



North-West University Business School

MBAD 821:LEADERSHIP

Study school 1.1

Contact 1:Theme 1

*The historical development of leadership theory,
Leadership behaviour, competencies and skills
and Emotional Intelligence (EQ)*

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Module information

Module code	MBAD 821
Module credits	16
Module name	Leadership
NQF	9
Qualification	MBA
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Consulting hours	Make an appointment (e-mail)

Module outcomes

- **After completion of the Leadership module, the student will:**

- Provide and **integrate specialist knowledge** to enable **engagement** with, **critique current** leadership research or practices, and **practically apply** a *comprehensive and systematic knowledge base* of **key terms, principles and theories** on leadership;
- Use a wide range of **specialised skills** in identifying, conceptualising, designing and the *use of methods, techniques and technologies of enquiry*, **to address, complex and challenging real world issues** appropriate to leadership and **write up a research report** ;
- Design and implement a **strategy for processing and managing information**, in order to conduct a comprehensive **review of leading and current research**, use the resources of academic and professional or occupational discourses to **communicate and defend substantial ideas** that are the products of research or development, and use a **range of advanced and specialised skills** and **discourses appropriate** to the field of leadership, to **communicate effectively** in a multi-cultural environment and with people at different levels of knowledge or expertise; and
- Have the capacity to **operate independently and take full responsibility** for his or her own work, **account for leading** in applying introspection and reflexivity and initiate processes and implement systems, **ensuring responsible leadership** through effective, efficient and ethical governance practices.

Topics

- The historical development of leadership theory
 - Research lenses (self-study)
- Leadership behaviour
 - Meta category of leadership behaviour
- Leadership competencies
- Leadership skills
- Emotional intelligence (EQ)

Study outcomes

- **After studying this study unit, you should be able to:**

- Provide a brief description of the **historical development** of leadership theory
- Identify the common **traits** possessed by successful leaders
- Discuss the two **different assumptions** about **human nature** according to McGregor
- Explain **various initial leadership theories**
- Explain the **similarities** between the different **behavioural theories** of leadership
- Provide a hierarchical **taxonomy of leader's behaviour**
- Discuss **change behaviour as a meta category** of leadership behaviour
- Distinguish between and describe leadership **competencies** and leadership **behaviour**
- Define **emotional intelligence** (EQ)
- Explain the **importance** of EQ
- Explain the **link between EQ** and employee and organisational **outcomes**
- Use the constructs discussed in the study material and **propose a model** to be **tested in a research project**.

Study material

- Czabanowska, K., Smith, T., Könings, K. D., Sumska, L., Otok, R., Bjegovic-Mikanovic, V., & Brand, H. (2013). In search for a public health leadership competency framework to support leadership curriculum—a consensus study. *The European Journal of Public Health*, ckt158.
- Shrestha, A.K., & Baniya, R. (2016). Emotional Intelligence and Employee Outcomes: Moderating Role of organisational Politics. *Business Perspectives and Research*, 4(1), 15-26.
- Yukl, G., Gordon, A., & Taber, T. (2002). A Hierarchical Taxonomy of leadership behaviour: Integrating a Half Century of Behaviour Research. *Journal of leadership and organisational Studies*, 9(1), 15-32.
- Chapter 12, Leadership

Models and Theories

- **Leadership Traits**

- The strong man approach

- **Leadership Styles and Behaviours**

- T. McGregor (1906-1964) theory X and Y
- Ohio State University Research
- University of Michigan Research
- The Leadership Grid (Blake and Mouton)

- **Contingency Approaches**

- The continuum of Leadership Behaviour
- Fielder's Contingency Model
- Path-Goal Theory
- Action Centred Leadership

Leadership Traits

- Leadership theories that attempt to identify the **common traits** possessed by **successful leaders**. These traits included:
 - Adaptable to situations
 - Alert to social environment
 - Ambitious and achievement oriented
 - Assertive
 - Cooperative
 - Decisive
 - Dependable
 - Dominant (desire to influence others)
 - Energetic (high activity level)
 - Persistent
 - Self-confident
 - Tolerant of stress
 - Willing to assume responsibility

Leadership Traits

→ The personal qualities and traits of Indra Nooyi make her a great leader. Nooyi is CEO and board chairman of PepsiCo, the second largest food and beverage firm in the world. She is described as fun-loving, sociable, agreeable, conscientious, emotionally stable, and open to experiences. Nooyi's personality traits have contributed to her job performance and career success. She joined PepsiCo in 1994 as head of corporate strategy and was promoted to president and chief financial officer before moving into the firm's top management position. Nooyi has been named one of the most powerful women in business and one of the most powerful women in the world.



Source: PRNewsFoto/PepsiCo, Ray Hand.

T. McGregor (1906-1964) theory X and Y

Theory X

- The average human being has an
 - inherent **dislike of work** and
 - **will avoid it** if he or she can.
- Because of this human characteristic, most people must be
 - **coerced,**
 - **controlled,**
 - **directed, and**
 - **threatened** with punishment to get them
 - to put forth adequate effort toward
 - the achievement of organisational objectives.
- The average human **being**
 - **prefers to be directed,**
 - **wishes to avoid responsibility,**
 - has relatively **little ambition,** and
 - **wants security** above all.

Theory Y

- The expenditure of **physical and mental effort** in work is as **natural as play** or rest.
- External control and threat of punishment are **not the only means** for bringing about effort toward organisational objectives. People will **exercise self-direction and self-control** in the service of objectives to which they are committed.
- Commitment to **objectives is a function of the rewards** associated with their achievement.
- The average human being learns, under proper conditions, **not only to accept responsibility but to seek it.**
- The **capacity** to exercise a relatively high degree of imagination, ingenuity, and creativity in the solution of organisational problems is **widely,** not narrowly, **distributed in the population.**
- Under the conditions of modern industrial life, the **intellectual potentialities of the average human being are only partially utilised.**

Ohio State University Research

- A series of studies at the University indicated that
 - two behavioural dimensions play
 - a significant role in successful leadership.
- Those dimensions are:
 - **Consideration**
 - friendship,
 - mutual trust,
 - respect and
 - warmth
 - **Initiating Structure**
 - organises and defines relationships or roles,
 - establishes well-defined patterns of organisation,
 - channels of communication, and
 - ways of getting jobs done.

University of Michigan Research

- Studies carried at the university revealed two similar aspects of leadership style that correlate with effectiveness:
 - **Employee Orientation** –
 - the human-relations aspect,
 - in which employees are viewed as human beings
 - with individual, personal needs
 - **Production Orientation** –
 - Stress on production and the technical aspects of the job,
 - with employees viewed as the means of getting the work done.

Gary M. Yukl

- He felt that there was a void in existing descriptions of leader behaviour.
 - They did not provide specific guidelines for behaviour in varying situations.
- He and his colleagues isolated eleven leadership behaviours which fall into four broad categories:
 - **Building Relationships**
 - Networking
 - Supporting
 - Managing conflict
 - **Influencing People**
 - Motivating
 - Recognising and rewarding
 - **Making Decisions**
 - Planning and organising
 - Problem solving
 - Consulting and delegating
 - **Giving / Seeking Information**
 - Monitoring operations and environment
 - Informing
 - Clarifying roles

Employee / relationship / consideration orientation

Morgan Smith is an employee-oriented leader. As owner and managing partner of Boneheads Restaurant in Lake Forest, California, Smith (left) takes a personal interest in the needs of his employees. Described as generous, kind, and cheerful, he shows respect for his employees and invests a great deal of time in helping them at work and assisting them in their personal lives such as donating food for their weddings. Smith's goal for his employees is for them to reach their full potential. During bi-weekly one-on-one meetings with employees, Smith serves as their leader, trainer, role model, and advisor. He also provides quarterly training for employees and includes them in reviewing the restaurant's profit and loss statement.



Source: 044/ZUMA Press/Newscom.

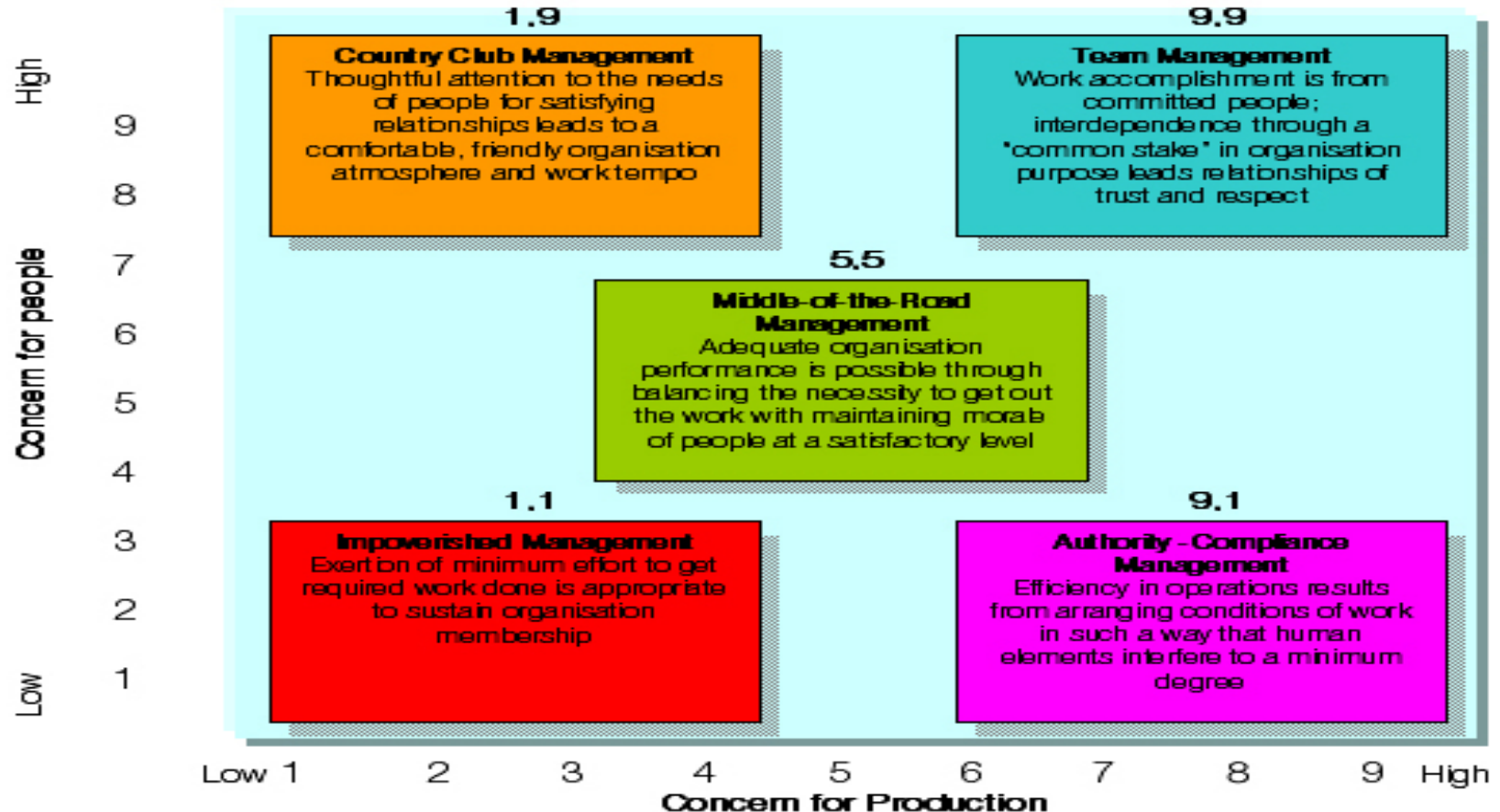
The Leadership Grid

Robert Blake and Jane Mouton

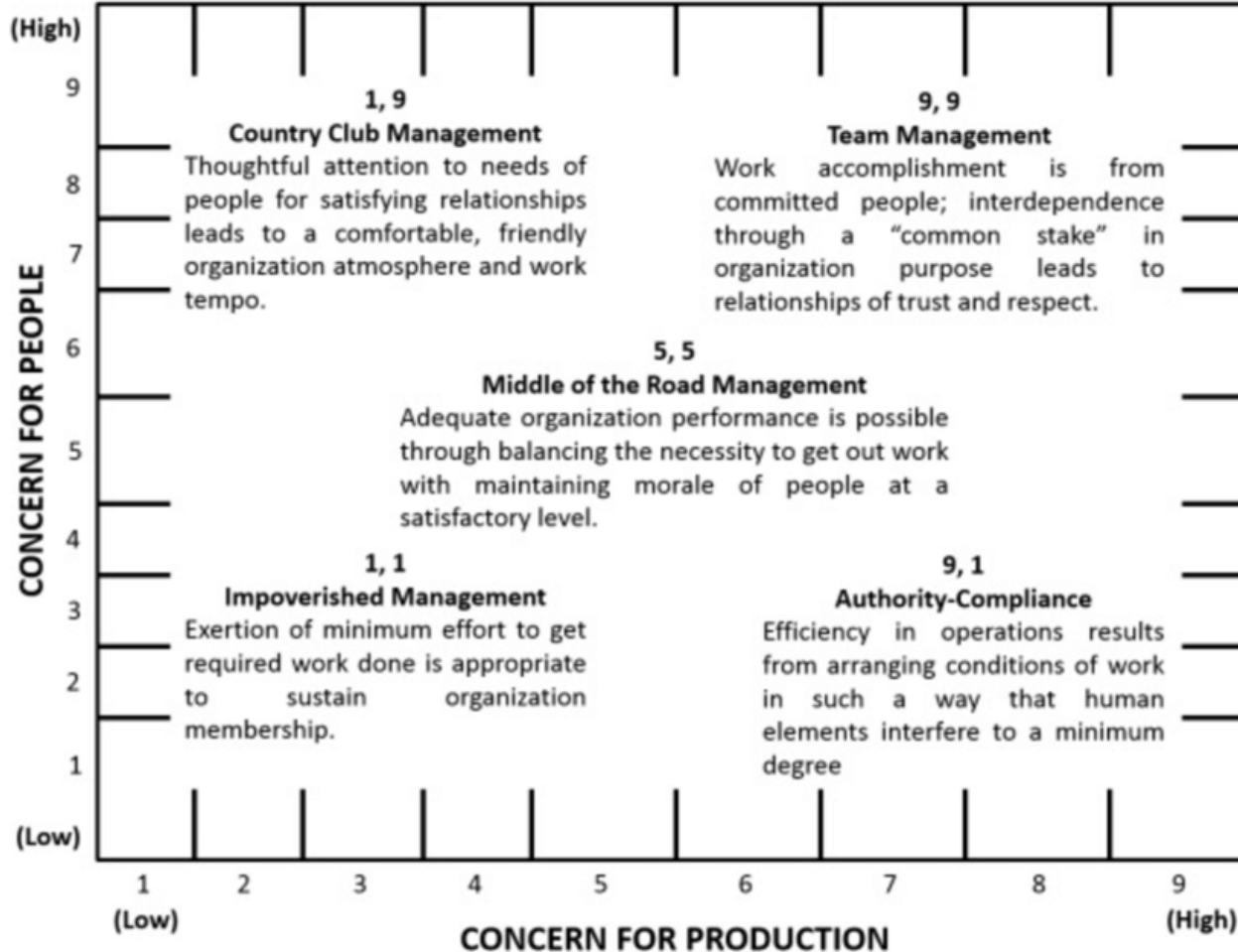
- They developed another theory called the Leadership Grid,
 - focusing on **production/relationship orientations**
 - uncovered in the **Ohio State and Michigan University studies**.
- They went a little further by creating a grid based on
 - Leaders' concern for **people** (relationships) and
 - **production** (tasks).
- It theory suggest **there is a best way** to lead people the 9,9 way.

The Leadership Grid

The Leadership Grid



The Leadership Grid



The Leadership Grid

1,1 Impoverished management.

- Often referred to as Laissez-faire leadership.
- Leaders in this position have little concern for people or productivity, avoid taking sides, and stay out of conflicts.
- They do just enough to get by.

1,9 Country Club management.

- Managers in this position have great concern for people and little concern for production.
- They try to avoid conflicts and concentrate on being well liked.
- To them the task is less important than good interpersonal relations.
- Their goal is to keep people happy.
- This is a soft Theory X approach and not a sound human relations approach.

9,1 Authority-Compliance.

- Managers in this position have great concern for production and little concern for people.
- They desire tight control in order to get tasks done efficiently.
- They consider creativity and human relations to be unnecessary.

5,5 Organisation Man Management.

- Often termed middle-of-the-road leadership.
- Leaders in this position have medium concern for people and production.
- They attempt to balance their concern for both people and production, but they are not committed.

9+9 Paternalistic “father knows best” management.

- A style in which reward is promised for compliance and punishment threatened for non-compliance
- **Opportunistic “what’s in it for me” management.**
- In which the style utilised depends on which style the leader feels will return him or her the greatest self-benefit.

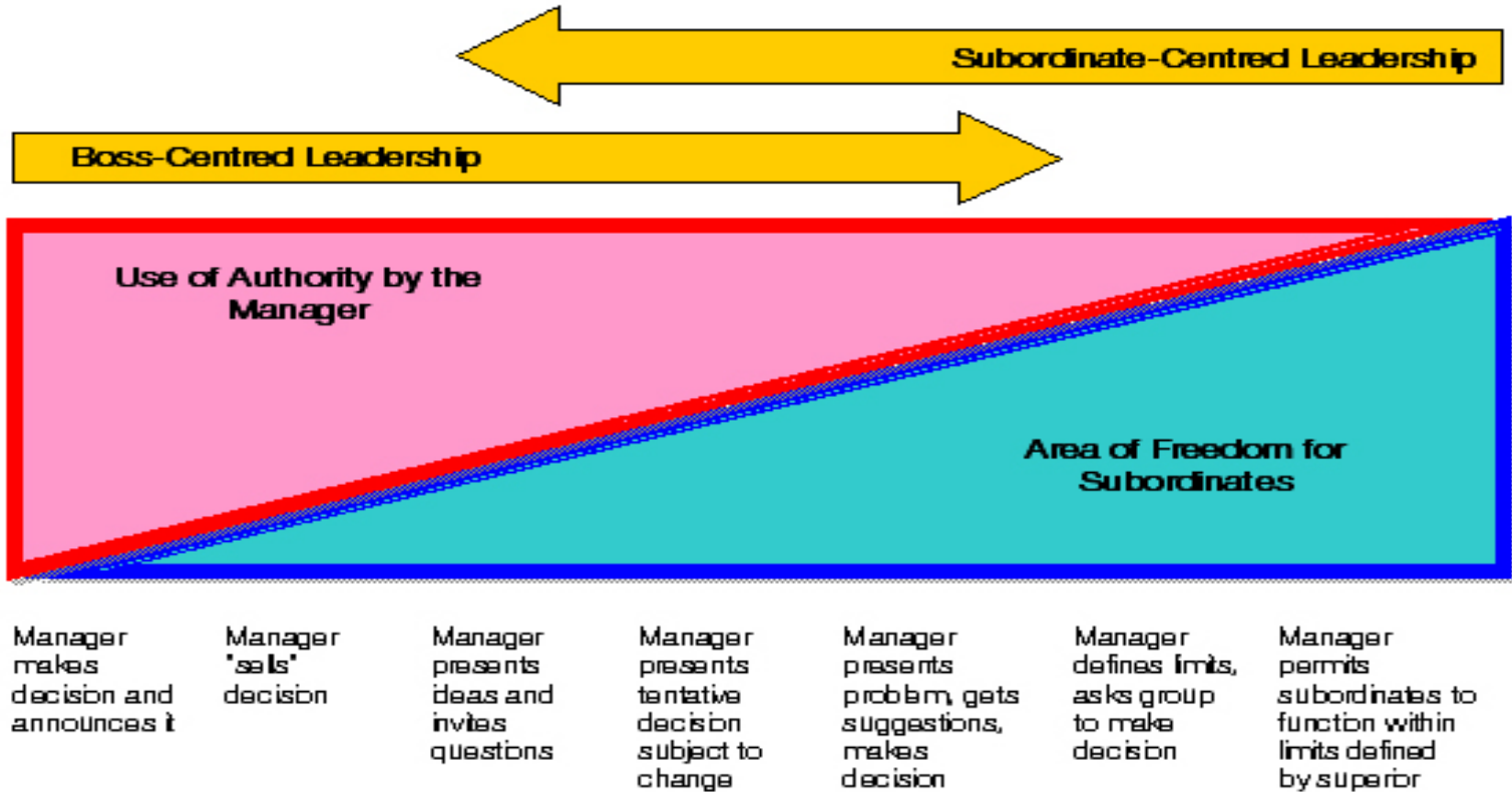
9,9 Team Management.

- This style of leadership is considered to be ideal.
- Such managers have great concern for both people and production.
- They work to motivate employees to reach their highest levels of accomplishment.
- They are flexible and responsive to change, and they understand the need to change.

Contingency Approaches

- Contingency theories propose that for any given situation there is a best way to manage.
- Contingency theories go beyond situational approaches,
 - which observe that all factors must be considered when leadership decisions are to be made.
- Contingency theories attempt
 - to isolate the key factors that must be considered and
 - to indicate how to manage when those key factors are present.

The continuum of Leadership Behaviour



The continuum of Leadership Behaviour

- Leadership in terms of choices managers may make
 - regarding subordinates' participation in decision making
- The actions shown at the left side are relatively authoritarian;
- Those at the right side are relatively participative.
- The manager's choices depend on three factors:
 1. **Forces in the manager:**
 - The manager's value system, confidence in subordinates, leadership inclinations, and feelings of security in an uncertain situation.
 2. **Forces in the subordinate:**
 - Expectations, need for independence, readiness to assume decision-making responsibility, tolerance for ambiguity in task definition, interest in the problem, ability to understand and identify with the goals of the organisation, and knowledge and experience to deal with the problem.
 3. **Forces in the situation:**
 - Type of organisation, effectiveness of the group, the problem itself (the task), and time pressure.

Fielder's Contingency Model

- In this model **leadership is effective**
 - when the leader's style is **appropriate to the situation**,
 - as determined by **three principal factors**:

1. Leader-member relations:

- The nature of the **interpersonal relationship** between leader and follower,
 - expressed in terms of **good through poor**, with qualifying modifiers attached as necessary.
- It is obvious that the **leader's personality** and the **personalities of subordinates**
 - play important roles in this variable.

2. Task structure:

- The nature of the **subordinate's task**, described as **structured or unstructured**,
 - associated with the **amount of creative freedom** allowed the subordinate to accomplish the task, and
 - how the **task is defined**.

3. Position power:

- The degree to which the **position itself enables** the leader
 - to get the group **members to comply with** and **accept** his or her **direction and leadership**

Least Preferred Co-worker (LPC) Scale

Instructions: Think of a person with whom you work or have worked least well. You may have liked or disliked the person; what is important for the purpose of the questionnaire is that *the two of you did not work well together*. (That is why it is called the “Least Preferred Co-worker” (LPC) questionnaire.) Describe the person, using the following scale (e.g., if you think of this person as “pleasant,” check number 8 on the first item). Go through the material carefully; the scales reverse throughout the questionnaire.

Pleasant	1	2	3	4	5	6	7	8	Unpleasant	
Friendly	1	2	3	4	5	6	7	8	Unfriendly	
Rejecting	1	2	3	4	5	6	7	8	Accepting	
Tense	1	2	3	4	5	6	7	8	Relaxed	
Distant	1	2	3	4	5	6	7	8	Close	
Cold	1	2	3	4	5	6	7	8	Warm	
Supportive	1	2	3	4	5	6	7	8	Hostile	
Boring	1	2	3	4	5	6	7	8	Interesting	
Quarrelsome	1	2	3	4	5	6	7	8	Harmonious	
Gloomy	1	2	3	4	5	6	7	8	Cheerful	
Open	1	2	3	4	5	6	7	8	Guarded	
Backbiting	1	2	3	4	5	6	7	8	Loyal	
Untrustworthy	1	2	3	4	5	6	7	8	Trustworthy	
Considerate	1	2	3	4	5	6	7	8	Inconsiderate	
Nasty	1	2	3	4	5	6	7	8	Nice	
Agreeable	1	2	3	4	5	6	7	8	Disagreeable	
Insincere	1	2	3	4	5	6	7	8	Sincere	
Kind	1	2	3	4	5	6	7	8	Unkind	
									Total Score	

Scoring: When you have finished, sum your answers for your total score (which will be between 18 and 144). If your total score was between 18 and 57, you have a central tendency to be task focused. If your score was between 64 and 144, you have a central tendency to be relationship focused. If you scored between 58 and 63, pick the endpoint to which you were closer.

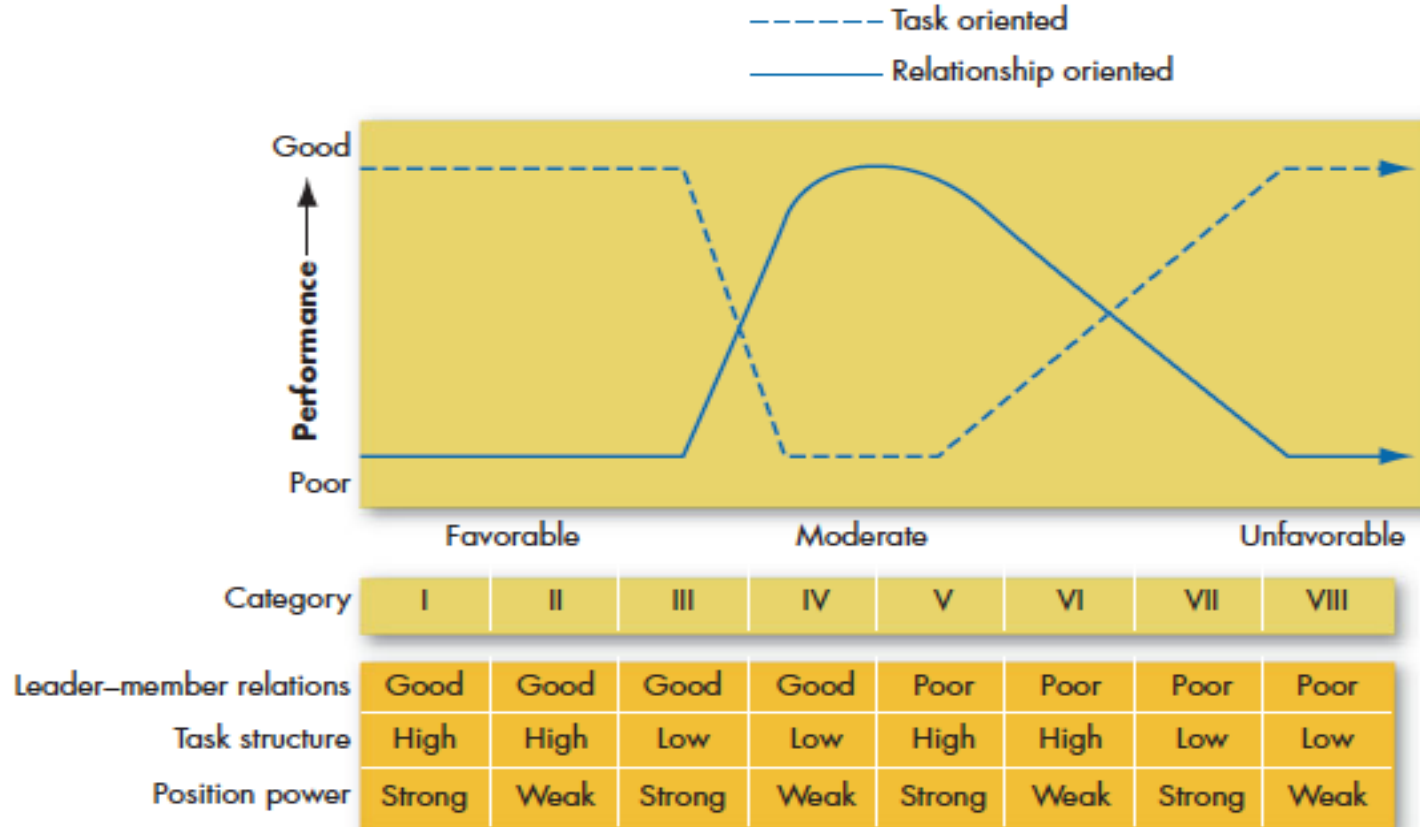


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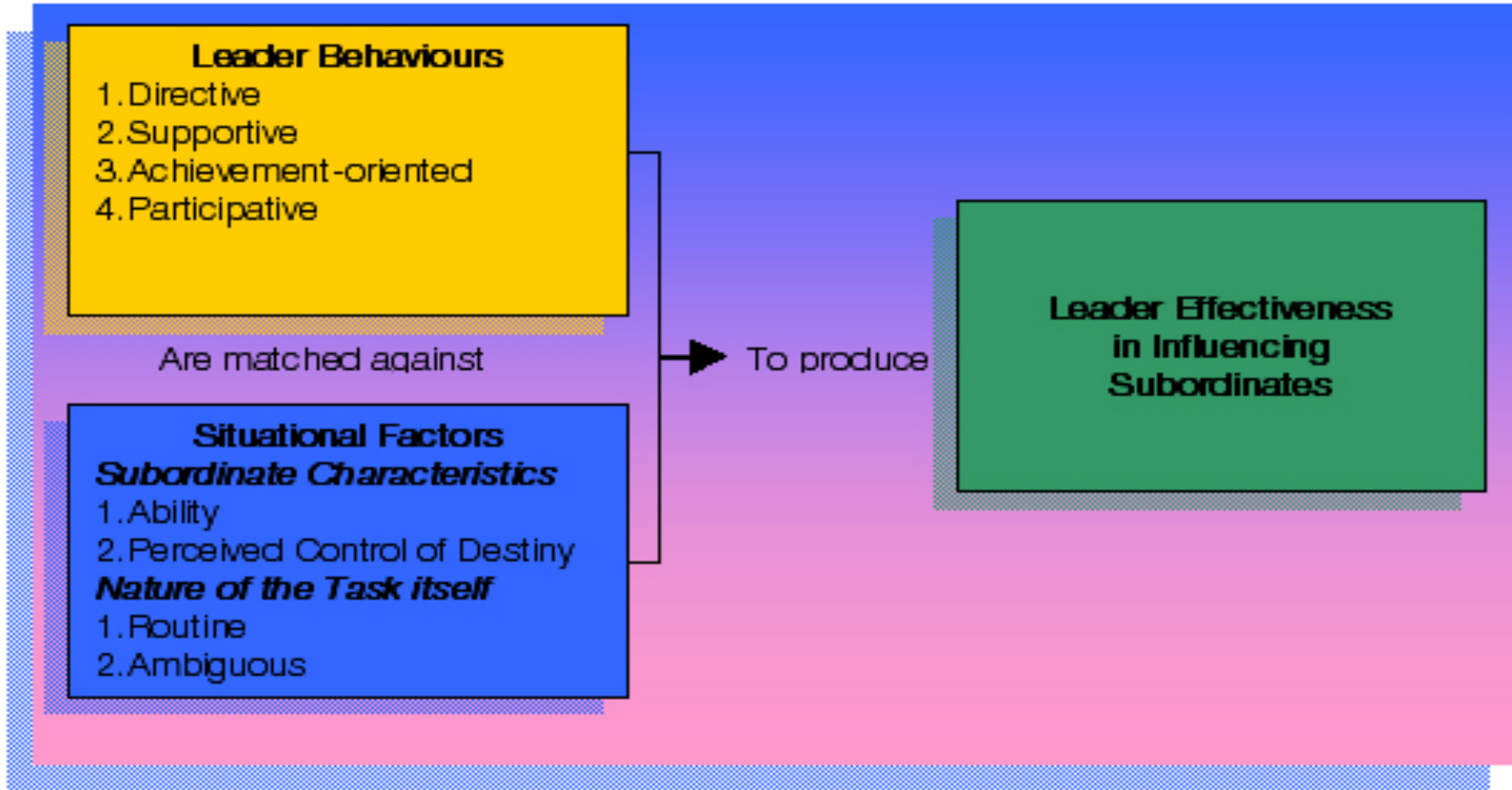
Fielder's Contingency Model



Path-Goal Theory

- A leadership theory that focuses on
 - the need for leaders to make rewards contingent on the accomplishment of objectives and
 - to aid group members in attaining rewards
 - by clarifying the paths to goals and
 - removing obstacles to performance.
- According to the goal-path theory there are 4 primary styles of leadership:
 1. **Directive Leadership:**
 - The leader explains the performance goal and provides specific rules and regulations to guide subordinates toward achieving it.
 2. **Supportive Leadership:**
 - The leader displays personal concern for subordinates.
 - This includes being friendly to subordinates and sensitive to their needs.
 3. **Achievement-oriented Leadership:**
 - The leader emphasises the achievement of difficult tasks and the importance of excellent performance and
 - simultaneously displays confidence that subordinates will perform well.
 4. **Participative Leadership:**
 - The leader consults with subordinates about work, task goals, and paths to resolve goals.
 - This leadership style involves sharing information as well as consulting with subordinates before making decisions.

Path-Goal Theory



Action Centred Leadership

- A model proposed by John Adair (1973) argued that
 - it is **not who you are but what you do** which establishes you as a leader.
- A leader **needs to balance**
 - the needs of the **task, the team and the individual**,
 - shown clearly in the **diagram** below in his **3-circle model**.
- The effective leader **carries out the functions** and
 - **demonstrates the behaviours appropriate** to the circles,
 - **varying the level** according to the needs of the situation.
- The leader **whilst balancing the three circles**,
 - sits in his/her **helicopter** above the process,
 - ensuring the **best possible overview of what is happening**

Action Centred Leadership

- **Leaders Behaviour under Task**

- Providing clear objectives
- Providing appropriate procedures
- Ensuring there is evidence of progress
- Ensuring avoidance of digression
- Ensuring deadlines are met

- **Leaders Behaviour under Team**

- Commitment
- Trust & Openness
- Sense of purpose
- Stability
- Cohesion
- Success
- Fun

- **Leaders Behaviour under Individual**

- To be included
- To make a contribution
- To be respected
- To receive Feedback
- To feel safe
- To grow

Action Centred Leadership

