



Leadership
The power of an individual to influence others in belief or action

Leadership is not a position or office one holds, but a **behaviour**

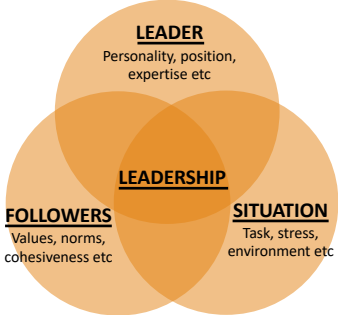
How important is a leader?

In most cases, people will perform at about **60%** of their potential with no leadership at all

Thus, an additional **40%** can be realized if effective leadership is available

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Leadership as Process




LEADER
Personality, position, expertise etc

FOLLOWERS
Values, norms, cohesiveness etc

SITUATION
Task, stress, environment etc

LEADERSHIP



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The 2 dimensions of management

Economic or productivity-based

- "concern for production"

Employee condition and morale

- "concern for people"



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Leadership Types

1. Autocratic leadership
2. Democratic leadership
3. Task oriented leadership
4. People oriented leadership
5. Laissez faire leadership
6. Transactional leadership (TXL)
7. Transformational leadership (TFL)
8. Full range leadership
9. Servant leadership



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Autocratic leadership

- The leader decides most of the issues and does not encourage any others
- Accumulates power to make decisions alone, having total authority
- Closely supervises and controls people when they perform certain tasks.



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Autocratic leadership

- Advantages
 - Quick decision making
 - Streamlined work processes
 - Order & discipline
- Disadvantages
 - One way communication
 - High attrition rate
 - Low employee morale



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Autocratic leadership

- Best suited
 - Situations that need centralized decision making like military and surgery
 - During emergency such as fire
 - When negotiating with external agencies



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Democratic leadership

- The leader solicits opinion of people and encourages participation
- Includes one or more people in the decision making process of determining what to do and how to do it
- Maintains the final decision making authority



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Democratic leadership

- Advantages
 - Better or creative solutions to problems
 - High involvement of group members
 - High productivity
- Disadvantages
 - Communication failures and uncompleted projects
 - Group members not qualified to make decisions
 - Team members may feel left out



Democratic leadership

- Best suited
 - Creative groups such as advertising for free flow of ideas
 - Consulting to explore innovative solutions
 - Education, need to be open to new ideas



Task oriented leadership

- “doing whatever it takes to get the job done”
- The leader is obsessed with task accomplishment and does not take into consideration the impact of task accomplishment on the followers
- A task-oriented leader places a heavy emphasis on structure, plans, and schedules for getting things done.



Task oriented leadership

- Advantages
 - Better time management
 - Able to meet tight deadlines
 - Better productivity
- Disadvantages
 - Motivation and retention problems



Task oriented leadership

- Best suited
 - Project management
 - Low and middle management level



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People oriented leadership

- The leader is driven by people and their happiness and achieving tasks may not be very important.
- Focused on supporting, motivating and developing the people on their teams and the relationships within



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People oriented leadership

- Advantages
 - Encourages good teamwork and collaboration
 - Non-competitive and transparent work environment
 - Better productivity, risk-taking
- Disadvantages
 - Team chemistry may detract from the actual tasks and goals at hand
 - May be perceived as weak leader



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People oriented leadership

- Best suited
 - Non hierarchical situations
 - In a turnaround situation



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Laissez faire leadership

- The leadership is bestowed by position and the leader does not actively take any decision; but the system carries on
- Allows people to make their own decisions.
- Leader is still responsible for the decisions that are made.



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Laissez faire leadership

- Advantages
 - This style allows greater freedom and responsibility for people.
 - Allows people to work at their own pace
 - Provides maximum scope for innovation and flexibility
- Disadvantages
 - However, you need competent self-motivated people around you or nothing will get done.



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Laissez faire leadership

- Best suited
 - When working with highly-skilled professionals who are motivated and able to work on their own
 - If your team has a high-level of intrinsic motivation for their work, then a hands-off manager might be better able to let that motivation thrive



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Transactional leadership

- The leader accomplishes task on a quid pro quo basis or s/he rewards in turn for accomplishing a task
- Inspiring followers to climb higher heights and accomplish goals is not a priority
- Leaders promote compliance by followers through both rewards and punishments



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Transactional leadership

- Advantages
 - Encourages productivity
 - Clear structure
 - Makes goals achievable
 - Allows employees to control rewards
- Disadvantages
 - Motivation is at base level
 - Blaming, rigidity can be problems



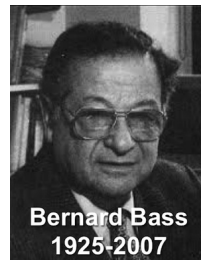
Transactional leadership

- Best suited
 - When sudden boost in performance is required
 - "If it ain't broke, don't fix it!"
 - In a rigid corporate structure and culture



Transformational leadership

- The leader inspires the followers through high moral standards; and attractive, though uncertain, goals and leads them to these goals
- It creates valuable and positive change in the followers with the end goal of developing followers into leaders




Transformational leadership

- Advantages
 - Promotes enthusiasm
 - Increases motivation
- Disadvantages
 - Potential for abuse
 - Detail challenges




Transformational leadership

- Best suited
 - For managing change
 - New corporate visions need to be quickly formulated
 - Low-morale situations



Bernard Bass
1925-2007

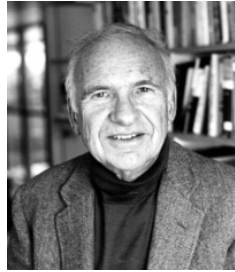


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Full range leadership

- Full range leadership proposes that leadership is a continuum with laissez faire at one end and transformational leadership at the other end with transactional leadership somewhere in between
- Leaders behave in all these ways but depending on the predominant or preferred way of behavior, we categorize them into these



James MacGregor Burns

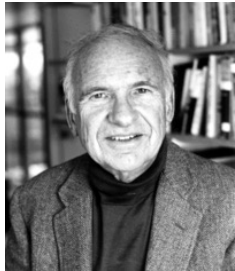



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Full range leadership

- Advantages
 - Gathers trust and commitment from employees
 - Higher productivity and profitability
 - Respond well to changes in the marketplace
- Disadvantages
 - Focus on the individual rather than whole organization
 - Leaders must have one dominant style



James MacGregor Burns

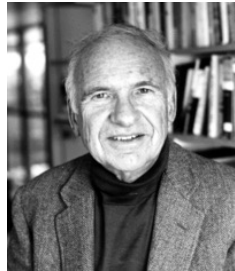


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Full range leadership

- Best suited
 - For heterogeneous group
 - Large organizations



James MacGregor Burns

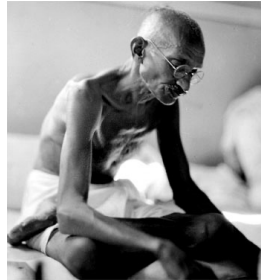


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Servant leadership

- The leader shares power and enables the growth of the followers
- It is a leadership philosophy with a set of behaviors to do so
- The highest priority of this leader is to encourage, support and enable people to fulfill their full potential and abilities.



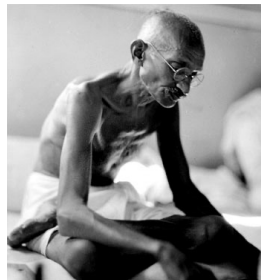
Servant leadership

- Advantages
 - Potential to influence the society in a positive way
 - Excellent corporate culture and high customer loyalty
 - Better return on investment of staff
- Disadvantages
 - Long-term and needs time
 - Low level of control over team



Servant leadership

- Best suited
 - Way of life advocated by most ancient religious texts
 - Mission driven rather than profit driven organizations



Which style do you like leaders to use when they are in charge of you? Why?

What leadership style
best describes you?

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Leadership
Development

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Big 5 (ocean)

OPENNESS – CONSCIENTIOUSNESS – EXTROVERSION –
AGREEABLENESS – NEUROTICISM

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Personality

Traits are the underlying cause for behavior and are relatively stable

- But we exhibit traits through behavior

In real life, it is behavior, and not traits, that matters

- In this session we will look at how to change behavior that reflects our personality

Personality can be defined as our preferred way to responds to a situation

- In its widest sense, it can include the hair style and the dress
- But in a deeper sense, it has five factors which is often referred to Big 5 Personality Factors

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Openness

Since leaders are meant to take people to uncertain attractive future (that is why leaders are required)

- Open minded people have a better chance to create and attempt the uncertain future

Low openness leads to conventional behavior

- Conventional people are rarely leaders because they don't have an attractive alternative future to talk about or attempt

For TFL, higher the openness, the better it is

- TFL should be extremely open to absorb criticism and accept feedback and suggestions
- However, extremely high scores may make the person always flipping ideas and never going into action.



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Developing openness

Opinion Making

Multiple Option Building

Learn Something New

Change your Routine

Learn New Things

Enhance Reading

Travel or Read Travel Blog

Harvest Ideas

Johari Window

Dissimilar Friends



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Conscientiousness

Leaders are also executors

- So, they must have very high Conscientiousness.

It is possible that good ideas may simply perish and the team may face failure only because of lack of Conscientiousness

- Then people will lose confidence in the leader

Higher the conscientiousness, the better it is

- However, extremely high scores may make the person impractical perfectionist



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Developing Conscientiousness

Meditation. The purpose of meditation is to bring focus and overcoming distraction

Mindfulness. Mindfulness means living the moment. It is active open attention to the present. You have to observe your thoughts and feelings from a distance without judging them as good or bad.

Productivity. Ensure better time management

Befriend someone with conscientiousness.



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Extroversion

Leaders need to muster people and show energy and outgoing characteristics

- Only then the leader will have followers
- Leader without followers is no leader

Extreme high scores suggests excess playfulness and some flippancy

Extrovert - gains energy through interactions
Introvert - lose energy through interactions.



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Developing Extroversion

Increasing Circle of Influence.

- The biggest challenge for an introverted person to become a TFL is to increase the circle of influence
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Building Individual Relationship

Socialize



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Agreeableness

This is a double edged weapon

- Being warm and compassionate makes you likeable and followership would be natural as against if you were cold and unkind
- But you may also compromise your goals merely to become warm and for the sake of being compassionate

Merely because you are warm and compassionate you don't become a leader; you become one by achieving goals

High and low scores in agreeableness creates difficulty for the leader to achieve their tasks.



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Developing Agreeableness

Identify and express the specialty in others. Agreeableness increases when you recognize and express something special in others

Be authentic. You should actually appreciate the points of the other person if the conversation has to be effective; else it might be given away at some point of time.

Ego in Check. Most people feel that their point is right and more relevant.



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Emotional Stability

No one likes an angry, moody or frustrated leader.

Yet anger can at times help in achieving goals.

Extreme high scores on emotional stability may make a person over cool and non-responsive.

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Developing Emotional Stability

Self efficacy: A feeling that you can do things well. This helps you to take a leap of faith even if you have never done it before. SE is an internal feeling and the sum and substance of it is self-confidence, self-pride, self-regulation and so on.

Locus of control: Leadership is all about action/initiative

Controlling emotions

- Awareness of own emotions
- Awareness of others emotions
- Empathy
- Positivism
- Ability to adapt
- Conflict handling

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Transformational Leadership

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Idealized Influence or (attribute) **IIA**

Idealized Influence, often referred to as "attribute," describes leaders who serve as role models for their followers, gaining admiration, respect, and trust.

Leaders with idealized influence exhibit high ethical standards, strong convictions, and a sense of purpose.

They inspire their followers through their own actions, demonstrating consistency between their words and deeds.

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Idealized Influence or (attribute)

Key characteristics of Idealized Influence include:

1. **Role Modeling:** Leaders act as exemplary figures whose behavior is emulated by followers.
2. **Ethical Conduct:** They uphold and promote high ethical standards and moral conduct.
3. **Visionary Leadership:** These leaders have a clear vision and mission, which they communicate effectively to inspire and motivate followers.
4. **Trust and Respect:** Their consistent actions build trust and respect among their followers.
5. **Sacrifice and Selflessness:** They often put the needs of the group above their own, showing commitment and dedication.

Idealized Influence (behaviour)

OCEAN → IIA
+
IIB

Idealized Influence (Behavior) complements Idealized Influence (Attribute).

While Idealized Influence (Attribute) focuses on the leader's characteristics and how they are perceived by followers, Idealized Influence (Behavior) emphasizes the leader's actions and how they serve as role models through their behaviors.

Idealized Influence (behaviour)

Key aspects of Idealized Influence (Behavior) include:

1. **Ethical and Moral Conduct:** Leaders consistently act in ways that reflect high ethical and moral standards, setting a positive example for their followers.
2. **Articulation of Vision:** Leaders clearly communicate their vision and the goals they aim to achieve, helping followers understand and buy into the larger purpose.
3. **Demonstration of Commitment:** Leaders show unwavering dedication to the mission and goals, often going above and beyond what is expected to achieve them.
4. **Consistency in Actions:** There is alignment between what leaders say and what they do, which builds credibility and trust among followers.
5. **Exemplary Conduct:** Leaders display behaviors that are worthy of emulation, inspiring followers to adopt similar values and practices.
6. **Risk-Taking for the Greater Good:** Leaders are willing to take calculated risks and make sacrifices to advance the collective interests of their organization or group.

Inspirational motivation

IIA + IIB.
IM.

Mere moral ascendancy does not make a person a TFL

A leader is able to inspire only when

- S/he talks optimistically of the future
- Talks enthusiastically about the needs to be accomplished
- Creates and articulates a compelling vision of the future
- Expresses confidence in achieving goals
- Articulates and creates an imagery of the organizational change
- In sum indicates the uncertain attractive future, the path to it
- the confidence to travel on that path with the followers

Inspirational motivation

This inspiration process is facilitated if the leader can create high *agreeableness* and also is an *extroverted* person who enjoys interacting with people

While introverts can also quietly inspire, they would find the task more challenging because they have to depend only on their actions creating such an influence; whereas an extroverted person can use both his/her actions, interactions and communication to do so.



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Intellectual stimulation

11A 11B
1M 1S

A key difference between TFL and TXL is the challenge the TFL provide to the followers

- Such challenges help followers to self-actualize

This is possible if the leader has an open mind and thinks creatively

Such leaders always re-examine the validity of the critical assumptions and seek differing perspectives when confronted with problems

- They encourage others to look at the problem differently and find new ways to solve them
- This non-traditional approach enhances the confidence, self-esteem and self-efficacy of the followers



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Intellectual stimulation

A leader has to have high *Openness* in the personality factor as well as *self-confidence and locus of control*, to coax the followers to take up challenges, execute them, face the consequences of failure

This underscores the need for *self-efficacy, locus of control, emotional stability and emotional competencies*.



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Individualized consideration

The TFL treats people as individuals with differing needs, capabilities and aspirations rather than as an entity in the group

- There is a clear dyadic relationship here

They will listen to the followers in their individual capacity, promote self-development, teach and coach them to develop their internal strengths, highlight their strengths, and enable them to confront their weaknesses

- There is a high degree of personalization here



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Individualized consideration I1A I1B IM IS IC

Extroverted people can handle this better as they have a natural flow for dealing with people

It is also important to have moderately high *agreeableness* (without getting too close to compromise task accomplishment)

Emotions are a key issue while handling people as individuals. This is where the *EQ and emotional stability (S)* come handy.

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Transactional Leadership

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Contingent rewards

Implies clear goals and rewards for achieving them

- Leader provides assistance to the followers in exchange for their efforts/results

Leaders discuss and decide the responsibility v/s result matrix and then follow it through

- Expresses satisfaction when the work is done and deliver what is promised in exchange for something

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Contingent rewards

Excessive dependence of CR can lead to people not attempting risky and challenging jobs

- Intellectual stimulation can often become the handicap here

Results need not always be the reward; at times even celebrating failure could be a good idea.

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MEA

Management by Exception (active)

The leader gives detailed instructions, uses structure, rules and regulations so that nothing goes wrong

Though proactive, it is easy to see that such a leader will find it difficult to create the intellectual stimulation and follow creative ideas

Since TFL is about attractive and uncertain goals and change, high levels of MEA behavior will tend to act against being a TFL

 IIM 61


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Management by Exception (passive)

The leader tends not to interfere until problems come up and then take action


- This is usually considered reactive

This is more passive/avoidant and hence a lower score is more desirable

 IIM 62

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Sources of Power

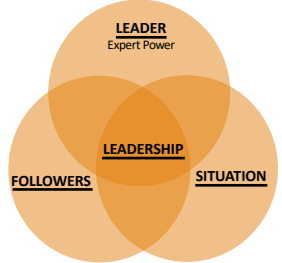
 IIM 63


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Expert

Expert power is the power of knowledge

Possible for follower to have greater knowledge than Leader



 IIM 64

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Referent

Referent power stems from the potential influence due to strength of relationship between leader and followers

A desire to maintain referent power may limit a leader's actions

The diagram consists of three overlapping circles labeled LEADER (top), FOLLOWERS (bottom-left), and SITUATION (bottom-right). The central intersection of all three circles is labeled LEADERSHIP. Within this central intersection, the text 'Referent Power' is written.

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Legitimate

Legitimate power depends on a persons organizational role

Legitimate authority and leadership are not the same thing

The diagram consists of three overlapping circles labeled LEADER (top), FOLLOWERS (bottom-left), and SITUATION (bottom-right). The central intersection of all three circles is labeled LEADERSHIP. Within this central intersection, the text 'Legitimate Power' is written.

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Reward

Reward power involves the potential to influence others due to one's control over desired resources

Followers may work only at optimal level

The diagram consists of three overlapping circles labeled LEADER (top), FOLLOWERS (bottom-left), and SITUATION (bottom-right). The central intersection of all three circles is labeled LEADERSHIP. Within this central intersection, the text 'Reward Power' is written.

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Coercive

Coercive power is the opposite of reward power

It involves the potential to influence others through the administration of negative sanctions

The diagram consists of three overlapping circles labeled LEADER (top), FOLLOWERS (bottom-left), and SITUATION (bottom-right). The central intersection of all three circles is labeled LEADERSHIP. Within this central intersection, the text 'Coercive Power' is written.

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