



Principles of Management  
-Leadership-

Srinath Dissanayake.

## Introduction ■

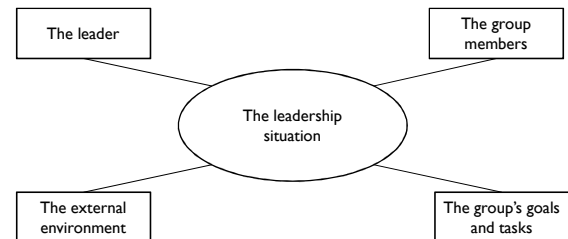
- ▶ People in organization rarely, if ever, work entirely alone.
- ▶ Formal and informal groups exists in organizations.
- ▶ Groups exerts a very strong influence on behavior.
- ▶ How to get the best out of people? **LEADERSHIP.**

## Leadership

- ▶ Definition: leadership is the process by which **individuals are influenced** so that they will be prepared to participate in the achievement of organizational or group goals. It is the role of the leader to obtain the commitment of individuals to achieving these goals.
- ▶ Leadership and management are not synonymous.
- ▶ Key phrase- **“individuals are influenced”**

## Leadership contd..

*The key variables of leadership*



## Leadership contd..

- ▶ Management encompasses leadership.
- ▶ Good management is possibly impossible without appropriate leadership.
- ▶ Not all managers are leaders.
- ▶ A manager (a chief executive, director of finance, etc) has an **authority** to direct the work and behavior of others by job description.
- ▶ A leader, has the **influence** within the group to direct the work and behavior of others.

## Kinds of leadership

- ▶ **Formal leaders:** appointed to positions within the hierarchy in organizational structure.
- ▶ **Informal leaders:** leader may exercise appreciable influence within a work group. Although not necessarily in a post with any formal authority, and thus unable to issue formal instructions and directions.
- ▶ A work group should accept a single leader, (i.e. the formal one) or at least accept his/her influence rather than that of any informal one when two clash.

## Leadership (Based on source of power)

- ▶ **Organizational leadership:** ( i.e. the formal leaders)  
Power comes from the formal power of authority of the post.
- ▶ **Personal leadership:** power derives from the personal qualities of the person.

## Leadership skills and tasks

- ▶ Task- is to influence (or motivate) group members to commit themselves the goals of the group and work to achieve them.
- ▶ Skills – influencing skills, persuasion, teaching.

## Leadership styles

Lewin's  
lowa  
study:

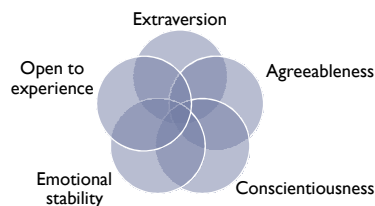
- Authoritarian (or autocratic) leadership ■
- Democratic (or participative) leadership
- Laissez-faire leadership

## Theories of leadership

- ▶ The Trait theories of leadership
  - ▶ The Big Five Model ➤
- ▶ The Behavioral theories of leadership ➤
  - ▶ Ohio State Study
  - ▶ University Michigan Study
  - ▶ Blake And Mouton Managerial Grid
- ▶ The contingency or situational leadership theory ➤
  - ▶ Fiedler's contingency approach
  - ▶ Hersey and Blanchard situational theory
  - ▶ Tannenbaum & Schmidt's Continuum of leadership styles
  - ▶ Path goal theory ➤

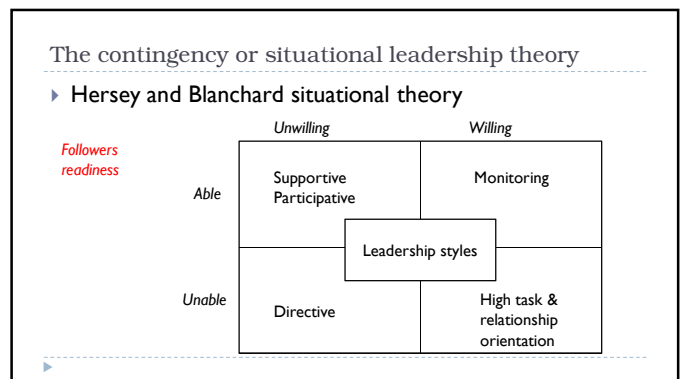
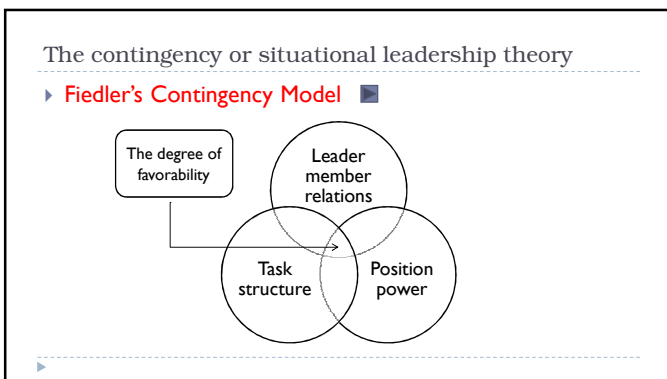
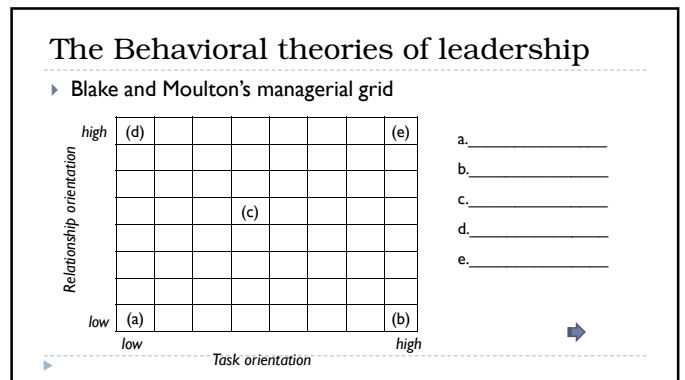
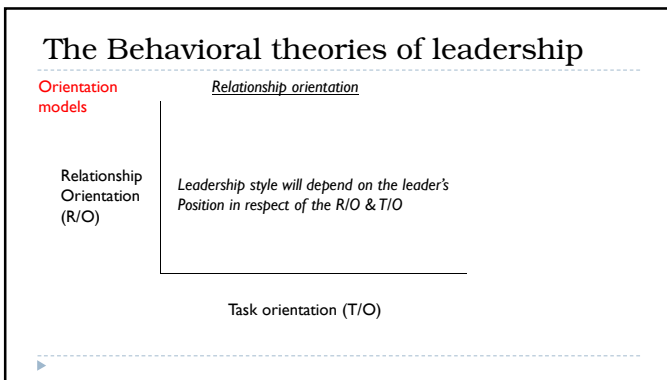
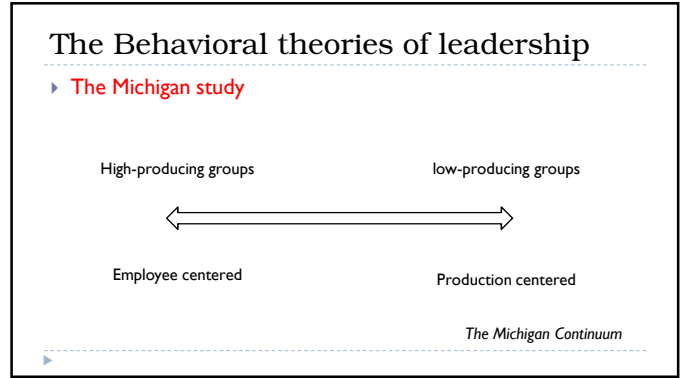
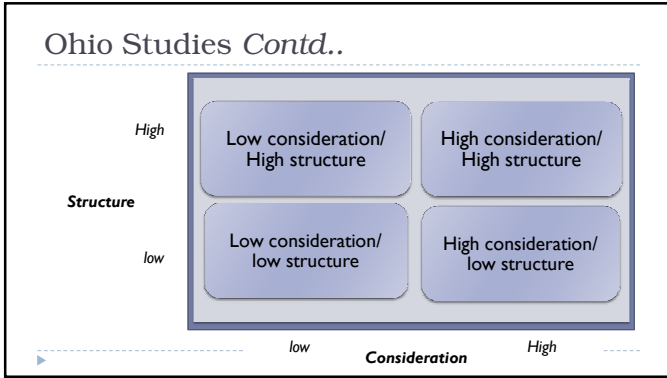
## Trait theories of leadership

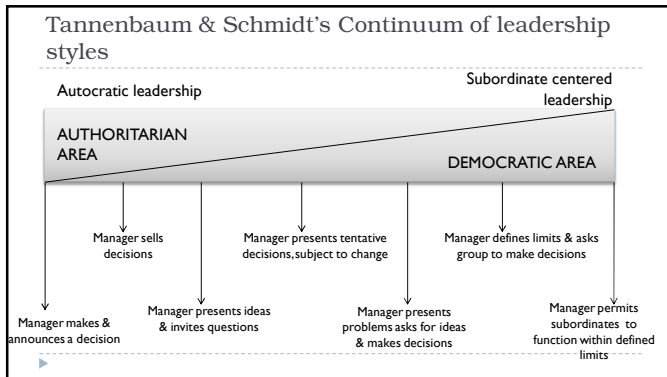
*The Big five Model*



## The Behavioral theories of leadership

- ▶ The Ohio Studies
  - ▶ Used 150-item leadership behavior description questionnaire
  - ▶ Dominant types of leadership behaviors
    - ▶ Relationship oriented (i.e. employee needs were taken into consideration)(**Consideration**)
    - ▶ Task oriented (i.e. task requirements were given priority) (**Initiating structure**)

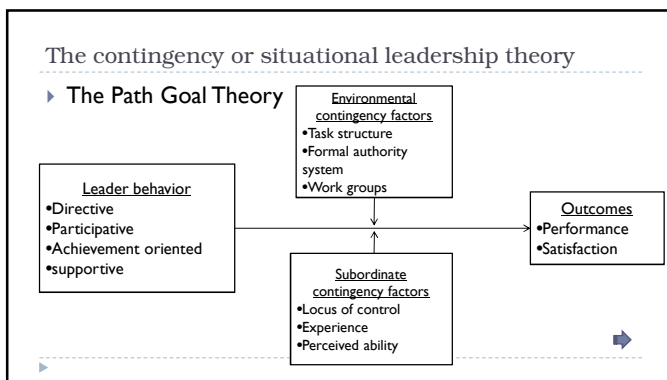




### The contingency or situational leadership theory

#### ▶ House's Path Goal Theory

- ▶ The theory defines that it is the leader's job to assist followers in attaining their jobs and to provide them the necessary direction and/or support to ensure that their goals are compatible with the overall objectives of the group or organization.



### Contemporary views on leadership

#### ▶ Transformational and Transactional leadership

- ▶ Transactional leadership
- ▶ Leaders lead primarily by social exchanges (or transactions)
- ▶ Transactional leaders motivate followers to work toward established goals by exchanging rewards for their productivity.

### Contemporary views on leadership *contd.*

- ▶ Characteristics of transactional leaders
- ▶ *Contingent rewards*: Contracts exchange of rewards for effort, promises rewards for good performances, recognize accomplishments.
- ▶ *Management by exception (active)*: Watches and searches for deviations from rules and standards, takes corrective action.
- ▶ *Management by exception (passive)*: Intervenes only if standards are not met.

### Contemporary views on leadership *contd.*

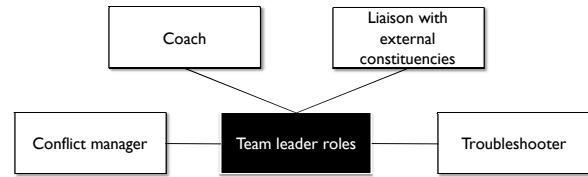
- ▶ Transformational leadership
- ▶ Leaders who provide individualized consideration and intellectual stimulation and who possess charisma.
- ▶ Characteristics of Transformational leaders
- ▶ *Idealized influence*: Provides vision and sense of mission, and instills pride.
- ▶ *Inspiration*: Communicates high expectations, expresses important purposes in simple ways.
- ▶ *Intellectual stimulation*: promotes intelligence and careful problem solving.
- ▶ *Individualized consideration*: Gives personal attention and treats employees individually.

### Contemporary views on leadership *contd.*

- ▶ Charismatic leadership
  - ▶ Charismatic leaders is an enthusiastic, self confident leader whose personality and actions influence people to behave in certain ways.
  - ▶ Characteristics of charismatic leader
  - ▶ They have a vision
  - ▶ They are able to articulate the vision
  - ▶ They are able to take risks to achieve that vision
  - ▶ Exhibit behaviors that are out of the ordinary

### Contemporary views on leadership *contd.*

#### ▶ Team leadership



### References

- ▶ Robbins, S. P. and Coulter, *Management*. 9<sup>th</sup> ed. Prentice Hall.