations.

**Reward Power**  The leader who has reward power influences others because she controls valued rewards; people comply with the leader’s wishes to receive those rewards. For example, a manager works hard to achieve her performance goals to get a positive performance review and a big pay raise from her boss. On the other hand, if company policy dictates that everyone receive the same salary increase, a leader’s reward power decreases because he or she is unable to give higher raises.

**Coercive Power**  The leader with coercive power has control over punishments; people comply to avoid those punishments. For instance, a manager implements an absenteeism policy that administers disciplinary actions to offending employees. A manager has less coercive power if, say, a union contract limits her ability to punish. In general, lower-level managers have less legitimate, coercive, and reward power than do middle- and higher-level managers.

**Referent Power**  The leader with referent power has personal characteristics that appeal to others; people comply because of admiration, personal liking, a desire for
approval, or a desire to be like the leader. For example, young, ambitious managers emulate the work habits and personal style of a successful, charismatic executive. An executive who is incompetent, disliked, and commands little respect has little referent power.

**Expert Power**  The leader who has *expert power* has certain expertise or knowledge; people comply because they believe in, can learn from, or can otherwise gain from that expertise. For example, a sales manager gives her salespeople some tips on how to close a deal. The salespeople then alter their sales techniques because they respect the manager’s expertise. However, this manager may lack expert power in other areas, such as finance; thus, her salespeople may ignore her advice concerning financial matters.

People who are in a position that gives them the right to tell others what to do, who can reward and punish, who are well liked and admired, and who have expertise on which other people can draw will be powerful members of the organization. All of these sources of power are potentially important. Although it is easy to assume that the most powerful bosses are those who have high legitimate power and control major rewards and punishments, it is important not to underestimate the more “personal” sources such as expert and referent power.
Part Four Leading: Mobilizing People

Three traditional approaches to studying leadership are the trait approach, the behavioral approach, and the situational approach.

Trait Approach

A leadership perspective that attempts to determine the personal characteristics that great leaders share.

Behavioral Approach

The trait approach is the oldest leadership perspective; it focuses on individual leaders and attempts to determine the personal characteristics (traits) that great leaders share. What set Winston Churchill, Alexander the Great, Gandhi, and Martin Luther King Jr. apart from the crowd? The trait approach assumes the existence of a leadership personality and assumes that leaders are born, not made.

From 1904 to 1948, researchers conducted more than 100 leadership trait studies. At the end of that period, management scholars concluded that no particular set of traits
is necessary for a person to become a successful leader. Enthusiasm for the trait approach diminished, but some research on traits continued. By the mid-1970s, a more balanced view emerged: Although no traits ensure leadership success, certain characteristics are potentially useful. The current perspective is that some personality characteristics—many of which a person need not be born with but can strive to acquire—do distinguish effective leaders from other people:

1. **Drive.** Drive refers to a set of characteristics that reflect a high level of effort. Drive includes high need for achievement, constant striving for improvement, ambition, energy, tenacity (persistence in the face of obstacles), and initiative. In several countries, the achievement needs of top executives have been shown to be related to the growth rates of their organizations. But the need to achieve can be a drawback if leaders focus on personal achievement and get so personally involved with the work that they do not delegate enough authority and responsibility. And whereas need for achievement has been shown to predict organizational effectiveness in entrepreneurial firms, it does not predict success for division heads in larger and more bureaucratic firms.

2. **Leadership motivation.** Great leaders not only have drive; they want to lead. In this regard, it helps to be *extraverted*—extraversion is consistently related to both leadership emergence and leadership effectiveness. Also important is a high need for power, a preference to be in leadership rather than follower positions. A high power need induces people to attempt to influence others and sustains interest and satisfaction in the process of leadership. When the power need is exercised in moral and socially constructive ways, rather than to the detriment of others, leaders inspire more trust, respect, and commitment to their vision.

3. **Integrity.** Integrity is the correspondence between actions and words. Honesty and credibility, in addition to being desirable characteristics in their own right, are especially important for leaders because these traits inspire trust in others.

4. **Self-confidence.** Self-confidence is important for a number of reasons. The leadership role is challenging, and setbacks are inevitable. Self-confidence allows a leader to overcome obstacles, make decisions despite uncertainty, and instill confidence in others. Of course, you don’t want to overdo this; arrogance and cockiness have triggered more than one leader’s downfall.

5. **Knowledge of the business.** Effective leaders have a high level of knowledge about their industries, companies, and technical matters. Leaders must have the intelligence to interpret vast quantities of information. Advanced degrees are useful in a career, but ultimately less important than acquired expertise in matters relevant to the organization.

Percy Sutton is one leader who appears to have all of these leadership traits. The founder of Inner City Broadcasting and, more recently, cofounder of information technology company Synematics, Sutton has always exhibited drive, motivation, integrity, self-confidence, and knowledge.

Sutton and a partner bought a radio station and incorporated it into Inner City Broadcasting, which now includes 19 stations, run by Sutton’s son Pierre. In 1980, Sutton bought the failing Apollo Theater in New York City’s Harlem and brought it out of bankruptcy. He says he lost $31 million on the project but is proud of rescuing this landmark in African American history, which has bolstered the local economy. “When I look out on the street I see all of the activity, and there is a great comfort in knowing that I started it.”
What are Sutton’s secrets to success? He says he reads seven newspapers a day because “it’s good to know what other people are thinking. This is one of my recommendations to people—read, read, read.” And he observes, “I’m a happy person. I’m a good lawyer. I challenge things. And in spite of the injuries that have been inflicted on me in my life, I manage to like people.”

Finally, there is one personal skill that may be the most important: the ability to perceive the needs and goals of others and to adjust one’s personal leadership approach accordingly. Effective leaders do not rely on one leadership style; rather, they are capable of using different styles as the situation warrants. This quality is the cornerstone of the situational approaches to leadership, which we will discuss shortly.

**Leader Behaviors**

The **behavioral approach** to leadership attempts to identify what good leaders do. Should leaders focus on getting the job done or on keeping their followers happy? Should they make decisions autocratically or democratically? In the behavioral approach, personal characteristics are considered less important than the actual behaviors that leaders exhibit.

Three general categories of leadership behavior have received particular attention: behaviors related to task performance, group maintenance, and employee participation in decision making.

**Task Performance**  Leadership requires getting the job done. **Task performance behaviors** are the leader’s efforts to ensure that the work unit or organization reaches its goals. This dimension is variously referred to as concern for production, directive leadership, initiating structure, or closeness of supervision. It includes a focus on work speed, quality and accuracy, quantity of output, and following the rules. This type of leader behavior improves leader job performance and group and organizational performance.

**Group Maintenance**  In exhibiting **group maintenance behaviors**, leaders take action to ensure the satisfaction of group members, develop and maintain harmonious work relationships, and preserve the social stability of the group. This dimension is sometimes referred to as concern for people, supportive leadership, or consideration. It includes a focus on people’s feelings and comfort, appreciation of them, and stress reduction. This type of leader behavior has a strong positive impact on follower satisfaction, motivation, and leader effectiveness.

What specific behaviors do performance- and maintenance-oriented leadership imply? To help answer this question, assume you are asked to rate your boss on these two dimensions. If a leadership study were conducted in your organization, you would be asked to fill out a questionnaire similar to the one in Table 12.1. The behaviors indicated in the first set of questions represent performance-oriented leadership; those indicated in the second set represent maintenance-oriented leadership.

**Leader-Member Exchange (LMX) theory** highlights the importance of leader behaviors not just toward the group as a whole but toward individuals on a personal basis. The focus in the original formulations, which has since been expanded, is primarily on the leader behaviors historically considered group maintenance. According to LMX theory, and as supported by research evidence, maintenance behaviors such as trust, open communication, mutual respect, mutual obligation, and mutual loyalty form the cornerstone of relationships that are satisfying and perhaps more productive.
Remember, though, the potential for cross-cultural differences. Maintenance behaviors are important everywhere, but the specific behaviors can differ from one culture to another. For example, in the United States, maintenance behaviors include dealing with people face-to-face; in Japan, written memos are preferred over giving directions face-to-face, thus avoiding confrontation and permitting face-saving in the event of disagreement.

**Participation in Decision Making** How should a leader make decisions? More specifically, to what extent should leaders involve their people in making decisions? As a dimension of leadership behavior, participation in decision making can range from autocratic to democratic. **Autocratic leadership** makes decisions and then announces them to the group. **Democratic leadership** solicits input from others. Democratic leadership seeks information, opinions, and preferences, sometimes to the point of meeting with the group, leading discussions, and using consensus or majority vote to make the final choice.

**The Effects of Leader Behavior** How the leader behaves influences people’s attitudes and performance. Studies of these effects focus on autocratic versus democratic decision styles or on performance- versus maintenance-oriented behaviors.

**Decision Styles** The classic study comparing autocratic and democratic styles found that a democratic approach resulted in the most positive attitudes, whereas an
A laissez-faire style, characterized by an absence of managerial decision making, resulted in somewhat higher performance. A laissez-faire style, in which the leader essentially made no decisions, led to more negative attitudes and lower performance. These results seem logical and probably represent the prevalent beliefs among managers about the general effects of these approaches.

Democratic styles, appealing though they may seem, are not always the most appropriate. When speed is of the essence, democratic decision making may be too slow, or people may want decisiveness from the leader. Whether a decision should be made autocratically or democratically depends on the characteristics of the leader, the followers, and the situation. Thus, a situational approach to leader decision styles, discussed later in the chapter, is appropriate.

**Performance and Maintenance Behaviors** The performance and maintenance dimensions of leadership are independent of each other. In other words, a leader can behave in ways that emphasize one, both, or neither of these dimensions. Some research indicates that the ideal combination is to engage in both types of leader behaviors.

A team of Ohio State University researchers investigated the effects of leader behaviors in a truck manufacturing plant of International Harvester. Generally, supervisors who were high on maintenance behaviors (which the researchers termed consideration) had fewer grievances and less turnover in their work units than supervisors who were low on this dimension. The opposite held for task performance behaviors (which the research team called initiating structure). Supervisors high on this dimension had more grievances and higher turnover rates.

When maintenance and performance leadership behaviors were considered together, the results were more complex. But one conclusion was clear: when a leader is high on performance-oriented behaviors, he or she should also be maintenance oriented. Otherwise, the leader will face high rates of employee turnover and grievances.

At about the same time the Ohio State studies were being conducted, a research program at the University of Michigan was studying the impact of the same leader behaviors on groups’ job performance. Among other things, the researchers concluded that the most effective managers engaged in what they called task-oriented behavior: planning, scheduling, coordinating, providing resources, and setting performance goals. Effective managers also exhibited more relationship-oriented behavior: demonstrating trust and confidence, being friendly and considerate, showing appreciation, keeping people informed, and so on. As you can see, these dimensions of leader behavior are essentially the task performance and group maintenance dimensions.

After the Ohio State and Michigan findings were published, it became popular to talk about the ideal leader as one who is always both performance and maintenance oriented. The best-known leadership training model to follow this style is Blake and Mouton’s Leadership Grid. In grid training, managers are rated on their performance-oriented behavior (called concern for production) and maintenance-oriented behavior (concern for people). Then their scores are plotted on the grid shown in Figure 12.2. The highest score is a 9 on both dimensions.

As the figure shows, joint scores can fall at any point on the grid. Managers who did not score a 9,9—for example, those who were high on concern for people but low on concern for production—would then receive training on how to become a 9,9 leader.

For a long time, grid training was warmly received by U.S. business and industry. Later, however, it was criticized for embracing a simplistic, one-best-way style of leadership and ignoring the possibility that 9,9 is not best under all circumstances. For example, even 1,1 can be appropriate if employees know their jobs (and therefore don’t need to receive directions). Also, they may enjoy their jobs and their coworkers enough that whether the boss shows personal concern for them is not very important. Nonetheless, if the manager is uncertain how to behave, it probably is best to exhibit behaviors that are related to both task performance and group maintenance.

In fact, a wide range of effective leadership styles exists. Organizations that understand the need for diverse leadership styles will have a competitive advantage in the modern business environment over those that believe there is only “one best way.”
Situational Approaches to Leadership

According to proponents of the situational approach to leadership, universally important traits and behaviors don’t exist. They believe effective leader behaviors vary from situation to situation. The leader should first analyze the situation and then decide what to do. In other words, look before you lead.

A head nurse in a hospital described her situational approach to leadership:

My leadership style is a mix of all styles. In this environment I normally let people participate. But in a code blue situation where a patient is dying I automatically become very autocratic: “You do this; you do that; you, out of the room; you all better be quiet; you, get Dr. Mansfield.” The staff tell me that’s the only time they see me like that. In an emergency like that, you don’t have time to vote, talk a lot, or yell at each other. It’s time for someone to set up the order.

I remember one time, one person saying, “Wait a minute, I want to do this.” He wanted to do the mouth-to-mouth resuscitation. I knew the person behind him did it better, so I said, “No, he does it.” This fellow told me later that I hurt him so badly to yell that in front of all the staff and doctors. It was like he wasn’t good enough. So I explained it to him: that’s the way it is. A life was on the line. I couldn’t give you warm fuzzies. I couldn’t make you look good because you didn’t have the skills to give the very best to that patient who wasn’t breathing anymore.”

Nurses experience situational leadership on a daily basis. How would you handle a leadership role under pressure?
This nurse has her own intuitive situational approach to leadership. She knows the potential advantages of the participatory approach to decision making, but she also knows that in some circumstances she must make decisions herself.

The first situational model of leadership was proposed in 1958 by Tannenbaum and Schmidt. In their classic *Harvard Business Review* article, these authors described how managers should consider three factors before deciding how to lead: forces in the manager, forces in the subordinate, and forces in the situation. Forces in the manager include the manager’s personal values, inclinations, feelings of security, and confidence in subordinates. Forces in the subordinate include his or her knowledge and experience, readiness to assume responsibility for decision making, interest in the task or problem, and understanding and acceptance of the organization’s goals. Forces in the situation include the type of leadership style the organization values, the degree to which the group works effectively as a unit, the problem itself and the type of information needed to solve it, and the amount of time the leader has to make the decision.

Consider which of these forces makes an autocratic style most appropriate and which dictates a democratic, participative style. By engaging in this exercise, you are constructing a situational theory of leadership.

Although the Tannenbaum and Schmidt article was published more than a half-century ago, most of its arguments remain valid. Since that time, other situational models have emerged. We will focus here on four: the Vroom model for decision making, Fiedler’s contingency model, Hersey and Blanchard’s situational theory, and path-goal theory.

### The Vroom Model of Leadership

This situational model follows in the tradition of Tannenbaum and Schmidt. The **Vroom model** emphasizes the participative dimension of leadership: how leaders go about making decisions. The model uses the basic situational approach of assessing the situation before determining the best leadership style.

Table 12.2 shows the situational factors used to analyze problems. Each is based on an important attribute of the problem the leader faces and should be assessed as either high or low.

The Vroom model, shown in Figure 12.3, operates like a funnel. You answer the questions one at a time, choosing high or low for each, sometimes skipping questions as you follow the appropriate path. Eventually, you reach one of 14 possible endpoints. For each endpoint, the model states which of five decision styles is most

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<th>Decision significance:</th>
<th>The significance of the decision to the success of the project or organization.</th>
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<td>Importance of commitment:</td>
<td>The importance of team members’ commitment to the decision.</td>
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<tr>
<td>Leader’s expertise:</td>
<td>Your knowledge or expertise in relation to this problem.</td>
</tr>
<tr>
<td>Likelihood of commitment:</td>
<td>The likelihood that the team would commit itself to a decision that you might make on your own.</td>
</tr>
<tr>
<td>Group support for objectives:</td>
<td>The degree to which the team supports the organization’s objectives at stake in this problem.</td>
</tr>
<tr>
<td>Group expertise:</td>
<td>Team members’ knowledge or expertise in relation to this problem.</td>
</tr>
<tr>
<td>Team competence:</td>
<td>The ability of team members to work together in solving problems.</td>
</tr>
</tbody>
</table>

**TABLE 12.2**

Situational Factors for Problem Analysis

appropriate. Several different decision styles may work, but the style recommended is the one that takes the least amount of time.

Table 12.3 defines the five leader decision styles. The five styles indicate that there are several shades of participation, not just autocratic or democratic.

Of course, not every managerial decision warrants this complicated analysis. But the model becomes less complex after you work through it a couple of times. Also, using the model for major decisions ensures that you consider the important situational factors and alerts you to the most appropriate style to use.

**Fiedler's Contingency Model** According to Fiedler's contingency model of leadership effectiveness, effectiveness depends on two factors: the personal style of the leader and the degree to which the situation gives the leader power, control, and influence over the situation. Figure 12.4 illustrates the contingency model. The upper half of the figure shows the situational analysis, and the lower half indicates the appropriate style. In the upper portion, three questions are used to analyze the situation:

1. Are leader-member relations good or poor? (To what extent is the leader accepted and supported by group members?)
TABLE 12.3
Vroom’s Leader Decision Styles

<table>
<thead>
<tr>
<th>Style</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decide</td>
<td>You make the decision alone and either announce or “sell” it to the group. You may use your expertise in collecting information that you deem relevant to the problem from the group or others.</td>
</tr>
<tr>
<td>Consult indiv</td>
<td>You present the problem to the group members individually, get their suggestions, and then make the decision.</td>
</tr>
<tr>
<td>Consult the group</td>
<td>You present the problem to the group members in a meeting, get their suggestions, and then make the decision.</td>
</tr>
<tr>
<td>Facilitate</td>
<td>You present the problem to the group in a meeting. You act as a facilitator, defining the problem to be solved and the boundaries within which the decision must be made. Your objective is to get concurrence on a decision. Above all, you take care to ensure that your ideas are not given any greater weight than those of others simply because of your position.</td>
</tr>
<tr>
<td>Delegate</td>
<td>You permit the group to make the decision within prescribed limits. The group undertakes the identification and diagnosis of the problem, developing alternative procedures for solving it, and deciding on one or more alternative solutions. While you play no direct role in the group’s deliberations unless explicitly asked, your role is an important one behind the scenes, providing needed resources and encouragement.</td>
</tr>
</tbody>
</table>

FIGURE 12.4
Fiedler’s Analysis of Situations in Which the Task- or Relationship-Motivated Leader Is More Effective

1. Is the leader’s position power strong or weak (high or low)? (To what extent does the leader have the authority to reward and punish?)
2. Is the task structured or unstructured? (To what extent do group members know what their goals are and how to accomplish them?)
3. Is the leader’s position power strong or weak (high or low)? (To what extent does the leader have the authority to reward and punish?)

These three sequential questions create a decision tree (from top to bottom, in the figure) in which a situation is classified into one of eight categories. The lower the category number, the more favorable the situation is for the leader; the higher the
number, the less favorable the situation. Fiedler originally called this variable “situational favorableness” but now it is “situational control.” Situation 1 is the best: relations are good, task structure is high, and power is high. In the least favorable situation (8), in which the leader has very little situational control, relations are poor, tasks lack structure, and the leader’s power is weak.

Different situations dictate different leadership styles. Fiedler measured leadership styles with an instrument assessing the leader’s least preferred coworker (LPC); that is, the attitude toward the follower the leader liked the least. This was considered an indication more generally of leaders’ attitudes toward people. If a leader can single out the person she likes the least, but her attitude is not all that negative, she received a high score on the LPC scale. Leaders with more negative attitudes toward others would receive low LPC scores.

Based on the LPC score, Fiedler considered two leadership styles. **Task-motivated leadership** places primary emphasis on completing the task and is more likely exhibited by leaders with low LPC scores. **Relationship-motivated leadership** emphasizes maintaining good interpersonal relationships and is more likely from high-LPC leaders. These leadership styles correspond to task performance and group maintenance leader behaviors, respectively.

The lower part of Figure 12.4 indicates which style is situationally appropriate. For situations 1, 2, 3, and 8, a task-motivated leadership style is more effective. For situations 4 through 7, relationship-motivated leadership is more appropriate.

Fiedler’s theory was not always supported by research. It is better supported if three broad rather than eight specific levels of situational control are assumed: low, medium, and high. The theory was quite controversial in academic circles; among other arguable things, it assumed that leaders cannot change their styles but must be assigned to situations that suit their styles. However, the model has withstood the test of time and still receives attention. Most important, it initiated and continues to emphasize the importance of finding a fit between the situation and the leader’s style.

**Hersey and Blanchard’s Situational Theory** Hersey and Blanchard developed a situational model that added another factor the leader should take into account before deciding whether task performance or maintenance behaviors are more important. Originally called the *life-cycle theory of leadership*, Hersey and Blanchard’s *situational theory* highlights the maturity of the followers as the key situational factor. **Job maturity** is the level of the follower’s skills and technical knowledge relative to the task being performed; **psychological maturity** is the follower’s self-confidence and self-respect. High-maturity followers have both the ability and the confidence to do a good job.

The theory proposes that the more mature the followers, the less the leader needs to engage in task performance behaviors. The required amount of maintenance behaviors is a bit more complex: Maintenance behaviors are not important with followers of low or high levels of maturity but are important for followers of moderate maturity. For low-maturity followers, the emphasis should be on performance-related leadership; for moderate-maturity followers, performance leadership is somewhat less important and maintenance behaviors become more important; and for high-maturity followers, neither dimension of leadership behavior is important.

Little academic research has been done on this situational theory, but the model is popular in management training seminars. Regardless of its scientific validity, Hersey and Blanchard’s model provides a reminder that it is important to treat different people differently. Moreover, it suggests the importance of treating the same individual differently from time to time as he or she changes jobs or acquires more maturity in her or his particular job.

**Path-Goal Theory** Perhaps the most comprehensive and generally useful situational model of leadership effectiveness is path-goal theory. Developed by Robert
House, **path-goal theory** gets its name from its concern with how leaders influence followers’ perceptions of their work goals and the paths they follow toward goal attainment.12

The key situational factors in path-goal theory are (1) personal characteristics of followers and (2) environmental pressures and demands with which followers must cope to attain their work goals. These factors determine which leadership behaviors are most appropriate.

The four pertinent leadership behaviors are as follows:

2. **Supportive leadership**, a form of group maintenance-oriented behavior.
3. **Participative leadership**, or decision style.
4. **Achievement-oriented leadership**, or behaviors geared toward motivating people, such as setting challenging goals and rewarding good performance.

These situational factors and leader behaviors are merged in Figure 12.5. As you can see, appropriate leader behaviors—as determined by characteristics of followers and the work environment—lead to effective performance.

The theory also specifies which follower and environmental characteristics are important. There are three key follower characteristics. **Authoritarianism** is the degree to which individuals respect, admire, and defer to authority. **Locus of control** is the extent to which individuals see the environment as responsive to their own behavior. People with an *internal* locus of control believe that what happens to them is their own doing; people with an *external* locus of control believe that it is just luck or fate. Finally, **ability** is people’s beliefs about their own abilities to do their assigned jobs.

Path-goal theory states that these personal characteristics determine the appropriateness of various leadership styles. For example, the theory makes the following propositions:

- A directive leadership style is more appropriate for highly authoritarian people, because such people respect authority.
- A participative leadership style is more appropriate for people who have an internal locus of control, because these individuals prefer to have more influence over their own lives.
- A directive style is more appropriate when subordinates’ ability is low. The directive style helps people understand what has to be done.

Appropriate leadership style is also determined by three important environmental factors: people’s tasks, the formal authority system of the organization, and the primary work group.

- Directive leadership is inappropriate if tasks already are well structured.
- If the task and the authority or rule system are dissatisfying, directive leadership will create greater dissatisfaction.
- If the task or authority system is dissatisfying, supportive leadership is especially appropriate, because it offers one positive source of gratification in an otherwise negative situation.

**FIGURE 12.5**
The Path-Goal Framework
• If the primary work group provides social support to its members, supportive leadership is less important.

Path-goal theory offers many more propositions. In general, the theory suggests that the functions of the leader are to (1) make the path to work goals easier to travel by providing coaching and direction, (2) reduce frustrating barriers to goal attainment, and (3) increase opportunities for personal satisfaction by increasing payoffs to people for achieving performance goals. The best way to do these things depends on your people and on the work situation. Again, analyze, and then adapt your style accordingly.

Substitutes for Leadership  Sometimes leaders don’t have to lead, or situations constrain their ability to lead effectively. The situation may be one in which leadership is unnecessary or has little impact. Substitutes for leadership can provide the same influence on people that leaders otherwise would have.

Certain follower, task, and organizational factors are substitutes for task performance and group maintenance leader behaviors. For example, group maintenance behaviors are less important and have less impact if people already have a closely knit group, they have a professional orientation, the job is inherently satisfying, or there is great physical distance between leader and followers. Thus, physicians who are strongly concerned with professional conduct, enjoy their work, and work independently do not need social support from hospital administrators.

Task performance leadership is less important and will have less of a positive effect if people have a lot of experience and ability, feedback is supplied to them directly from the task or by computer, or the rules and procedures are rigid. If these factors are operating, the leader does not have to tell people what to do or how well they are performing.

The concept of substitutes for leadership does more than indicate when a leader’s attempts at influence will and will not work. It provides useful and practical prescriptions for how to manage more efficiently. If the manager can develop the work situation to the point where a number of these substitutes for leadership are operating, less time will need to be spent in direct attempts to influence people. The leader will be free to spend more time on other important activities.

Research indicates that substitutes for leadership may be better predictors of commitment and satisfaction than of performance. These substitutes are helpful, but you can’t put substitutes in place and think you’ve completed your job as leader. And as a follower, consider this: If you’re not getting good leadership, and if these substitutes are not in place, create your own “substitute” for leadership—self-leadership. Take the initiative to motivate yourself, lead yourself, create positive change, and lead others.

Contemporary Perspectives on Leadership

So far, you have learned the major classic approaches to understanding leadership, all of which remain useful today. Now we will discuss a number of new developments that are revolutionizing our understanding of this vital aspect of management.

Welches: How Obama Is Doing

Jack and Suzy Welch disagree with the President on points of policy but think he’s earned an A thus far. “So . . . how’s Obama doing?”

This was the question floated by our host at a recent dinner party. In response, two people said they were disappointed, seven claimed to be on the fence, four asserted it was too early to tell, and three said flat-out great. Where were we in the mix? Allow us
Charismatic Leadership

Like many great leaders, Ronald Reagan had charisma. So does Barack Obama. Thomas Watson, Alfred Sloan, Steve Jobs, and Richard Branson are good examples of charismatic leaders in industry.

Charisma is a rather elusive concept; it is easy to spot but hard to define. What is charisma, and how does one acquire it? According to one definition, “Charisma packs an emotional wallop for followers above and beyond ordinary esteem, affection, admiration, and trust . . . The charismatic is an idolized hero, a messiah and a savior.” As you can see from this quotation, many people, particularly North Americans, value charisma in their leaders. But some people don’t like the term charisma; it can be associated with the negative charisma of evil leaders whom people follow blindly. Nevertheless, charismatic leaders who display appropriate values and use their charisma for appropriate purposes serve as ethical role models for others.

Charismatic leaders are dominant, exceptionally self-confident, and have a strong conviction in the moral righteousness of their beliefs. They strive to create an aura of competence and success and communicate high expectations for and confidence in followers. Ultimately, charismatic leaders satisfy other peoples’ needs.

The charismatic leader articulates ideological goals and makes sacrifices in pursuit of those goals. Martin Luther King Jr. had a dream for a better world, and John F. Kennedy spoke of landing a human on the moon. In other words, such leaders have a compelling vision. The charismatic leader also arouses a sense of excitement and adventure. He or she is an eloquent speaker who exhibits superior verbal skills, which helps communicate the vision and motivate followers. Walt Disney mesmerized
Leaders who possess these characteristics or do these things inspire in their followers trust, confidence, acceptance, obedience, emotional involvement, affection, admiration, and higher performance. For example, having charisma not only helps CEOs inspire other employees in the organization but also may enable them to influence external stakeholders, including customers and investors. Evidence for the positive effects of charismatic leadership has been found in a wide variety of groups, organizations, and management levels, and in countries including India, Singapore, the Netherlands, China, Japan, and Canada.

Charisma has been shown to improve corporate financial performance, particularly under conditions of uncertainty—that is, in risky circumstances or when environments are changing and people have difficulty understanding what they should do. Uncertainty is stressful, and it makes people more receptive to the ideas and actions of charismatic leaders. By the way, too, as an organization’s performance improves under a person’s leadership, that person becomes seen as more charismatic as a result of the higher performance.

**Transformational Leadership**

Charisma contributes to transformational leadership. *Transformational leaders* get people to transcend their personal interests for the sake of the larger community. They generate excitement and revitalize organizations. At Hewlett-Packard, the ability to generate excitement is an explicit criterion for selecting managers. In the United Kingdom, Richard Branson of Virgin Group is a transformational leader who built a global business empire.

The transformational process moves beyond the more traditional *transactional approach* to leadership. *Transactional leaders* view management as a series of transactions in which they use their legitimate, reward, and coercive powers to give commands and exchange rewards for services rendered. Unlike transformational leadership, transactional leadership is dispassionate; it does not excite, transform, empower, or inspire people to focus on the interests of the group or organization. However, transactional approaches may be more effective for individualists than for collectivists (recall Chapter 6).

**Generating Excitement**  Transformational leaders generate excitement in several ways. First, they are *charismatic*, as described earlier. Second, they give their followers *individualized attention*. Transformational leaders delegate challenging work to deserving people, keep lines of communication open, and provide one-on-one mentoring to develop their people. They do not treat everyone alike, because not everyone is alike.

Third, transformational leaders are *intellectually stimulating*. They arouse in their followers an awareness of problems and potential solutions. They articulate the organization’s opportunities, threats, strengths, and weaknesses. They stir the imagination and generate insights. Therefore, problems are recognized, and high-quality solutions are identified and implemented with the full commitment of followers.

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Jim McCluney, CEO of data storage firm Emulex, likes his employees to tease him a little. He believes it’s good management to let people relax and poke fun at him. He also believes that doing so helps people think outside the box to come up with new ideas and solutions to problems. “He’s really a lot of fun to be around,” says one colleague. “He just kind of has a way to get everybody to lower their walls.” McCluney is known for hosting pizza days and appearing in employees’ offices or at their desks to chat.
McCluney explains the reason for his approach. “If you make your management team really on board, working and adding their unique skills and getting as much diversity of views and opinion on a given problem, the company really thrives.” He doesn’t abdicate his responsibilities as a leader, but he values the brainpower of his managers and employees. He also knows the pitfalls of trying to do everything himself instead of giving managers some free rein. “At the same time, I have to be able to step in quickly and decisively if there are issues, or we’re not making timely decisions,” he notes. “So it’s a balance between knowing when to be authoritative and when to be collaborative.”

Skills and Strategies  At least four skills or strategies contribute to transformational leadership. First, transformational leaders have a vision—a goal, an agenda, or a results orientation that grabs people’s attention. Second, they communicate their vision; through words, manner, or symbolism, they relate a compelling image of the ultimate goal. Third, transformational leaders build trust by being consistent, dependable, and persistent. They position themselves clearly by choosing a direction and staying with it, thus projecting integrity. Finally, they have a positive self-regard. They do not feel self-important or complacent; rather, they recognize their personal strengths, compensate for their weaknesses, nurture and continually develop their talents, and know how to learn from failure. They strive for success rather than merely try to avoid failure.

Transformational leadership has been identified in industry, the military, and politics. Examples of transformational leaders in business include Henry Ford (founder of Ford Motor Company), Herb Kelleher (former CEO of Southwest Airlines), Jeff Bezos (founder of Amazon.com), David Neeleman (in his former role as leader of JetBlue), and Lee Iacocca (who led Chrysler’s turnaround during the 1980s). As with studies of charisma, transformational leadership and its positive impact on follower satisfaction and performance have been demonstrated in countries the world over, including Egypt, Germany, China, England, and Japan. A study in Korean companies found that transformational leadership predicted employee motivation, which in turn predicted creativity. Under transformational leadership, people view their jobs as more intrinsically motivating (see Chapter 13 for more on this) and are more strongly committed to work goals. And top management teams agree more clearly about important organizational goals, which translates into higher organizational performance.

Transforming Leaders  Importantly, transformational leadership is not the exclusive domain of presidents and chief executives. In the military, leaders who received transformational leadership training had a positive impact on followers’ personal development. They also were successful as indirect leaders: military recruits under the transformational leaders’ direct reports were stronger performers. Don’t forget, though: the best leaders are those who can display both transformational and transactional behaviors.

Ford Motor Company, in collaboration with the University of Michigan School of Business, put thousands of middle managers through a program designed to stimulate transformational leadership. The training included analysis of the changing business environment, company strategy, and personal reflection and discussion about the need to change. Participants assessed their own leadership styles and developed a specific change initiative to implement after the training—a change that would make a needed and lasting difference for the company.

Over the next six months, the managers implemented change on the job. Almost half of the initiatives resulted in transformational changes in the organization or work unit; the rest of the changes were smaller, more incremental, or more personal. Whether managers made small or transformational changes depended on their attitude going
into the training, their level of self-esteem, and the amount of support they received from others on the job for their efforts. Thus, some managers did not respond as hoped. But almost half embraced the training, became more transformational in orientation, and tackled significant transformational changes for the company.

**Level 5 leadership**, a term well-known among executives, is considered by some to be the ultimate leadership style. Level 5 leadership is a combination of strong professional will (determination) and personal humility that builds enduring greatness.103 Thus, a Level 5 leader is relentlessly focused on the organization’s long-term success while behaving with modesty, directing attention toward the organization rather than him- or herself. Examples include John Chambers, CEO of Cisco Systems, and IBM’s former chief executive Louis Gerstner. Gerstner is widely credited for turning around a stodgy IBM by shifting its focus from computer hardware to business solutions. Following his retirement, Gerstner wrote a memoir that details what happened at the company but says little about himself. Although Level 5 leadership is seen as a way to transform organizations to make them great, it requires also that the leader exhibit a combination of transactional and transformational styles.104

Before his 30th birthday, Robert Chapman stepped into the job of chief executive of his family’s business, Barry-Wehmiller Companies (B-W), following the sudden death of his father. Revenues at B-W, which makes packaging equipment and sells related services, grew rapidly during the early years of Chapman’s leadership but then plunged as market demand dried up.

Chapman reacted by assembling his management team to evaluate what had gone wrong. The group determined that the earlier growth had been “undisciplined,” not directed toward areas where long-term success would be most likely. The team developed a company vision aimed at balanced and sustainable growth. Since then, says Chapman, the company has “never varied” from “executing our vision with discipline and passion.”

The passion comes from a commitment to “people-centric leadership.” At B-W under Chapman, managers must care about their employees, give them authority to make important decisions, and clarify how their contributions enhance the company’s vision. In terms of corporate structure, this is expressed in an Organizational Empowerment Team, staffed with people who develop leaders and apply methods such as lean manufacturing (see Chapter 9) through which employees contribute to improved operations.

Chapman believes companies can literally change the world through their impact on individual employees. Challenging employees to contribute to the corporate vision gives them a chance to feel that their efforts matter; recognition programs show them that they are appreciated. The result is what Chapman calls an “inspirational environment.” Oh, and the company is growing again, too.105

**Authenticity**

In general, consider **authentic leadership** to be rooted in the ancient Greek philosophy “To thine own self be true.”106 In your own leadership, strive for authenticity in the form of honesty, genuineness, reliability, integrity, and trustworthiness. Authentic transformational leaders care about public interests (community, organizational, or group), not just their own.107 They are willing to sacrifice their own interests for others, and they can be trusted. They are ethically mature; people view leaders who exhibit moral reasoning as more transformational than leaders who do not.108

**Pseudotransformational leaders** are the opposite: they talk a good game, but they ignore followers’ real needs as their own self-interests (power, prestige, control, wealth, fame) take precedence.109

**Level 5 leadership**

A combination of strong professional will (determination) and humility that builds enduring greatness.

**Authentic leadership**

A style in which the leader is true to himself or herself while leading.

**Pseudotransformational leaders**

Leaders who talk about positive change but allow their self-interest to take precedence over followers’ needs.
Opportunities for Leaders

A common view of leaders is that they are superheroes acting alone, swooping in to save the day. But especially in these complex times, leaders cannot and need not act alone. Business guru John Hersey advises today’s leader to be a “SAGE.” The letters in sage remind leaders to seek out other people, ask good questions that focus on the other person, get involved with other people, and enrich people’s lives. That outward-looking approach helps leaders identify fresh solutions to vexing problems and invites followers to engage fully with the cause.¹¹⁰

Effective leadership must permeate the organization, not reside in one or two superstars at the top. The leader’s job becomes one of spreading leadership abilities throughout the firm.¹¹³ Make people responsible for their own performance. Create an environment in which each person can figure out what needs to be done and then do it well. Point the way and clear the path so that people can succeed. Give them the credit they deserve. Make heroes out of them.

Thus, what is now required of leaders is less the efficient management of resources, and more the effective unleashing of people and their intellectual capital.

This perspective uncovers a variety of nontraditional leadership roles that are emerging as vitally important.¹¹² The term servant-leader was coined by Robert Greenleaf, a retired AT&T executive. The term is paradoxical in the sense that “leader” and “servant” are usually opposites; the servant-leader’s relationship with employees is more like that of serving customers. For the individual who wants to both lead and serve others, servant-leadership is a way of relating to others to serve their needs and enhance their personal growth while strengthening the organization. For example, when David Wolfskehl, founder of Action Fast Print, stopped telling his employees what to do and instead asked how he could help them solve their problems, productivity jumped 30 percent.¹¹³

A number of other nontraditional roles provide leadership opportunities. Bridge leaders are those who leave their cultures for a significant period of time.¹¹⁴ They live, go to school, travel, or work in other cultures. Then they return home, become leaders, and through their expanded repertoire they serve as bridges between conflicting value systems within their own cultures or between their culture and other cultures.

With work often being team-based (see Chapter 14), shared leadership occurs when leadership rotates to the person with the key knowledge, skills, and abilities for the issue facing the team at a particular time.¹¹⁵ Shared leadership is most important when tasks are interdependent, are complex, and require creativity. High-performing teams engaged in such work exhibit more shared leadership than poor-performing teams. In consulting teams, the higher the shared leadership, the higher their clients rated the teams’ performance.¹¹⁶ The role of vertical leader remains important—the formal leader still designs the team, manages its external boundaries, provides task direction, emphasizes the importance of the shared leadership approach, and engages in the transactional and transformational activities described in this chapter. But at the same time, the metaphor of geese in V-formation adds strength to the group: the lead goose periodically drops to the back, and another goose “steps up” and takes its place at the forefront.

Lateral leadership does not involve a hierarchical, superior–subordinate relationship but instead invites colleagues at the same level to solve problems together.¹¹⁷ You alone can’t provide a solution to every problem, but you can create processes through which people work collaboratively. If you can get people working to improve methods

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**servant-leader**
A leader who serves others’ needs while strengthening the organization.

**bridge leaders**
A leader who bridges conflicting value systems or different cultures.

**shared leadership**
Rotating leadership, in which people rotate through the leadership role based on which person has the most relevant skills at a particular time.

**lateral leadership**
Style in which colleagues at the same hierarchical level are invited to collaborate and facilitate joint problem solving.
collaboratively, you can help create an endless stream of innovations. In other words, it’s not about you providing solutions to problems; it’s about creating better interpersonal processes for finding solutions. Strategies and tactics can be found throughout this book, including the chapters on decision making, organization structure, teams, communication, and change.

A Note on Courage

To be a good leader, you need the courage to create a vision of greatness for your unit; identify and manage allies, adversaries, and fence sitters; and execute your vision, often against opposition. This does not mean you should commit career suicide by alienating too many powerful people; it does mean taking reasonable risks, with the good of the firm at heart, in order to produce constructive change.

For example, Charles Elachi needed courage when he took a position at NASA’s Jet Propulsion Laboratories (JPL) at the beginning of the decade, when a series of budget cuts and efforts to cut corners had resulted in two failed attempts to gather data from Mars exploration projects. In that environment, morale was poor, and public support for JPL was weak. But rather than looking for people to blame, Elachi, a physicist and JPL veteran, got everyone focused on the ambitious next project, the Mars Exploration Rover, which would involve sending two spacecraft to the red planet and landing rovers on the surface to conduct exploration—with the first launch just 27 months away. Undaunted by the two previous failures, Elachi clearly but politely communicated to everyone that another failure was out of the question. At the beginning of the project, he had team leaders list every test that would be necessary before the first spacecraft was sent into orbit. Two years later, he pulled out his “Incompressible Test List” and insisted that team members carry out every procedure—and that the agency fund them. In the end, the mission exceeded expectations.  

Specifically, fulfilling your vision will require some of the following acts of courage:  
(1) seeing things as they are and facing them head-on, making no excuses and harboring no wishful illusions; (2) saying what needs to be said to those who need to hear it; and (3) persisting despite resistance, criticism, abuse, and setbacks. Courage includes stating the realities, even when they are harsh, and publicly stating what you will do to help and what you want from others. This means laying the cards on the table honestly: Here is what I want from you . . . What do you want from me?

As with other things, you must work at developing your leadership abilities. Great musicians and great athletes don’t become great on natural gifts alone. They also pay their dues by practicing, learning, and sacrificing. Leaders in a variety of fields, when asked how they became the best leader possible, offered the following comments:

• “I’ve observed methods and skills of my bosses that I respected.”
• “By taking risks, trying, and learning from my mistakes.”
• “Reading autobiographies of leaders I admire to try to understand how they think.”
• “Lots of practice.”
• “By making mistakes myself and trying a different approach.”
• “By purposely engaging with others to get things done.”
• “By being put in positions of responsibility that other people counted on.”
How Do I Start?

How do you go about developing your leadership abilities? You don’t have to wait until you land a management job or even finish your education. You can begin establishing credibility by behaving with integrity, learning from your mistakes, and becoming competent in your chosen field. You should look for—and then seize—opportunities to take actions that will help the groups you already belong to. Even before you are a supervisor, you can practice empowering others by listening carefully when you are in a group and by sharing what you know so that the whole group will be better informed. Finally, begin building a network of personal contacts by reaching out to others to offer help, not just to request it.

When you are searching for your next job, look for a position with an employer that is committed to developing leadership talent. Ideally, leadership development is connected to opportunities to practice the skills you are learning about, so ask about chances to lead a project or a team, even for short periods of time. Companies that excel at leadership development include Johnson & Johnson, Hewlett-Packard, and General Electric.

More specifically, here are some developmental experiences you should seek:

- **Assignments**: Building something from nothing; fixing or turning around a failing operation; taking on project or task force responsibilities; accepting international assignments.
- **Other people**: Having exposure to positive role models; increasing visibility to others; working with people of diverse backgrounds.
- **Hardships**: Overcoming ideas that fail and deals that collapse; confronting others’ performance problems; breaking out of a career rut.
- **Other events**: Formal courses; challenging job experiences; supervision of others; experiences outside work.

What Are the Keys?

The most effective developmental experiences have three components: assessment, challenge, and support. Assessment includes information that gives you an understanding of where you are now, what your strengths are, your current levels of performance and leadership effectiveness, and your primary development needs. You can think about what your past feedback has been, what previous successes and failures you have had, how people have reacted to your ideas and actions, what your personal goals are, and what strategies you should implement to make progress. You can seek answers from your peers at work, bosses, family, friends, customers, and anyone else who knows you and how you work. The information you collect will help clarify what you need to learn, improve, or change.

The most potent developmental experiences provide challenge—they stretch you. We all think and behave in habitual, comfortable ways. This is natural, and perhaps sufficient to survive. But you’ve probably heard people say how important it can be to get out of your comfort zone—to tackle situations that require new skills and abilities, that are confusing or ambiguous, or that you simply would rather not deal with. Sometimes the challenge comes from lack of experience; other times, it requires changing...
old habits. It may be uncomfortable, but this is how great managers learn. Remember, some people don’t bother to learn or refuse to learn. Make sure you think about your experiences along the way and reflect on them afterward, introspectively and in discussion with others.

You receive support when others send the message that your efforts to learn and grow are valued. Without support, challenging developmental experiences can be overwhelming. With support, it is easier to handle the struggle, stay on course, open up to learning, and actually learn from experiences. Support can come informally from other people; more formally through the procedures of the organization; and through learning resources in the forms of training, constructive feedback, talking with others, and so on.

What develops in leadership development? Through such experiences, you can acquire more self-awareness and self-confidence, a broader perspective on the organizational system, creative thinking, the ability to work more effectively in complex social systems, and the ability to learn from experience. As part of your training, take a few notes on the qualities that have made Amory Lovins a success in the “Management Close-Up: Assessing Outcomes and Seizing Opportunities” feature.

Management Close-Up

ASSESSING OUTCOMES AND SEIZING OPPORTUNITIES

Amory Lovins was once considered an eccentric—someone whose ideas were interesting yet radical. But with the recent shocks to the global economy from wild swings in oil prices, the world is beginning to catch up with Lovins and the vision he’s been espousing since the 1970s. “I’m getting painfully respectable,” he said.

Corporate America and U.S. and foreign government officials have been turning to Lovins and his institute for help, and he and his staff have been working long hours to provide advice and assistance. In fact, in the nearly 30 years since the nonprofit Rocky Mountain Institute was established, the organization has grown to a staff of nearly 100, with offices in Snowmass and Boulder. The organization has also spun off three for-profit businesses. Of the growth Lovins said, “We thought we’d just grow from a handful of people to at most a dozen.”

Which companies have RMI staffers been assisting? Faced with the decision to build its next computer-chip fabrication plant in the United States or overseas, Texas Instruments sought RMI’s expertise. Together, client and consultant generated ideas for building and operating the plant more efficiently. Texas Instruments used those ideas during construction of its $300 million state-of-the-art U.S. facility, saving nearly $150 million in construction costs alone. Moreover, the facility is designed to use 20 percent less energy and 35 percent less water, with only half the nitrous oxide emissions of conventional facilities.

Walmart also sought RMI’s help to improve the energy efficiency of its global truck fleet. RMI’s recommendations enabled Walmart to retrofit its fleet. The fleet’s fuel efficiency, once a paltry 6 miles per gallon, will get 16 to 18 miles per gallon by 2015. The changes will save Walmart an estimated $500 million a year. In addition, RMI’s $13.2 million retrofit of New York’s landmark Empire State Building is expected to reduce its energy consumption by 35 to 40 percent, saving more than $4 million a year.

RMI currently works with 10 of the world’s top 50 companies, helping them create environmentally sustainable business strategies. Its work in recent years has helped clients redesign more than $30 billion in projects for more energy efficiency. In 2009 Lovins was named to Rolling Stone’s list of 100 people who are changing America and Time magazine’s 100 most influential people. The National Design Awards recently bestowed its Design Mind honor on Lovins. Despite the recognition, Lovins maintains that he is motivated by public service.

• Would you consider Amory Lovins to be a charismatic leader? A transformational leader? Explain.
• RMI staff and clients say Amory Lovins is a consensus builder. How does consensus building make a leader more effective? Does the recent world focus on global warming and the environment enhance Amory Lovins’s leadership capabilities? Explain.
KEY TERMS

Authentic leadership, p. 439  
Autocratic leadership, p. 427  
Behavioral approach, p. 427  
Bridge leaders, p. 440  
Charismatic leader, p. 436  
Democratic leadership, p. 427  
Fiedler’s contingency model of leadership effectiveness, p. 431  
Group maintenance behaviors, p. 426  
Hersey and Blanchard’s situational theory, p. 433  
Job maturity, p. 433  
Laissez-faire, p. 428  
Lateral leadership, p. 440  
Leader-Member Exchange (LMX) theory, p. 426  
Level 5 leadership, p. 439  
Participation in decision making, p. 427  
Path-goal theory, p. 434  
Power, p. 422  
Pseudotransformational leaders, p. 439  
Psychological maturity, p. 433  
Relationship-motivated leadership, p. 433  
Servant-leader, p. 440  
Shared leadership, p. 440  
Situational approach, p. 429  
Strategic leadership, p. 421  
Substitutes for leadership, p. 435  
Supervisory leadership, p. 421  
Task-motivated leadership, p. 433  
Task performance behaviors, p. 426  
Trait approach, p. 424  
Transactional leaders, p. 437  
Transformational leader, p. 437  
Vision, p. 419  
Vroom model, p. 430

SUMMARY OF LEARNING OBJECTIVES

Now that you have studied Chapter 12, you should be able to:

LO 1 Discuss what it means to be a leader.
A leader is one who influences others to attain goals. Leaders orchestrate change, set direction, and motivate people to overcome obstacles and move the organization toward its ideal future.

LO 2 Summarize what people want and organizations need from their leaders.
People want help in achieving their goals, and organizations need leaders at all levels. The best leaders challenge the process, inspire a shared vision, enable others to act, model the way, and encourage the heart.

LO 3 Explain how a good vision helps you be a better leader.
Outstanding leaders have vision. A vision is a mental image that goes beyond the ordinary and perhaps beyond what others thought possible. The vision provides the direction in which the leader wants the organization to move and inspiration for people to pursue it.

LO 4 Identify sources of power in organizations.
Having power and using it appropriately are essential to effective leadership. Managers at all levels of the organization have five potential sources of power: Legitimate power is the company-granted authority to direct others. Reward power is control over rewards valued by others in the organization. Coercive power is control over punishments that others in the organization want to avoid. Referent power consists of personal characteristics that appeal to others, so they model their behavior on the leader’s and seek the leader’s approval. Expert power is expertise or knowledge that can benefit others in the organization.

LO 5 List personal traits and skills of effective leaders.
Important leader characteristics include drive, leadership, motivation, integrity, self-confidence, and knowledge of the business. Perhaps the most important skill is the ability to accurately perceive the situation and then change behavior accordingly.

LO 6 Describe behaviors that will make you a better leader, and identify when the situation calls for them.
Important leader behaviors include task performance behaviors, group maintenance, and participation in decision making. According to the Vroom model, the leadership style should involve individual decisions, consultation with followers, facilitation, or delegation depending on the qualities such as the significance of the decision and the importance of followers’ commitment. Fiedler’s contingency model says a task-motivated leader is more successful when leader–member relations are good and the task is highly structured, or with an unstructured task but low position power for the leader, or with poor leader–member relations when the task structure and leader’s position power are both low. In other situations, a relationship-oriented leader will perform better. Hersey and Blanchard’s situational theory says that task performance behaviors become less important as the follower’s job maturity and psychological maturity increase. Path-goal theory assesses characteristics of the followers, the leader, and the situation; it then indicates the appropriateness of directive, supportive, participative, or achievement-oriented leadership behaviors.

LO 7 Distinguish between charismatic and transformational leaders.
To have charisma is to be dominant and self-confident, to have a strong conviction of the righteousness of your beliefs, to create an aura of competence and success, and to communicate high
Leadership Chapter 12

445
to bridge conflicts between value systems. Shared leadership involves taking on a leadership role when your skills are most relevant to a particular situation. Lateral leadership is inspiring people to work collaboratively and solve problems together.

LO 8 Describe types of opportunities to be a leader in an organization.

There’s plenty of opportunity to be a leader; being a manager of others who report to you is just the traditional one. You can also take or create opportunities to be a servant-leader or bridge leader and engage in shared leadership and lateral leadership. A servant-leader serves others’ needs while strengthening the organization. A bridge leader uses experiences of other cultures to bridge conflicts between value systems. Shared leadership involves taking on a leadership role when your skills are most relevant to a particular situation. Lateral leadership is inspiring people to work collaboratively and solve problems together.

DISCUSSION QUESTIONS

1. What do you want from your leader?
2. Is there a difference between effective management and effective leadership? Explain your views and learn from others’ views.
3. Identify someone you think is an effective leader. What traits and skills does this person possess that make him or her effective?
4. Do you think most managers can be transformational leaders? Why or why not?
5. In your own words, define courage. What is the role of courage in leadership? Give examples of acts of leadership you consider courageous.
6. Do you think men and women differ in their leadership styles? If so, how? Do men and/or women prefer different styles in their bosses? What evidence do you have for your answers?
7. Who are your heroes? What makes them heroes, and what can you learn from them?
8. Assess yourself as a leader based on what you have read in this chapter. What are your strengths and weaknesses?

9. Identify the developmental experiences you have had that may have strengthened your ability to lead. What did those experiences teach you? Also identify some developmental experiences you need to acquire, and how you will seek them. Be specific.
10. Consider a couple of decisions you are facing that could involve other people. Use the Vroom model to decide what approach to use to make the decisions.
11. Consider a job you hold or held in the past. Consider how your boss managed you. How would you describe him or her as a leader? What substitutes for leadership would you have enjoyed seeing put into place?
12. Consider an organization of which you are a leader or a member. What could great transformational leadership accomplish in the organization?
13. Name some prominent leaders whom you would describe as authentic and inauthentic and discuss.
14. Name some leaders you consider servant-leaders, and discuss.
15. Identify some opportunities for you to exhibit shared leadership and lateral leadership.

CONCLUDING CASE

The Law Offices of Jeter, Jackson, Guidry, and Boyer

THE EVOLUTION OF THE FIRM

David Jeter and Nate Jackson started a small general law practice in 1992 near Sacramento, California. Prior to that, the two had spent five years in the district attorney’s office after completing their formal schooling. What began as a small partnership—just the two attorneys and a paralegal/assistant—had now grown into a practice that employed more than 27 people in three separate towns. The current staff included 18 attorneys (three of whom have become partners), three paralegals, and six secretaries.

For the first time in the firm’s existence, the partners felt that they were losing control of their overall operation. The firm’s current caseload, number of employees, number of clients, travel requirements, and facilities management needs had grown far beyond anything that the original partners had ever imagined.

Attorney Jeter called a meeting of the partners to discuss the matter. Before the meeting, opinions about the pressing problems of the day and proposed solutions were sought from the entire staff. The meeting resulted in a formal decision to create a new position, general manager of operations. The partners proceeded to compose a job description and job announcement for recruiting purposes.
Highlights and major responsibilities of the job description include:

- Supervising day-to-day office personnel and operations (phones, meetings, word processing, mail, billings, payroll, general overhead, and maintenance).
- Improving customer relations (more expeditious processing of cases and clients).
- Expanding the customer base.
- Enhancing relations with the local communities.
- Managing the annual budget and related incentive programs.
- Maintaining an annual growth in sales of 10 percent while maintaining or exceeding the current profit margin.

The general manager will provide an annual executive summary report to the partners, along with specific action plans for improvement. He began by changing the regular working hours. The firm previously had a flex schedule in place that allowed employees to begin and end the workday at their choosing within given parameters. Howser did not care for such a “loose schedule” and now required that all office personnel work from 9:00 to 5:00 each day. A few staff members were unhappy about this change. She arranged for a private meeting with Howser to discuss her child care circumstances and the difficulty that the new schedule presented. Howser seemed to listen half-heartedly and at one point told Bronson that “assistants are essentially a-dime-a-dozen and are readily available.” Bronson, an administrative assistant who had been with the firm for several years, was particularly unhappy about this change. She arranged for a private meeting with Howser to discuss her child care circumstances and the difficulty that the new schedule presented. Howser seemed to listen half-heartedly and at one point told Bronson that “assistants are essentially a-dime-a-dozen and are readily available.” Bronson was seen leaving the office in tears that day.

Howser was not happy with the average length of time that it took to receive payments for services rendered to the firm’s clients (accounts receivable). A closer look showed that 30 percent of the clients paid their bills in 30 days or less, 60 percent paid in 30 to 60 days, and the remaining 10 percent stretched it out to as many as 120 days. Howser composed a letter that was sent to all clients whose outstanding invoices exceeded 30 days. The strongly worded letter demanded immediate payment in full and went on to indicate that legal action might be taken against anyone who did not respond in a timely fashion. While a small number of “late” payments were received soon after the mailing, the firm received an even larger number of letters and phone calls from angry clients, some of whom had been with the firm since its inception.

Howser was given an advertising and promotion budget for purposes of expanding the client base. One of the paralegals suggested that those expenditures should be carefully planned and that the firm had several attorneys who knew the local markets quite well and could probably offer some insight and ideas on the subject. Howser thought about this briefly and then decided to go it alone, reasoning that most attorneys know little or nothing about marketing.

In an attempt to “bring all of the people together to form a team,” Howser established weekly staff meetings. These mandatory, hour-long sessions were run by Howser, who presented a series of overhead slides, handouts, and lectures about “some of the proven management techniques that were successful in the insurance industry.” The meetings typically ran past the allotted time frame and rarely if ever covered all of the agenda items.

Howser spent some of his time “enhancing community relations.” He was very generous with many local groups such as the historical society, the garden clubs, the recreational sports programs, the middle- and high-school band programs, and others. In less than six months he had written checks and authorized donations totaling more than $25,000. He was delighted about all of this and was certain that such gestures of goodwill would pay off handsomely in the future.

As for the budget, Howser carefully reviewed each line item in search of ways to increase revenues and cut expenses. He then proceeded to increase the expected base or quota for attorneys’ monthly billable hours, thus directly affecting their profit sharing and bonus program. On the cost side, he significantly reduced the attorneys’ annual budget for travel, meals, and entertainment. He considered these to be frivolous and unnecessary. Howser decided that one of the two full-time administrative assistant positions in each office should be reduced to part-time with no benefits. He saw no reason why the current workload could not be completed within this model. Howser wrapped up his initial financial review and action plan by posting notices throughout each office with new rules regarding the use of copy machines, phones, and supplies.

Howser completed the first year of his tenure with the required executive summary report to the partners that included his analysis of the current status of each department and his action plan. The partners were initially impressed both with Howser’s approach to the new job and with the changes that he made. They all seemed to make sense and were directly in line with the key components of his job description. At the same time, “the office rumor mill and grapevine” had “heated up” considerably. Company morale, which had always been quite high, was now clearly waning. The water coolers and hallways became the frequent meeting place of disgruntled employees.

As for the marketplace, while the partners did not expect to see an immediate influx of new clients, they certainly did not expect to see shrinkage in their existing client base. A number of individual and corporate clients took their business elsewhere, still fuming over the letter they had received.
The partners met with Howser to discuss the situation. Howser urged them to “sit tight and ride out the storm.” He had seen this happen before and had no doubt that in the long run the firm would achieve all of its goals. Howser pointed out that people in general are resistant to change. The partners met for drinks later that day and looked at each other with a great sense of uncertainty. Should they ride out the storm as Howser suggested? Had they done the right thing in creating the position and in hiring Howser? What had started as a seemingly wise, logical, and smooth sequence of events had now become a crisis.

**QUESTIONS**

1. Do you agree with Howser’s suggestion to “sit tight and ride out the storm,” or should the partners take some action immediately? If so, what actions specifically?

2. Assume that the creation of the GM–Operations position was a good decision. What leadership style and type of individual would you try to place in this position?

3. Consider your own leadership style. What types of positions and situations should you seek? What types of positions and situations should you seek to avoid? Why?

**EXPERIENTIAL EXERCISES**

12.1 Power and Influence

**OBJECTIVE**

To explore the nature of power and influence, and your attitudes toward different kinds of power and influence.

**INSTRUCTIONS**

Read the introductions and complete sections A, B, and C.

**Power and Influence Worksheet**

**A. Power**

Many well-known people have made statements about power and winning (e.g., P. T. Barnum, Mao Tse-tung, Leo Durocher, Lord Acton, Vince Lombardi). Some of these statements are listed in the table that follows. Indicate how you feel about each of the statements by circling number 1 if you strongly disagree, and so on.

<table>
<thead>
<tr>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winning is everything.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Nice guys finish last.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>There can only be one winner.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>There’s a sucker born every minute.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>You can’t completely trust anyone.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>All power rests at the end of the gun.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Power seekers are greedy and can’t be trusted.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Power corrupts; absolute power corrupts absolutely.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>You get as much power as you pay for.</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>

**B. Influence**

During the past week or so you have come in contact with many people. Some have influenced you positively, some negatively. Try to recall recent experiences with employers, peers, teachers, parents, clergy, and the like who may have influenced you in some way. Then try to think about how and why they influenced you as they did.
1. On the following table, list the names of all those who influenced you during the past week or so according to the kind of power that person used. The same person’s name may appear under more than one type of power if that person used multiple power bases. Also, indicate whether the influence was positive (+) or negative (−).

<table>
<thead>
<tr>
<th>Power Base</th>
<th>Names and Whether (+) or (−)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legitimate authority</td>
<td>______________________________</td>
</tr>
<tr>
<td>Reward</td>
<td>______________________________</td>
</tr>
<tr>
<td>Coercive</td>
<td>______________________________</td>
</tr>
<tr>
<td>Referent</td>
<td>______________________________</td>
</tr>
<tr>
<td>Expert</td>
<td>______________________________</td>
</tr>
</tbody>
</table>

2. After examining your list, check (√) the following questions.

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Was there one person who had + marks appearing under several power bases?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b. Was there one person who had − marks appearing under several power bases?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c. Did you find that most of the people with + marks tended to fall under the same power bases?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>d. Did you find that most of the people with − marks tended to fall under the same power bases?</td>
<td></td>
<td></td>
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</tbody>
</table>

3. From your answers to the last two questions, list which power bases you found to be positive (+) and which you found to be negative (−).

<table>
<thead>
<tr>
<th>+</th>
<th>−</th>
</tr>
</thead>
<tbody>
<tr>
<td>____________________</td>
<td>____________________</td>
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<tr>
<td>____________________</td>
<td>____________________</td>
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<td>____________________</td>
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<td>____________________</td>
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</tr>
</tbody>
</table>

Do you think you personally prefer to use those power bases you listed under + when you try to influence people? Do you actually use them?
C. Power and Influence

From the table in Part B, find the one person who you think had the strongest positive influence on you (Person 1), and the one who had the strongest negative influence (Person 2). These are most likely the persons whose names appear most frequently.

In the following table, place a 1 on the line for each statement that best indicates how you think Person 1 would respond to that statement. Put a 2 on the line for each statement that reflects how you think Person 2 would respond to that item.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>Neutral</th>
<th>Agree</th>
<th>Strongly Agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Winning is everything.</td>
<td></td>
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<tr>
<td>Nice guys finish last.</td>
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<td></td>
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<tr>
<td>There can only be one winner.</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>There’s a sucker born every minute.</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>You can’t completely trust anyone.</td>
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<tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Now compare your responses in Part A to those in Part C. Do you more closely resemble Person 1 or Person 2? Do you prefer to use the kinds of power that person uses? Which kinds of power do you use most frequently? Which do you use least frequently? When do you feel you have the greatest power? When do you have the least power? How do these answers compare to what you found in Part B3?


12.2 Evaluating Your Leadership Style

OBJECTIVES
1. To examine your personal style of leadership.
2. To study the nature of the leadership process.
3. To identify ways to improve or modify your leadership style.

INSTRUCTIONS
1. Working alone, complete and score the Leadership Style Survey.
2. In small groups, exchange scores, compute average scores, and develop responses to the discussion questions.
3. After the class reconvenes, group spokespersons present group findings.

DISCUSSION QUESTIONS
1. In what ways did your experience or lack of experience influence your responses to the survey?
2. In what ways did student scores and student responses to survey test items converge? In what ways did they diverge?
3. What do you think accounts for differences in student leadership attitudes?
4. How can students make constructive use of the survey results?

Leadership Style Survey

This survey describes various aspects of leadership behavior. To measure your leadership style, respond to each statement according to the way you would act (or think you would act) if you were a work group leader.
<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>I would allow team members the freedom to do their jobs in their own way.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>2.</td>
<td>I would make important decisions on my own initiative without consulting the workers.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>3.</td>
<td>I would allow the team members to make their own decisions.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>4.</td>
<td>I would not try to socialize with the workers.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>5.</td>
<td>I would allow team members to do their jobs as they see fit.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>6.</td>
<td>I would consider myself to be the group’s spokesperson.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>7.</td>
<td>I would be warm, friendly, and approachable.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>8.</td>
<td>I would be sure that the workers understand and follow all the rules and regulations.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>9.</td>
<td>I would demonstrate a real concern for the workers’ welfare.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>10.</td>
<td>I would be the one to decide what is to be done and how it is to be done.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>11.</td>
<td>I would delegate authority to the workers.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>12.</td>
<td>I would urge the workers to meet production quotas.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>13.</td>
<td>I would trust the workers to use good judgment in decision making.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>14.</td>
<td>I would assign specific tasks to specific people.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>15.</td>
<td>I would let the workers establish their own work pace.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>16.</td>
<td>I would not feel that I have to explain my decisions to workers.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>17.</td>
<td>I would try to make each worker feel that his or her contribution is important.</td>
<td>5</td>
<td>4</td>
<td>3</td>
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<tr>
<td>18.</td>
<td>I would establish the work schedules.</td>
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<td>4</td>
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</tr>
<tr>
<td>19.</td>
<td>I would encourage workers to get involved in setting work goals.</td>
<td>5</td>
<td>4</td>
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</tr>
<tr>
<td>20.</td>
<td>I would be action oriented and results oriented.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>21.</td>
<td>I would get the workers involved in making decisions.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>22.</td>
<td>I would outline needed changes and monitor action closely.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>23.</td>
<td>I would help the group achieve consensus on important changes.</td>
<td>5</td>
<td>4</td>
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</tr>
<tr>
<td>24.</td>
<td>I would supervise closely to ensure that standards are met.</td>
<td>5</td>
<td>4</td>
<td>3</td>
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<tr>
<td>25.</td>
<td>I would consistently reinforce good work.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>26.</td>
<td>I would nip problems in the bud.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
<tr>
<td>27.</td>
<td>I would consult the group before making decisions.</td>
<td>5</td>
<td>4</td>
<td>3</td>
</tr>
</tbody>
</table>