

MBAD 821 Exam First Opportunity 2020
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1. What are *the differences* between a **transactional and transformational leader?** (6)

Transformational leaders are leaders who engage with followers, focus on higher-order intrinsic needs, and raise consciousness about the significance of specific outcomes and new ways in which those outcomes might be achieved.

Transactional leaders tend to be more passive as transformational leaders demonstrate active behaviours that include providing a **sense of mission**.

Transactional Leadership	Transformational Leadership
Leadership is responsive	Leadership is proactive
Works within the organizational culture.	Works to change the organizational culture by implementing new ideas.
Employees achieve objectives through rewards and punishments set by the leader.	Employees achieve objectives through higher ideals and moral values.
Motivates followers by appealing to their self-interest.	Motivates followers by encouraging them to put group interests first.
Management-by-exception maintain the status quo; stress correct actions to improve performance.	Individualized consideration Each behaviour is directed to each individual to express consideration and support.
Intellectual stimulation or motivation is zero.	Intellectual stimulation Promote creative and innovative ideas to solve problems.

2. **Charismatic leadership** is basically the method of encouraging particular behaviours in others through eloquent communication, persuasion and force of personality. Describe the three step process that they follow to achieve this. In other words, **how do they** encourage particular behaviour? (12)

The Conger and Kanungo model (1987, 1988, 1992)

This model proposed several distinguishing behavioural components in three distinct stages of the leadership process.

1. In stage one (environmental assessment stage), the model distinguishes the charismatic leadership of

managers from other leadership roles by followers' perception of

- the manager's greater desire to change the status quo and
- by a heightened sensitivity to environmental opportunities, constraints, and followers' needs.
- more likely than in other roles to be perceived both as critics of the status quo and
- as reformers or agents of radical reform.

2. In stage two (vision formulation stage), the followers' perception of the manager's

- formulation of a shared, but idealized future vision and
- effective articulation of this vision
- in an inspirational manner distinguishes the manager's charismatic leadership role from other roles.

3. Finally, in stage three (implementation stage), managers who are perceived as charismatic

- are seen to be engaging in exemplary acts
- that subordinates interpret as involving great personal risk and sacrifice

Through these actions, such managers are able to empower subordinates and build trust.

In addition, managers in a charismatic leadership role are also seen to be

- deploying innovative and unconventional means for achieving their visions.

The Behavioural Model for Charismatic Leadership Conger and Kanungo proposed a process whereby followers attribute charismatic qualities to the leader. They have divided it up into three stages for the purposes of study.

In reality these stages are not clear and distinct but change as the organization faces a constantly evolving environment.

Stage one involves evaluating the status quo. It is necessary in this initial stage to sum up the situation before defining the organizational goals. This assessment of the current situation and the evaluation of the needs of the followers leads into the second stage, which involves the formulation of organizational goals. The third stage involves demonstrating how the goals can be achieved, forming a plan of action.

A charismatic leader's ability to see the deficiencies in the present system distinguishes him/her from other types of leaders. The charismatic leader constantly looks for weakness in the status quo, seeking out areas to improve. These weaknesses may be seen as a place from which to begin campaigning against the status quo.

This first stage involves three of the six attributes of charismatic leadership.

"Environmental sensitivity" involves the leader's perceptions of the skills of the subordinates and the needs of the organization. "Sensitivity to member needs" encompasses how the leader relates to the needs of the subordinates. Finally, the leader's goal of fundamental change explains why he "does not maintain the status quo."

In the second stage the charismatic leader is able to instil a sense of vision in the followers, "vision and articulation." The leader is able to convey his vision with such power that those goals are adopted by the followers as their own. This strong sense of vision is part of the power behind the organization as it moves forward against the status quo towards goals seen as desirable.

The final stage reveals a leader who is personally committed to achieving his/her goals, so much so that he/she assumes great risk: "personal risk". The charismatic leader puts himself on the line for the sake of the organization. He/she lives out a demonstration of the vision that has been articulated. This personal risk taking instils confidence in the followers of the leader's sincerity. This trust is crucial to the success of the change process. The final category is "unconventional behaviour" in which the leader acts unexpectedly and creatively to achieve his/her goals. The charismatic leader is distinguishable from other types of leaders by the actions exhibited in the three stages of the leadership process.

Conger and Kanungo also mention characteristics that seem to be agreed upon by those who have studied charismatic leadership including: (1) high self-confidence and self-determination, (2) a high degree of mental involvement in the mission and the leadership role, and (3) a high need for power (1994). They also see the charismatic leader as a champion of radical reform rather than that evolutionary reform.

3. Many perceive Gandhi as one of the best servant leaders ever. Use your interpretation of any of his quotes above and linked it to the *behavioural dimensions of servant leadership according to Van Dierendonck (2011)*. Use the table below to make your point clear. (15)

Servant leadership behaviour according to Van Dierendonck (2011)	Quote of Gandhi	Your interpretation of the quote
Interpersonal acceptance	"Hate the sin, love the sinner."	Judge the action and not the person. Put yourself in their shoes and try to understand why they did what they did. Showing empathy and kindness in a difficult situation does not mean you approve of the deed, but it means you approve of the person.
Providing direction	"If we could change ourselves, the tendencies in the world would also change. As a man changes his own nature, so does the attitude of the world change"	Lead by example and by doing. Others will follow the same direction without you even asking them to do something. Be the change that you want to see, be the

	towards him. We need not wait to see what others do.”	direction you want others to follow.
Empowering and developing people	“If I have the belief that I can do it, I shall surely acquire the capacity to do it even if I may not have it at the beginning.”	People may not always have the skills or determination to accomplish certain goals. Through belief, inspiration and guidance they can accomplish what the thought impossible.
Standing back	“To give pleasure to a single heart by a single act is better than a thousand heads bowing in prayer.”	Stand back and give others recognition and glory for successes. Acknowledge them and praise them even though you have a lot to do with the success. One person who feels appreciated is worth a thousand that are only there because they have to be.
Accountability	“Glory lies in the attempt to reach one’s goal and not in reaching it.”	Each person needs to be accountable for the outcomes assigned to them. As long as you try your best to succeed, no-one can say a bad word about you.
Forgiveness	“The weak can never forgive. Forgiveness is an attribute of the strong.”	It takes a strong leader to forgive people for their mistakes and put his/her trust in them again. Being hurt and disappointed by people and then giving them another chance is not easy.
Courage	“You may never know what results come of your actions, but if you do nothing, there will be no results.”	You need to have the courage to take risks and trying out new approaches to old problems. Doing nothing will yield nothing doing something takes courage and might yield great things.
Authenticity	“Permanent good can never be the outcome of untruth and violence.”	The authentic leader is truthful as far as he/she can be. The authentic leader is also not violent and destructive with what they say, and the

		confidentiality entrusted to them.
Humility	"The best way to find yourself is to lose yourself in the service of others."	Humility binds leaders and followers together. Servant-leaders do not see themselves as <i>better</i> than those who follow them. They do not act as if they were above their followers. The servant-leader plays the role of <i>primus inter pares</i> – first among equals. Great loyalty comes when followers feel the leader "is one of us."
Stewardship	"If we could change ourselves, the tendencies in the world would also change. As a man changes his own nature, so does the attitude of the world change towards him. We need not wait to see what others do."	Lead by example. Take responsibility for your team and lead them by doing with them. The tendencies in the team will change as they see that you are a steward to them

4. Ethical leadership seems to be the solution to the frequent and prominent newspaper headlines on corruption in the private and public sector in South Africa. Provide line managers with advice on the **factors that influence ethical behaviour** (using a graphical representation). In addition, provide **recommendations for improving an organisation's ethical climate**. (15)

The most important influence on ethical behaviour in the workplace is overall company culture, which determines whether employees are valued or belittled and whether stakeholders are treated with trust or suspicion. A company that bases its policies and decisions on deeply rooted ethics will create a culture in which employees are naturally disposed to act ethically, too. The type of integrity that is at the root of an ethical company culture cannot be faked or taught, but it can be contagious and inspiring. If you act with integrity, then ethical behaviour usually will be a natural progression.

Customer Service

The values that shape an ethical company culture influence the relationships that a business maintains with its customers. An ethical company will train employees to treat customers with dignity and respect, and to be fair and honest with them. Employees who see such behaviour as an integral part of customer service will understand the depth of the company's commitment to ethical behaviour. They

will likely model their work accordingly because ethical influence can inspire kindness, honesty and fairness.

Human Resources

Among the factors affecting work ethics, culture plays a vital role. Creating and maintaining an ethical company culture falls on the shoulders of the human resources department, and the various policies they create to encourage a commitment to ethical behaviour.

Employees who are treated with basic decency are more likely to be content with their jobs. When employees feel exploited, they are prone to overt unethical behaviour such as theft, as well as more subtle offenses such as using company resources for personal gain. When employees are fairly compensated for their work, they are likely to give more to the company and less inclined to take advantage of opportunities to cut corners or exploit situations for personal gain.

Accountability is important here. If the company's business model prioritizes profit over the wellbeing of staff and the impact on customers, then it's likely that ethical behaviour will not become ingrained.

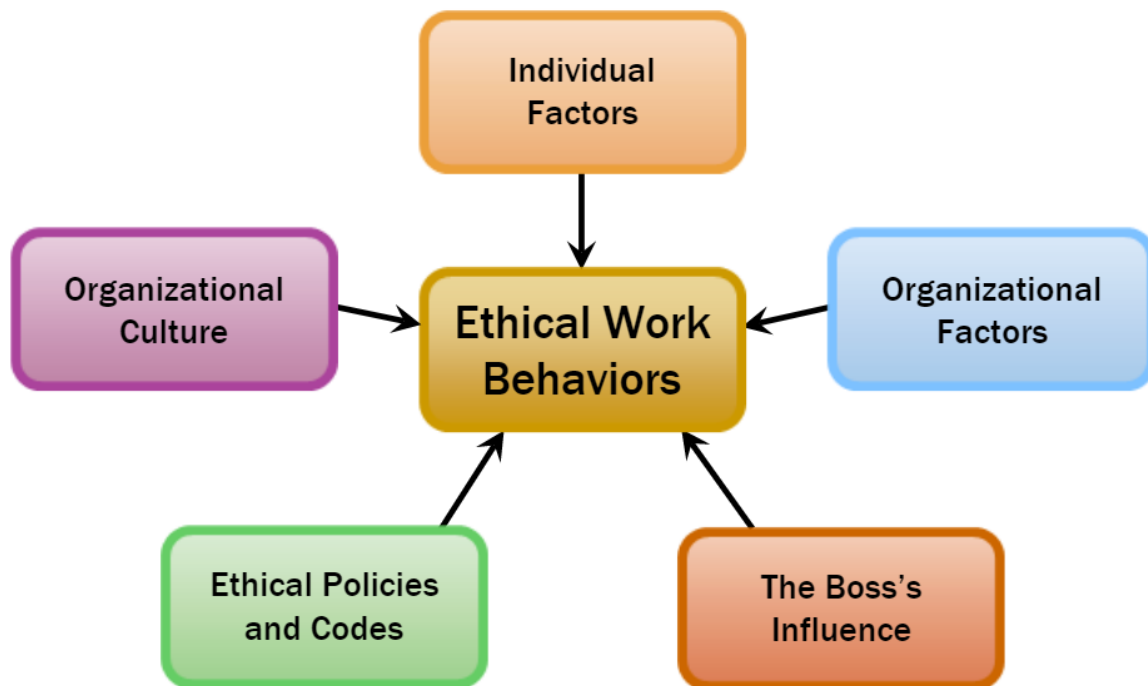
Product Integrity

A company culture that inspires ethical behaviour in its employees will probably provide products and services created with ethical values in mind. For example, a food business that uses optimally fresh ingredients handled in a clean and compliant facility most likely won't have to be dishonest with customers who get sick from eating the company's food. Employees who know they can stand behind the products they sell will probably be inspired to act ethically in other facets of their work life.

Competitive Integrity Ethical Influence

Although a company's competitors are often seen as enemies, a truly ethical company extends its solid values to the way it treats its competitors as well as its stakeholders. Calling a competitor, pretending to be a customer and asking questions that you will use to create competing products is dishonest. Employees who are asked to engage in this type of behaviour get the message that all company values are questionable, and this impression will interfere with your overall efforts to maintain an ethical workplace.

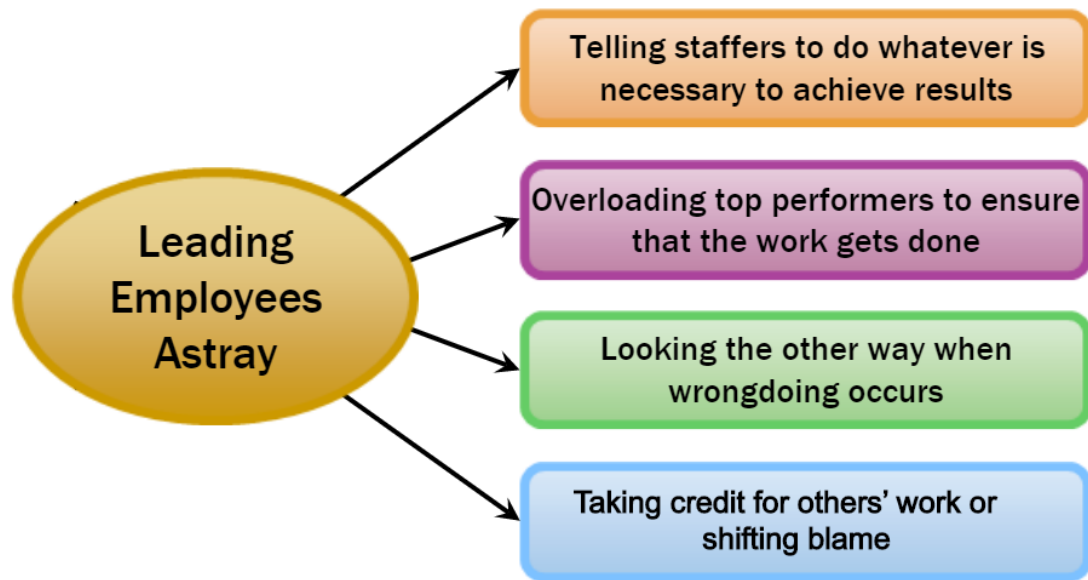
What Determines Ethical Behavior at Work?



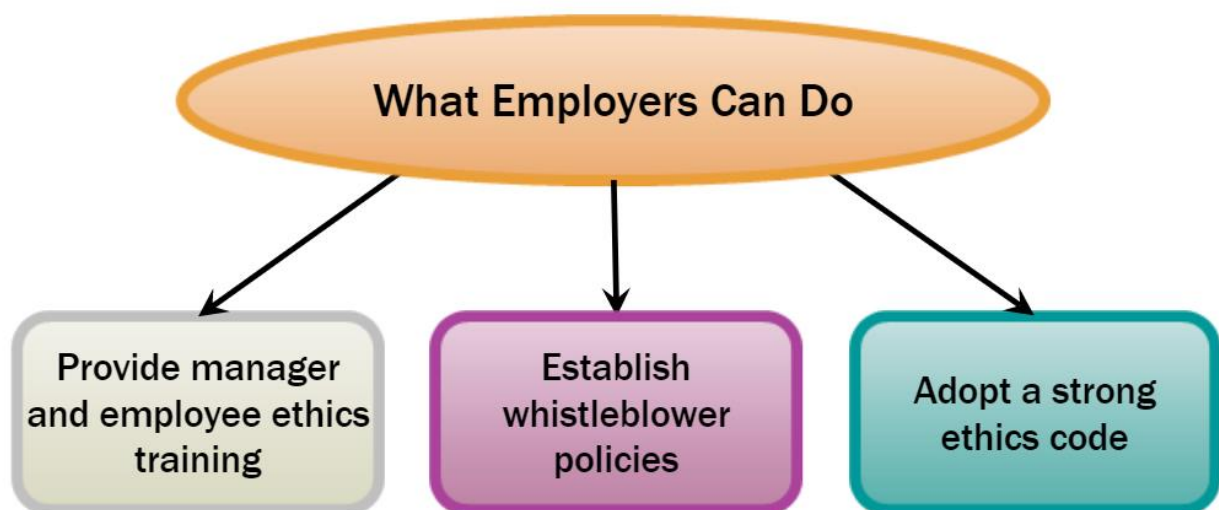
What Is Organizational Culture?

- **Organizational Culture**
 - The characteristic values, traditions, and behaviors a firm's employees share
- **How Managers Can Support an Ethical Culture**
 - Clarifying expectations with respect to critical values
 - "Walking the talk" in having their actions align with values
 - Providing physical support through the use of ethical managerial values

The Boss's Influence on Ethical Behavior



Fostering Ethical Work Behaviors



How Managers Use Personnel Methods To Promote Ethics and Fair Treatment



HRM-Related Ethics Activities

- **Selection**
 - Fostering the perception of fairness in the processes of recruitment and hiring of people:
 - ❖ Formal hiring procedures that test job competencies
 - ❖ Respectful interpersonal treatment of applicants
 - ❖ Feedback provided to applicants
- **Training Employees**
 - How to recognize ethical dilemmas
 - How to use ethical frameworks to resolve problems
 - How to use HR functions in ethical ways

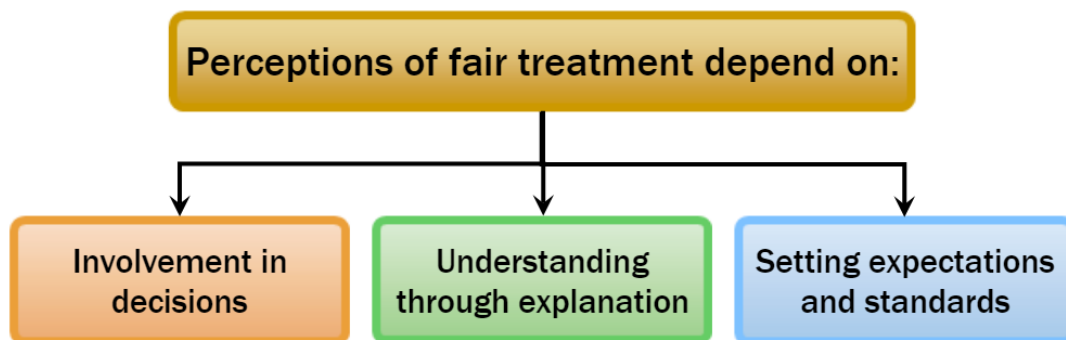
HRM-Related Ethics Activities (cont'd)

- Performance Appraisal
 - Appraisals that make it clear that the company adheres to high ethical standards by measuring and rewarding employees who follow those standards.
 - ❖ Standards are clearly defined.
 - ❖ Employees understand the basis for appraisals.
 - ❖ Appraisals are objective.
- Reward and Disciplinary Systems
 - The organization swiftly and harshly punishes unethical conduct.

HRM-Related Ethics Activities (cont'd)

- HR's Ethics Compliance Activities
 - Complying with the Sarbanes-Oxley Act of 2002
 - ❖ Requires that CEOs and CFOs of publicly traded companies personally attest to accuracy of their companies' financial statements and that their internal controls are adequate.
 - ❖ Increased the need for ethics training and verification of training.
 - Firms are using online ethics training programs to comply with the act's requirements.

Fostering Employees' Perceptions of Fairness



Recommendations for improving an organisation's ethical climate

1. Create a code

Many professions require us to work to a consistent Code of Practice or Ethical Code and it is common for organisations to identify a set of values to guide how employees work together and engage with customers or society. Strong company values can be really inspiring. For example, clothing company H&M believe in boosting 'entrepreneurial spirit,' while Ikea values 'togetherness and enthusiasm.' Instead of concentrating on what is prohibited, think about the kind of behaviours you want to promote instead. But remember; one size doesn't fit all, and your code needs to be unique to you.

2. Engage with your employees and customers

Your colleagues are more likely to be invested in any Code of Practice or Ethics Code if they have been involved in developing it. Why not carry out some engagement sessions with your colleagues when creating or updating your policies so everyone can feel a part of the company's vision and values? This goes for your customers or clients too. Why not ask them how they would like to see you working more ethically? You may find you're already doing so – you're just not promoting it widely enough.

3. Reinforce the benefits of the code

Having a strong Code of Practice or Ethical Code is really important. But it needs to be consistent to work well. They need to be something which is achievable, desirable and which complement the kind of business you do. But there's no point encouraging

your workforce to reach tough targets if it involves compromising their integrity in any way.

4. Be a good role model

A survey carried out by the Chartered Management Institute showed that two-thirds of UK managers want to be seen as ethical but over 80 percent of workers don't think their manager sets a good moral example. Sound ethical behaviour starts at the top with the leaders in your business – whether they are directors, governors, associates or the Chief Executive. You need to lead by example. It can't be one rule for those in senior positions and another for the rest of your workforce.

5. Train your employees

There's no point having an ethical code of conduct for your workforce if they don't know what it is or why it's important. You need to emphasise what's at risk and what the potential consequences of breaching it could be. It also needs to be really clear how your colleagues can adhere to the code. It's wise to include training on your company's values and ethics in any induction workshops or by holding regular training sessions. These need to include examples and advice about how to uphold the integrity of the firm in certain situations.

6. Promote your ethical behaviour

Having a reputation as an ethical employer or supplier can be a great marketing tool when it comes to being an employer of choice or when trying to attract customers who want to deal with companies who have values they admire. You shouldn't be shy about promoting how your company behaves in an ethical way. You may for example, help ensure any waste from your business is recycled appropriately. You might source your resources or ingredients from sustainable sources. Or you might have robust HR policies which protect your employees. Use your website, marketing materials, social media and PR to tell people how you're making a difference.

7. Reward ethical behaviour

Your employees are more likely to act with integrity and value honesty in others if their actions are held in high esteem. A good way of promoting the value of following your company's Code of Practice or Ethics Code is to reward those who do it well. You could have a monthly governance award, you could send 'star cards' to individuals or simply raise the best example of how someone has behaved with integrity at your team meetings.

8. Learn from your mistakes

Unfortunately, the value of ethics is often not realised or understood until something goes wrong, often resulting in reputational damage which can take years to repair and overcome. If something does go wrong, then the only saving grace is that it is an opportunity to change the way you work to prevent it happening again. This is a good time to amend your Code of Practice or Ethics Policy and ensure everyone is on board with any new ways of working.

9. Report unethical behaviour

An honest culture in any organisation will be difficult to manage if your employees don't have an easy and private way to report any unethical behaviour. While it may feel uncomfortable to think that your employees may become whistle-blowers on their peers, the consequences of unethical behaviour could be more damaging. There should be an easy way for people to report their concerns, in confidence, without the fear of retaliation. You should also ensure there are people within your workforce who are trained to investigate any complaints.

10. Move with the times

Our customers, clients and society as a whole will often guide how we run our businesses. They tell us what they want; whether it's more ethically sourced produce, fairer wages for suppliers across the globe or more environmentally friendly policies. There will also be shifting themes which organisations concentrate on when it comes to improving their ethical standards - from environmentalism, working with sustainable resources, corporate social responsibility to battling cybercrimes and protecting privacy in the digital world we live in now. Your ethics policies or Code of Conduct needs to reflect the ever-changing world we live in. It should feel inspiring, rather than a hindrance, because ultimately, it's about making your workplace and brand better.

5. Self-leadership is described as the process of influencing oneself to perform more effectively. This line of research has attracted a significant amount of attention over the past decades (Neck and Houghton, 2006). Discuss the various strategies that can be used for self-leadership. (12)

One of the biggest failures of entrepreneurs in business is a lack of self-leadership. You can't lead a business to success, if you can't lead yourself. The definition of self-leadership is the capacity to set direction and make decisions, to positively drive your own performance. Leadership in business starts with making good personal choices.

Think about the questions that you are asking your advisors. One expects questions about how a business works, or what are best practices, but there aren't any strategies that help with removing doubts on your abilities or providing a sure-fire idea and formula for success in business. In my view, business leaders are not "idea people," but people who drive a given idea to business results.

Salicru details several self-leadership development strategies, which I will summarize here, that I recommend for practice by every aspiring entrepreneur. These strategies provide more valuable initial advice towards business success than I can offer as a technical business advisor:

1. **Build and maintain high self-worth and self-confidence.** A healthy and high self-esteem is an essential prerequisite to leading yourself to success, as well as your business. Low self-worth, on the other hand, leads to continual

doubts and questions, inability to make commitments or deliver results. Focus on you before your business.

2. **Recognize your weaknesses but lead with your strengths.** The first challenge is to find your strengths. Everyone has some degree of strengths blindness, and will likely benefit from one of many tools, such as the Clifton StrengthsFinder. If necessary, use a strengths coach, and always start a business which highlights your signature strengths.
3. **Practice your strengths often for inspiration and confidence.** Using your signature strengths early in your business will cause a flow of inspiration, energy, and creativity, building momentum in your confidence and leadership. This momentum is what you need for enjoyment and satisfaction, as well as for others to see you as a business leader.
4. **Build your character and reputation with personal values.** Both self-leadership and business leadership require a solid platform for decisions, based on moral and personal values. Your character, as a business leader, will determine your perceived reputation by peers in business, team members, and customers. Values are your most valuable assets.
5. **Demonstrate leadership by acting ethically and with integrity.** People judge you by what you do in your business, more than by what you say. Ethical behavior refers to actions consistent with personal principles and commonly held values in your business community. These will define your right and wrong in business leadership and success.
6. **Build positive psychological capital to sustain your business.** In any business, you need hope, confidence, resilience, and optimism to weather the daily challenges of customers, market changes, and competitors. Without a store of this psychological capital, your performance and leadership will wane, and your satisfaction will dwindle.

There has been found that no amount of personal or investor money will create or substitute for self-leadership and business leadership. We have all seen examples of new ventures that fail, despite large infusions of venture capital, and high-potential new technologies. Good entrepreneurs can make a success from almost any business idea, through a following of partners and customers.

Today is the age of the entrepreneur, with the cost of entry at an all-time low, and the global market at an all-time high. Yet every business still requires leadership, since competition and the pace of change dictate innovative actions on a regular basis to get results. Now is the time to capitalize on your strengths and maximize your leadership abilities.

6. Recent we notice a growing body of research that are interested in the dark side of leadership. This is actually a reflection of a broader critical thinking movement in organisational sciences (Griffin and O'Leary-Kelly, 2004), where scholars have studied injustice, political behaviour, aggression and unethical behaviour. This area of leadership includes topics such as destructive leadership (Schaubroeck et al., 2007). Studies on destructive leaders have typically examined the characteristics of such leaders and personal as well as situational characteristics that promote the emergence of destructive leaders. Discuss the **6 attributes of destructive leaders** as well as the **personal and situational characteristics** that **facilitate the occurrence of such leadership behaviour**. (20)

What is Destructive or Toxic Leadership?

Toxic Leadership has been defined in the research paper Toxic Leadership a Contextual Framework as:

"A process in which leaders, by dint of their destructive behaviour and/or dysfunctional personal characteristics inflict serious and enduring harm on their followers, their organizations, and non-followers, alike."

According to Padilla, Hogan and Kaiser, there are six characteristics of the toxic leader.

These characteristics are tolerated in environments that are conducive to these behaviours. These environments recruit susceptible followers who either collude (pro-active) or conform (reactive) to this environment, this is otherwise known as the "Toxic Triangle".

These organisations tend to have a high employee turnover. They'll dismiss this saying 'those people couldn't handle our high performing culture.'

It's lies they tell themselves and often it is their best people who are leaving the business.

You can spot these companies by researching them on review sites and finding out what people are saying about the organisation. If the majority of reviews are negative, you might want to think twice about joining them.

Toxic leaders must not be confused with leaders who make mistakes. We all make mistakes and get things wrong from time to time. The difference is whether we treat it as a learning opportunity or keep doing the same thing over and over again.

Toxic Leadership Examples

In some ways toxic leadership is the polar opposite of the principles you would find in the trust equation. Toxic Leaders are self-serving. They do not care about the organisation or the people within it. They treat them as a vehicle to help them get where they want.

The Toxic leader is motivated by personal ambition and usually lacks self-awareness. They use positional power and their authority to deceive, intimidate, and coerce people to work for them.

They run “informal power networks” as a means of finding out what is going on in the organisation so that they can take advantage of it. Often this is disguised as “mentoring” people outside of their teams.

They can be quite successful in the short-term but over the long-term, they fail their organisations because they don’t develop strong leaders and high performing teams.

Great leaders by contrast, develop more leaders, so when they move on – there is always someone to step up and replace them.

The Six Characteristics of Destructive or Toxic Leadership:

Autocratic

The leader makes the most out of their position and authority to make things happen. They impose their will without stopping to consider the ideas and opinions that come from their team. They are focussed on maintaining tight control and are intolerant of mistakes falsely assuming that the same mistake would not happen to them.

This, coupled with a lack of trust in their subordinates, means that they don’t delegate. Communication tends to be directive and top-down rather than ‘two-way’.

You can spot people who have a tendency towards these characteristics through their language. They might say things like:

- ‘We don’t have time to discuss this...’
- ‘This is the situation, and this is what you are going to do’
- ‘I’ve got so much on my plate...’

They complain about not having enough time because they are poor at delegation. The only jobs they delegate are the ones they don’t want to do.

They view delegation as a way of ‘making life easier for me’ rather than developing their team members.

The only time where this style might be effective is in an emergency situation. I define an emergency as ‘when lives are at stake’ not when you’re ‘too busy’ to ask for people’s opinions.

In reality, there are few situations that require this sort of leadership. Perhaps if you are first on the scene of a car crash and need to grip the situation and coordinate the response. In reality, these situations are rare.

Narcissistic

Narcissistic leaders have an exaggerated sense of their own importance. They believe that they are special in some way. They have an excessive need for admiration from other people and lack empathy when dealing with others.

These leaders are arrogant and self-serving. They are more interested in personal success and gain than in the long-term growth of the organisation and the development of its people. They lack emotional intelligence and are disinterested in what their subordinates need. They will seek opportunities to build 'empires', taking on more responsibility if they feel it can make them look good.

They might say things like...

- 'I did/achieved this...' They rarely point to the work of the team that contributed to the success.
- 'Your personal problems should be left at home, you're here to work.'

Like all toxic leaders, these traits can deliver success in the short-term.

It can be useful to be able to make vast numbers of people redundant without pausing to think about the effect it might have. It means you can act decisively and dispassionately. In the long-term though, these people do not succeed because they care about themselves more than their people.

Manipulative

The manipulative leader is similar to the narcissist as their focus is still on themselves. These individuals will abuse their position, relationships and organisational systems for their own gain.

They're harder to spot than the narcissistic leaders as they are often sneaky and hide their activities.

They know deep down that what they are doing is wrong, but they will justify their behaviour saying things like 'it's not personal, it's business!'

Intimidating

The intimidating leader will bully their subordinates and those around them to achieve their aim. They are manipulative and have a tendency towards 'ruling with an iron fist'.

Their team hate them and will actively avoid talking to them unless they are forced to spend time with them. Their subordinates will not offer ideas or challenge them for fear of disapproval or ridicule.

This is the most common leadership style on the Apprentice.

They will say things like, 'I am not here to be popular' which is strange because how many great leaders have you worked for that you've hated?

Overly Competitive

The overly competitive leader has a 'win at all costs' attitude often leaving a trail of damaged and broken individuals who have failed to keep up with their pace. They have a win at all costs attitude that means that they are quick to make decisions and rarely have time for subordinate input.

They think that they have high standards and are inspiring.

In reality, they create more losers than winners and will often resort to unethical behaviour to win.

Discriminatory

The last toxic characteristic is that of the discriminatory leader. They do not value diversity and surround themselves with people of a similar ilk. These leaders do not want to be challenged by people with different points of view so they surround themselves with 'yes' men who will tell them what they want to hear.

Damian Hughes describes these people well. In his work with professional sports teams, he's found managers who surround themselves with 'truth tellers' or 'time tellers'.

When 13-0 down in the 60th minute of a rugby match, a coach might turn to his coaching team and say, 'what do you guys think?'

The time tellers will say purse their lips and say, 'there is 20 minutes to go'.

The truth tellers will tell them what they think they should do – even if it is the message they don't want to hear. For example, 'take your son off, he's having a bad game...'

There is a significant difference. One of these people has courage and provides value – the other doesn't.

These six characteristics rarely live in isolation. Toxic leaders tend to lean towards being a combination of a few of these behaviours. There might be one primary one with a couple of secondary characteristics.

Either way, these people are loathed.

They are focussed on the short-term game and what they can get out of a situation as opposed to the long-term game and what is best for the organisation and the team.

I have no doubt that you will have met some of these people before. This is because you can learn as much from bad leaders as you can from good ones. People remember not what you say, but how you made them feel and bad leaders give lessons that people rarely forget.

There are two other elements that need to be in place for toxic leaders to thrive. They need a conducive environment and susceptible followers.

If you find yourself in an organisation that permits toxic leadership, start planning your exit strategy.

The reason for this is that you are the average of the five people you spend the most time with – and you cannot afford to spend time with these people. At some point you will be forced down one of two paths.

You will have to **conform** with this behaviour and accept it or you will have to **collude** with it and adopt these behaviours to get promoted.

Toxic leaders breed toxic cultures.

Toxic cultures develop more toxic leaders – and you don't want to be one of them.

7. The term substitutes of leadership refers to a wide variety of individual, task, and organizational characteristics identified as factors that influence the relationship between a leader's behaviour and a subordinate's job satisfaction (Kerr & Jermier, 1978). List the variables in the individual dimension that could serve as substitutes of leadership and advise line managers on how unambiguous, routine, and methodologically invariant tasks could replace the physical presence of leaders. **(10)**

The variables in the individual dimension are as follows:

- individual ability
- experience
- training, and knowledge
- indifference toward organisational rewards
- professional orientation
- need for independence

Substitutes for and Neutralizers of Leader Behaviour			
		Leader Behaviour Influenced	
Supportive or Neutralizer		Substitute Leadership	Instrumental Leadership
A. Subordinate Characteristics:			
	1. Experience, ability, training		Substitute
	2. "Professional" orientation	Substitute	Substitute
	3. Indifference toward rewards offered by organization	Neutralizer	Neutralizer
B. Task Characteristics:			
	1. Structured, routine, unambiguous task		Substitute
	2. Feedback provided by task		Substitute
	3. Intrinsically satisfying task	Substitute	

C. Organization Characteristics:		
1. Cohesive work group	Substitute	Substitute
2. Low position power (leader lacks control over organizational rewards)	Neutralizer	Neutralizer
3. Formalization (explicit plans, goals, areas of responsibility)		Substitute
4. Inflexibility (rigid, unyielding rules and procedures)		Neutralizer
5. Leader located apart from subordinates with only limited communication possible	Neutralizer	Neutralizer

The path-goal theory of leadership argues that the role of a leader is to identify for subordinates those behaviours which are most likely to result in the attainment of desirable goals (e.g., high levels of performance and increased satisfaction). Having defined appropriate behaviours, the leader then engages in actions (behaviours) which will reduce or eliminate barriers to goal achievement. The relationship between leader behaviour and subordinate motivation (path-goal instrumentality) can be moderated or influenced by the characteristics of subordinates and the structure of the environment. In a path-goal sense, the successful leader is the one who matches his or her behaviour to the requirements of the situation and to the characteristics of his or her subordinates.

In general, the concept of substitutes for leadership represents an extension of the path-goal theory of leadership. The concept sought to identify specific factors or forces, which when present at high levels, act to interrupt the link between the behaviours of a leader and subordinate expectancies regarding desired outcomes. The central thesis of the substitutes for leadership construct is a belief that behaviours associated with traditional hierarchical leadership may not be important determinants of subordinate performance, commitment, and satisfaction in all cases.

Essentially, Kerr and Jermier argued that there are a series of characteristics which have the potential to either neutralize or substitute for the effects of leader behaviour. The characteristics are three types: individual, task, and organizational characteristics. Individual characteristics suggested as potential substitutes included ability, experience, training and knowledge, need for independence, professionalism, and indifference towards rewards. Task characteristics identified as potential substitutes included unambiguous and routine tasks, methodologically invariant tasks, task provided feedback, and intrinsically satisfying tasks. Organizational characteristics proposed as potential substitutes included the level of formality, inflexibility, highly active advisory and staff functions, closely knit and cohesive work groups, lack of leader control over rewards, and spatial distance between leader and subordinates.

The key difference between traditional theories of leadership such as path-goal theory and the concept of substitutes for leadership is the idea that in certain situations, leader behaviours may be unnecessary. Although the concept of substitutes for leadership could be enormously appealing from a management perspective, the research evidence indicates mixed support for the substitutes construct. The initial work of Kerr and Jermier reported that intrinsically satisfying work and task provided feedback were substitutes for supportive leader behaviour when predicting organizational commitment. The authors also found that routine tasks, organizational formality, intrinsic satisfaction, and task feedback significantly reduced subordinate perceptions of role ambiguity. However, these potential substitutes did not significantly reduce the effectiveness of leader task and consideration behaviours that were intended to clarify subordinate roles. In addition, Howell and Dorfman reported that only the level of organizational formality could be considered a "strong" substitute for instrumental leader behaviour when predicting subordinate job satisfaction and commitment.

The conceptualization, the operationalization, and the testing of the substitutes construct have been debated from the beginning. Dionne, Yammarino, Howell, and Villa provide a comprehensive review of the issues. Podsakoff, MacKenzie, and Bommer conducted a meta-analysis of the relationships between substitutes for leadership and employee attitudes (job satisfaction), role perceptions, and performance. Their findings showed that the combination of substitutes and leader behaviours account for the majority on the variance in employee attitudes. Despite the debate, the concept continues to attract scholarly interest. For example, Keller examined transformational leadership, initiating structure, and selected substitutes for leadership as predictors of performance. He found that subordinate ability and intrinsically satisfying task predicted speed to market in research and development projects.

8. Central to Afrocentric management is the concept of Ubuntu - the community concept of management. Ubuntu is not a management style or a business technique, but an epistemology, a humanistic philosophy - an African humanism, which focuses on people and provides some guidelines for leadership style and management practices. Ubuntu, literally translated, means: "*I am because we are*". It is an expression of our collective personhood and collective morality. Using the critical perspective on leadership and discuss how the Ubuntu values of "*love, dignity and unconditional respect*", "*Trust*", "*Community*" and "*Diversity*" resultant leadership style according to Blunt and Jones (1997) can be used and absorbed in organisational systems, structures and processes and how that will impact on the organisation. **(10)**

The evolution and progression of indigenous management theories and practices in Africa has been seriously affected and hindered by colonialism. The imposing of colonial administration was introduced by the western countries, and their management theories and practices are considered as the engine and the universal

remedy for the continent's socio-politico-economic development. The Western education, scholarship and prose generally diminished and denounced the astonishing management competency and practices of early African civilizations; this is evidenced, for example, in the building of the great Egyptian pyramids. It is assumed that these so called "foreign management systems" generally failed to achieve the desired results as they discountenanced African cultural inertia and social milieu. The paper addresses the development and effective if Ubuntu leadership style in Strategy management and implementation. Ubuntu leadership is an African management philosophy, which is rooted in the African cultures, value system and beliefs, to provide the practical way for the efficient and effective running of organizations in Africa, with the aim of having a global competitiveness. The Ubuntu leadership style or the "new management techniques" known by different scholars, puts much of its emphasis on humanness, communalism and African patriotism, and it provides the veritable starting point for the development of indigenous African management philosophy.

A number of African researchers today have embarked on the advocacy for the indigenous African management philosophy that would serve the need of the African continent. In South Africa today, there is an emergency of a philosophical thought system derived from African culture, beliefs, and values and behaviours known as Ubuntu, (Ubuntu is a Bantu word meaning, broadly, sharing and community). Mangaliso defines Ubuntu as "humaneness – a pervasive spirit of caring and community, harmony and hospitality, respect and responsiveness – that individuals and groups display for one another. Ubuntu is the foundation for the basic values that manifest themselves in the ways African people think and behave towards each other and everyone else they encounter" According to Poovan, du Toit and Engelbrecht Ubuntu philosophy permits administrators, leaders and managers to tap into the familiar African values to build and reinforce their work environment effectively by:

Teaming up and organizing resources for survival – this maintains productivity and effectiveness which deeply depends on shared values and individual contribution: it encourages focus on communal (and differences) with reliance to minimize threat to survival through conflict;

creating of unified situations – the spirit of solidarity, that is, mutual regard among members and individual adhesion to the group; create situations defined by 'group' behaviours – sit together, focus, on each other, co-ordinate behaviour;

it enhances social oneness and participation – sets up informal opportunities based on traditional 'pal abre' – central village location for gatherings, activities, mediation, decisions, events and rituals.

Thus, Ubuntu is considered to be an important value of African culture that can form the foundation of African management (Ubuntu leadership) philosophy that is in tune

with the peoples of Africa. Though the proponents of Ubuntu leadership have argued that the concept was created as a system of management practice, for competitive advantage and to command a universal appeal beyond the shores of the continent Mangaliso suggests that: "Incorporating Ubuntu principles in management hold the promise of superior approaches to managing organizations. Organizations infused with humanness, a pervasive spirit of caring and community, harmony and hospitality, respect and responsiveness will enjoy more sustainable competitive advantage".

Therefore, Ubuntu leadership system emphasizes on teamwork, attention to relationships, mutual respect and empathy between leader and followers, and participative decision-making. These are very fundamental principles of management, which hold promise for improving organization activities and functioning in South Africa and Africa at large.

The distinctive feature about Ubuntu governance is an indigenous democracy with very deep African cultures that had emerged from African traditional institutions and practices. The hallmark of African traditional governance is the focus on collective stewardship (collectivism), freedom of expression, grass-roots participation, consultation, discussion and consensus to accommodate minority needs and views (holism). The emphasis was not just on majority views but also on compromise and accommodation. The focus was on the need to reach an acceptable consensus through discussions to accommodate minority groups and views in order to avoid majority group dictatorship. This was essential because the traditional African political institution was characterized by the cultural diversity of tribes and clans, which did not disappear as a result of majority rule.

This autocratic leadership style expects subordinates to be submissive and obedient. Because leadership in modern Africa is authoritarian and politicized, such autocratic leadership styles, by expecting subordinates to be submissive and obedient, may stifle innovativeness and impede community motivation and Ubuntu.

For every industry, leadership basically deals with the human relations where problem solving, communication and decision making are promoted and cultivated. Leithwood and Mcleah indicate that highly effective leaders know many forms of decision-making are skilled in their use and are situationally sensitive in their selection of a particular approach to decision-making. They are thus very analytical and rational in the way they perceive and perform their functions. Basson and Smith allude to the fact that effective leaders can be selected or trained. It is also useful to think of leadership as a generic term which refers to the process characterized by the interrelationships among people as they work together in the formation and achievement of shared goals. Hallinger claim that leadership in an industrial worldview influences people by developing a clear mission that provides an instructional focus for people throughout the community. Leadership does not reside exclusively with the chief or president; in fact, Weber identifies the need to develop 'shared leadership' in the community. One of the current shifts in thinking regarding leadership is a shift from an instructional to a transformational leadership. Brandt

declared that because of change and democracy 'instructional leadership is out; ... transformational leadership is in'. Such leadership is 'leadership for change'.

Another important aspect in leadership is the shared vision. There is the discipline for translating individual vision into shared vision. People should feel free to express their dreams, but also learn how to listen to each other's dream. The fundamental role of leadership in Ubuntu setup is to create connotative meaning through significant but important rituals and ceremonies. Mbigi highlights that in traditional African communities the ultimate test of leadership maturity in terms of training and development is determined by the ease with which a new leader carries out rituals and ceremonies. It is through well-designed rituals and ceremonies that leaders can effectively manage collective meaning and collective trust. It is not just an intellectual journey. It is a symbolic and emotional as well as a spiritual journey. Therefore, effective leadership in Ubuntu requires people to have convivial experiences by digging deep into their emotional and spiritual resources. This may be equivalent to the mission and vision in an industry and an industrial worldview.

The sense of Ubuntu leadership system is to enhance governance, collective solidarity, respect, human dignity and the right to freedom of expression, as well as collective trust and compassion. Ubuntu is central to indigenous governance systems and can be central to modern governance.

Afrocentricity encompasses African history, traditions, culture, mythology, and the value systems of communities, according to Khoza, the Chairperson of Eskom, the supplier of electricity in South Africa. Khoza believes that corporations in Africa will be successful if they adopt the Ubuntu management and leadership styles, which are people centred. It is perhaps telling that Eskom registered an after-tax profit of R5.2 billion over a period of 15 months up to the end of March 2005 after the corporation had adopted the Ubuntu management philosophy.

Emerging African management philosophies see an organisation as a community and can be summed up in one word – Ubuntu. An African Ubuntu management system recognises the significance of group solidarity that is prevalent in African cultures, acknowledging that an African leadership style involves group and community supportiveness, sharing and cooperation. Ubuntu-based leadership dictates sharing burdens during hard times, because by doing so, suffering is also shared and diminished. What is distinctive about the Ubuntu philosophy is the premise of a short memory of hate. Africans teach children to communicate effectively, reconcile, and find ways to cleanse and let go of hatred and give the children skills to do so. The Ubuntu approach to life enables people to express continued compassion and Perseverance within communities and institutions.