Social Psychological Functions of Management

Leadership styles

Thursday, 31 October 2019

Dr. V. Zarembo

Management English Version

POWER

Power

Definition, Features

- Potential by the possessor
- Interconnection between the powerful and powered
- The powered have some freedom in actions

Power

Kinds

Power

French and raven

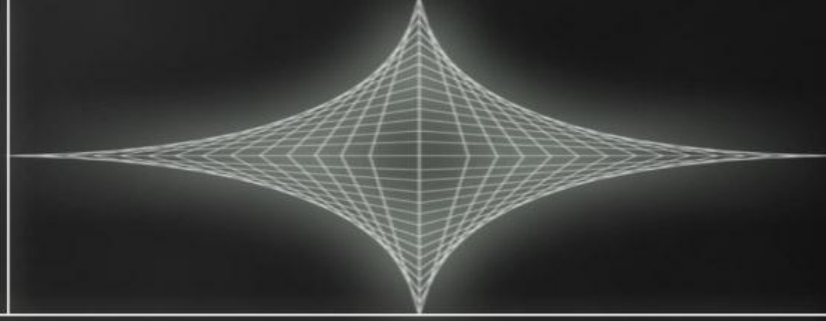
- **Legitimate power** –comes from the belief that a person has the right to make demands, and expect compliance and obedience from others
- **Coercive power** – based on dependency and fear
- **Reward power** – results from one person's ability to compensate another for compliance

Power

French and raven

- **Expert** power – This is based on a person's superior skill and knowledge.
- **Referent** power – This is the result of a person's perceived attractiveness, worthiness, and right to respect from others.

Power Sources



Power

Personal basis

- Expert power
- Power of example
- Right for power
- Power of information
- Need for power

Organizational basis

- Decision making
- Compensation
- Compulsory
- Power over resources
- Power of connections

Power

Staging

Power

Personal basis

- Expert power
- Power of example
- Right for power
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Organizational basis

- Decision making
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- Power over resources
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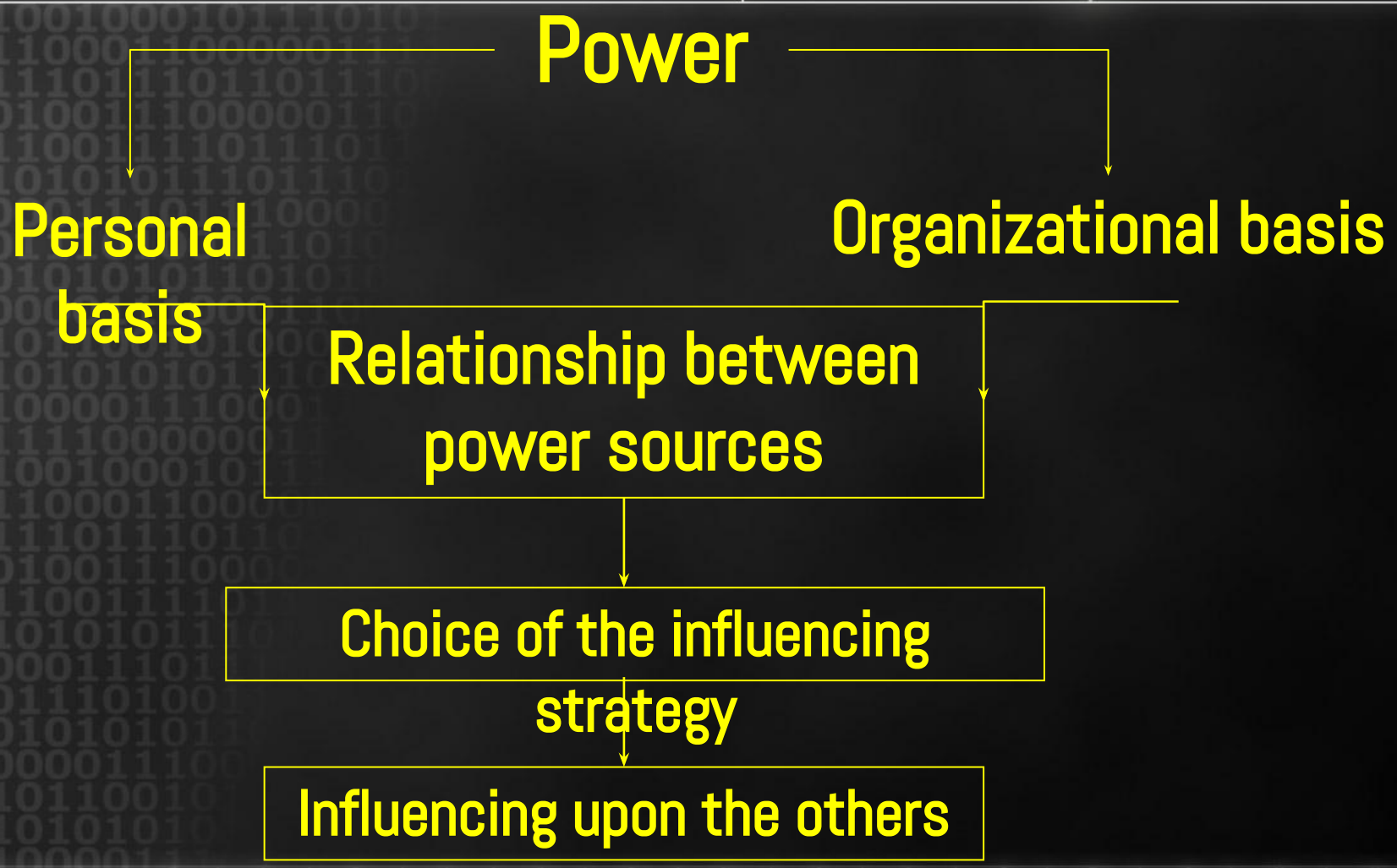
Power

Staging



Leader vs. Manager

Leader vs. Manager

Does right things	Does things right

Effective leadership

Official sources of power

Leaders' behavior – influence upon the others

Most effective combination of all the sources of power

Result:
Highest satisfaction
Highest quality
Highest level of working

Personal sources of power

Effective leadership

<u>Also dependent on:</u>

- **Organizational culture**
- **Used technologies**
- **Expectancy of using some defined leadership style**
- **Satisfaction of working with leader of some special style**

Effective leader Trends

- Trend to support the employees and develop good relationship with them
- Group managing, not individual
- Highest level of working

Effective leader

Managing abilities

- Managing attention
- Managing meanings
- Managing trust and confidence
- Self-management

Studying Leadership

Strong behavior

Behavior dynamics

Weak behavior

Kind 2. Analysis of the leadership **behavior** without situation consideration	**Kind 3.** **Situation** analysis of the effective behavior of the leader
Kind 1. Analysis of the **leadership qualities** without situation consideration	**Kind 4.** Situation analysis of the **character** of the effective leader

Not consideration ← **Situation consideration** → Right consideration

Leadership Behavior

Situational

Behavior dynamics

No consideration of situation

Punishment for working fulfillment level.	Compensation for working fulfillment level.
Punishment without consideration of the working fulfillment level.	Compensation without consideration of the working fulfillment level.

Punishment

Behavior changing through…

Compensation

Leadership Styles

Main characteristics of the manager behaviour during the management

Leadership Styles

Defined bz manager personality

Defined bz the personnel peculiarities

Contemporary Perspectives On Leadership

- Charismatic leadership
- Transactional leadership
- Transformational leadership
- Post-heroic leadership

Leadership Kinds

Charismatic leadership

- dominant and exceptionally self-confident, with a strong conviction in the moral righteousness of their beliefs
- communicate high expectations for and confidence in followers
- articulates ideological goals
- inspire their followers' trust, confidence, acceptance, obedience, emotional involvement, affection, admiration, and higher performance

Leadership Kinds

Transactional leadership

- traditional management through business transactions
- leaders who manage through using their legitimate, reward, and coercive powers to give commands and exchange rewards for services rendered
- dispassionate leadership that does not inspire people to focus on the interests of the organization

Leadership Kinds

Transformational leadership

- moves beyond transactional leadership
- transforms a vision into reality and motivates people to transcend their personal interests for the good of the group

Leadership Kinds

Transformational leadership

- generating excitement - three ways
  - ✔ they are charismatic
  - ✔ provide individualized attention - do not treat everyone alike
  - ✔ they are intellectually stimulating - arouse an awareness of problems and potential solutions

Leadership Kinds

Post-heroic leadership

- even great top executives can't solve all problems on their own
- effective leadership must permeate the organization

Leadership Styles

Authoritarian

Democratic

Liberal (club)

Leadership Styles

Use of authority by managers

Freedom of Subordinates

I tell – U do what I say

I sell – I persuade U to do what I say

I test – I let them to participate , but I control

I consult – I seek 4 opinions before the decision making

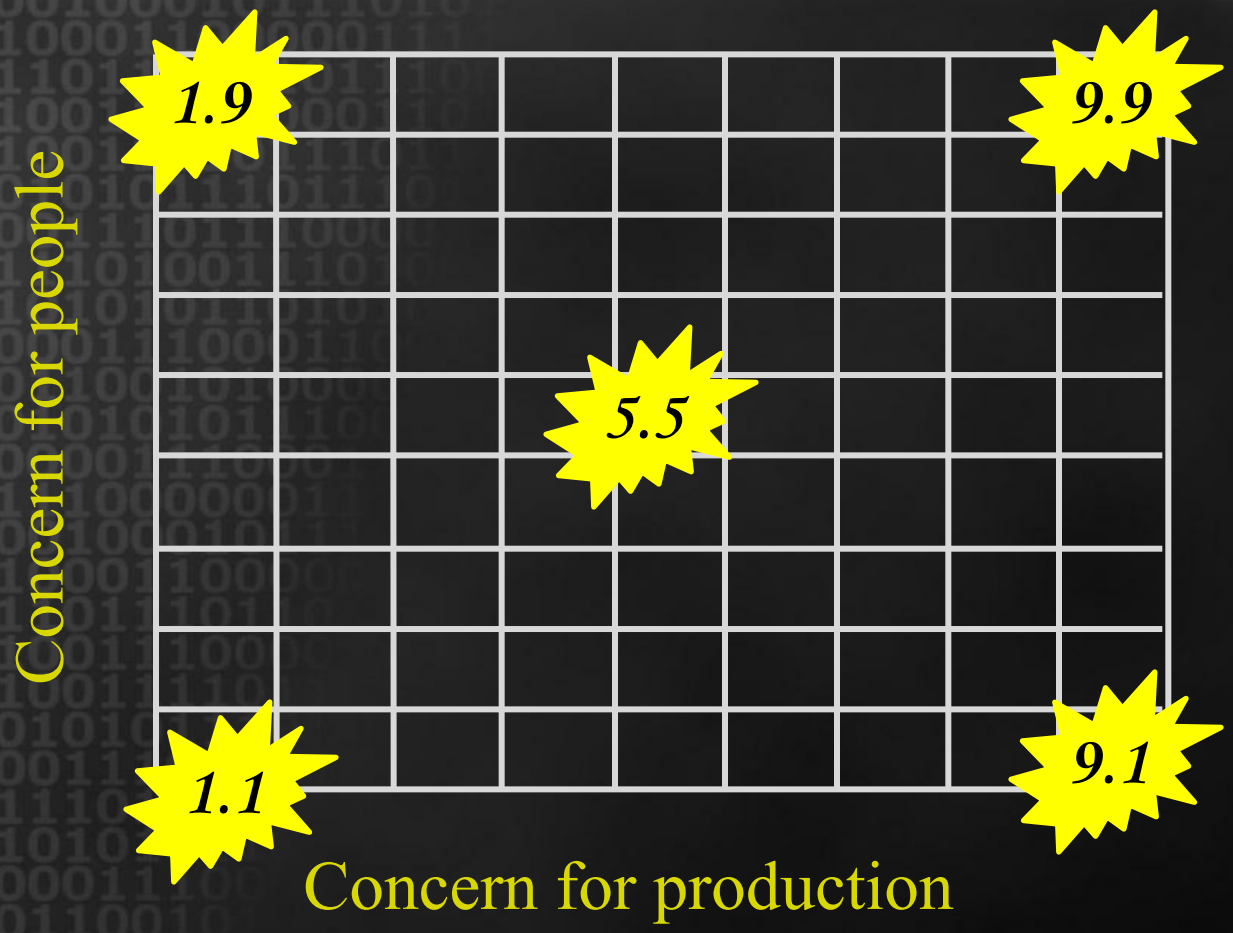
I share – decisions are made equally with the team

Hands off– team makes all the decisions

Leadership Styles

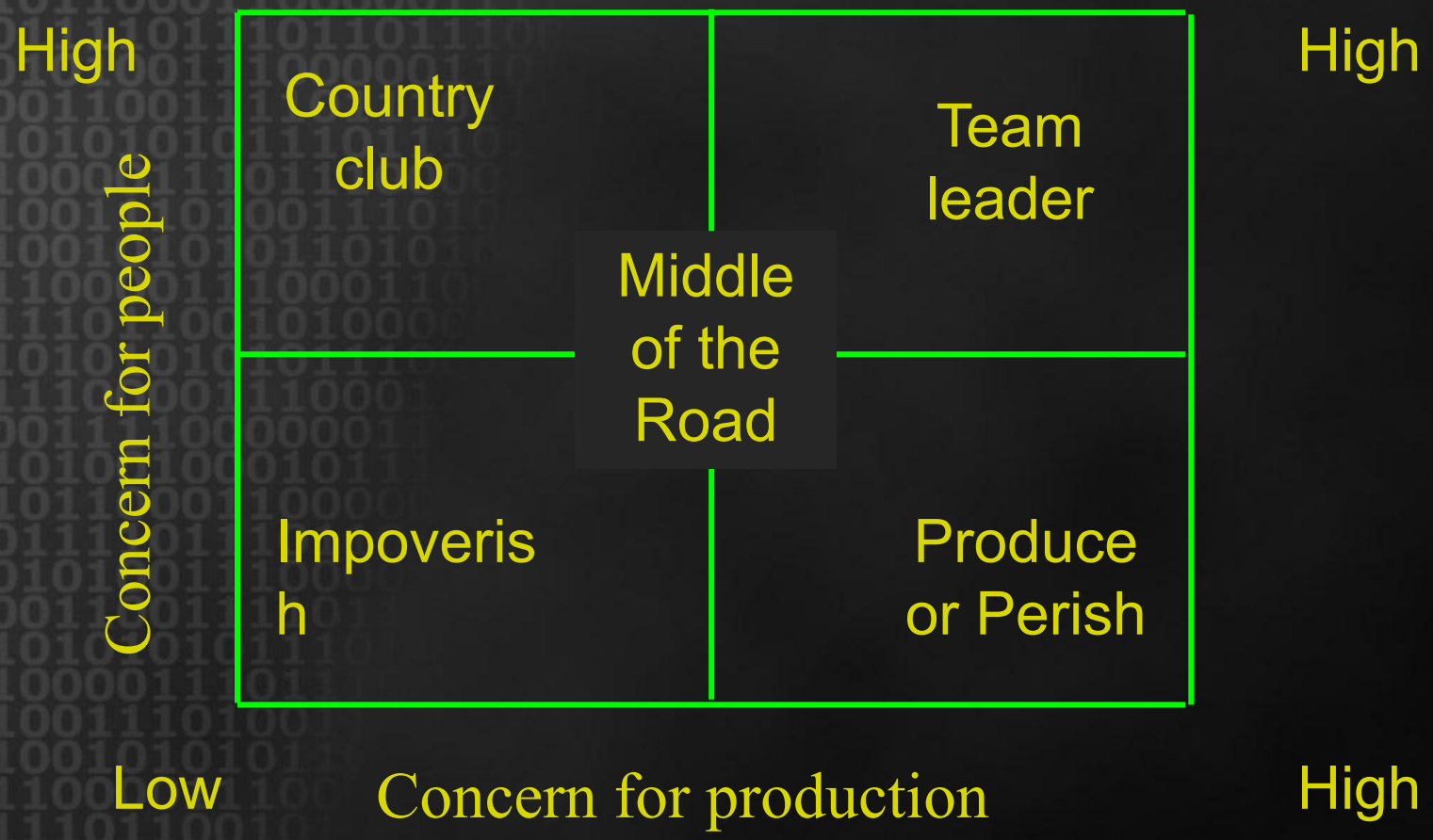
Characteristics \ Style	Authoritarian	Democratic	Liberal (club)
Important	Results only	Results and methods	Results not important
Motivation	Implicit obedience	Economic and social psychological	Almost missing
Delegation	Not included	Actively by sense	Participation mirage
Demands	Very high level	Combined with trust	Low level

Managerial grid



Managerial grid

Blake Mouton Grid



Situational Theory of Leadership

P. Hersey and K. Blanchard

Leadership style depends on situation and maturity level of the group

Situational Theory of Leadership

leadership perspectives proposing that universally important traits and behaviors do not exist, and that effective leadership behavior varies from situation to situation

requires the leader to first

Situational Theory of Leadership

Tannenbaum and Schmidt

Three factors must be considered before deciding how to lead:

- forces in the manager
- forces in the subordinate
- forces in the situation

N.B. arguments remain valid today

Situational Theory of Leadership

Vroom

- focuses on how leaders go about making decisions
- seven situational factors used to analyze problems
  - ✔ each based on a problem attribute
  - ✔ scored as either high or low

Situational Theory of Leadership

Vroom

- answering a series of questions about the problem attributes leads one to 14 possible endpoints of the analysis
- each endpoint recommends one of five decision styles
- decision styles indicate that there are several shades of participation
- use of the model ensures that important situational factors are

Vroom's Situational Factors for the Problem Analysis

- Decision Significance – significance for the success of the project or organization
- Importance of Commitment – importance of the team members' commitment to the decision making
- Leader's expertise – knowledge or expertise in relation to this problem
- Likelihood of commitment – likelihood that the team would commit itself to a decision that the leader might make on his own

Vroom's Situational Factors for the Problem Analysis

- Group support for objectives – the degree to which the team supports the organizational goals at stake in this problem
- Group expertise – the team members' knowledge or expertise in relation to this problem
- Team competence –the ability of team members to work together in solving problems

Situational Theory of Leadership

Path goal framework

The leader should:

- ✔ make the path to work goals easier to travel by providing coaching and direction
- ✔ reduce frustrating barriers to goal attainment
- ✔ increase opportunities for personal satisfaction by

Situational Theory of Leadership

Path goal framework

Characteristics of followers

Environmental factors

deter mine

Appropriateness of

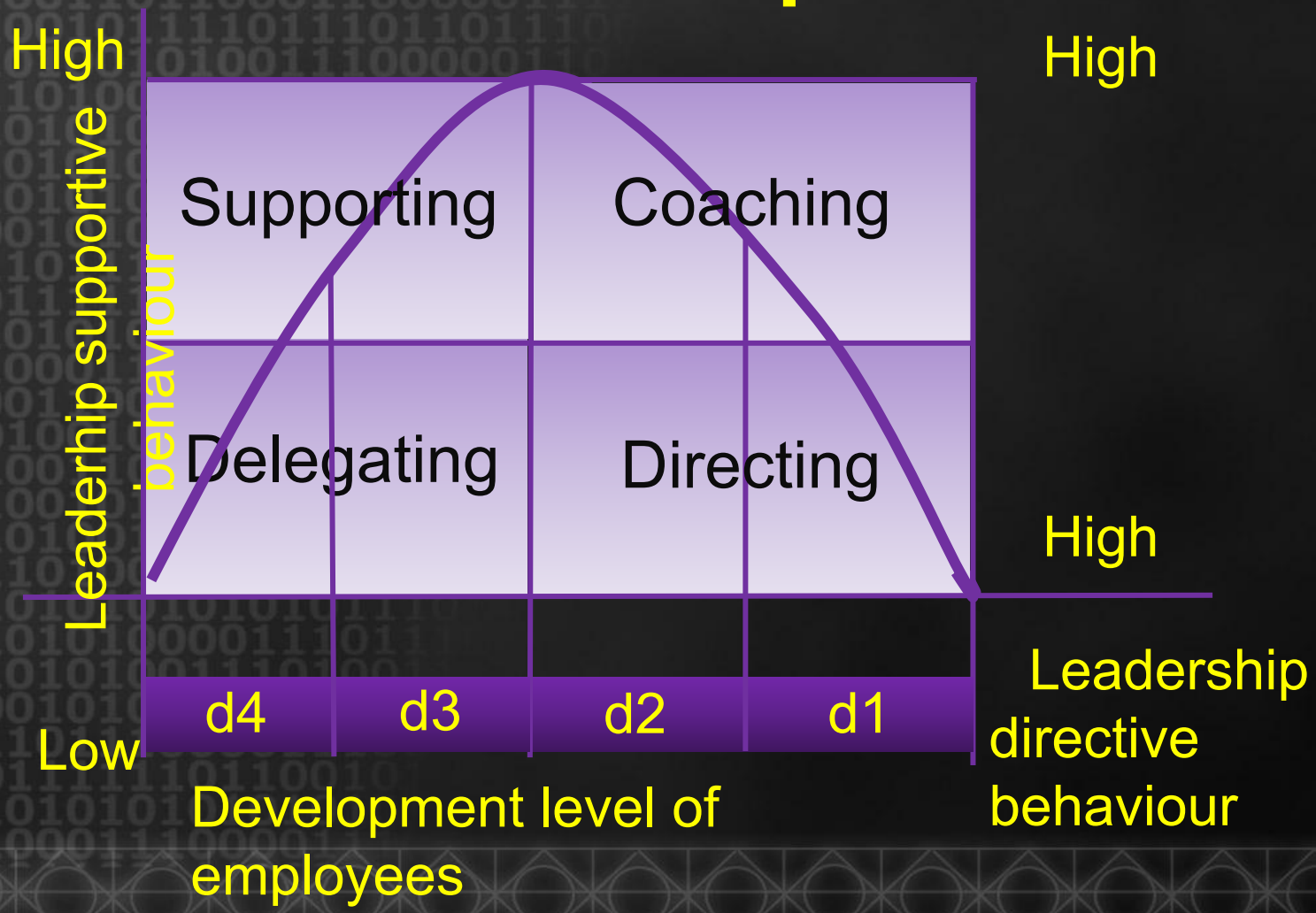
1. Directive,
2. Supportive,
3. Participative, or
4. Achievement

leader behaviors

leading to

Followers' goals and performance

Situational Theory of Leadership



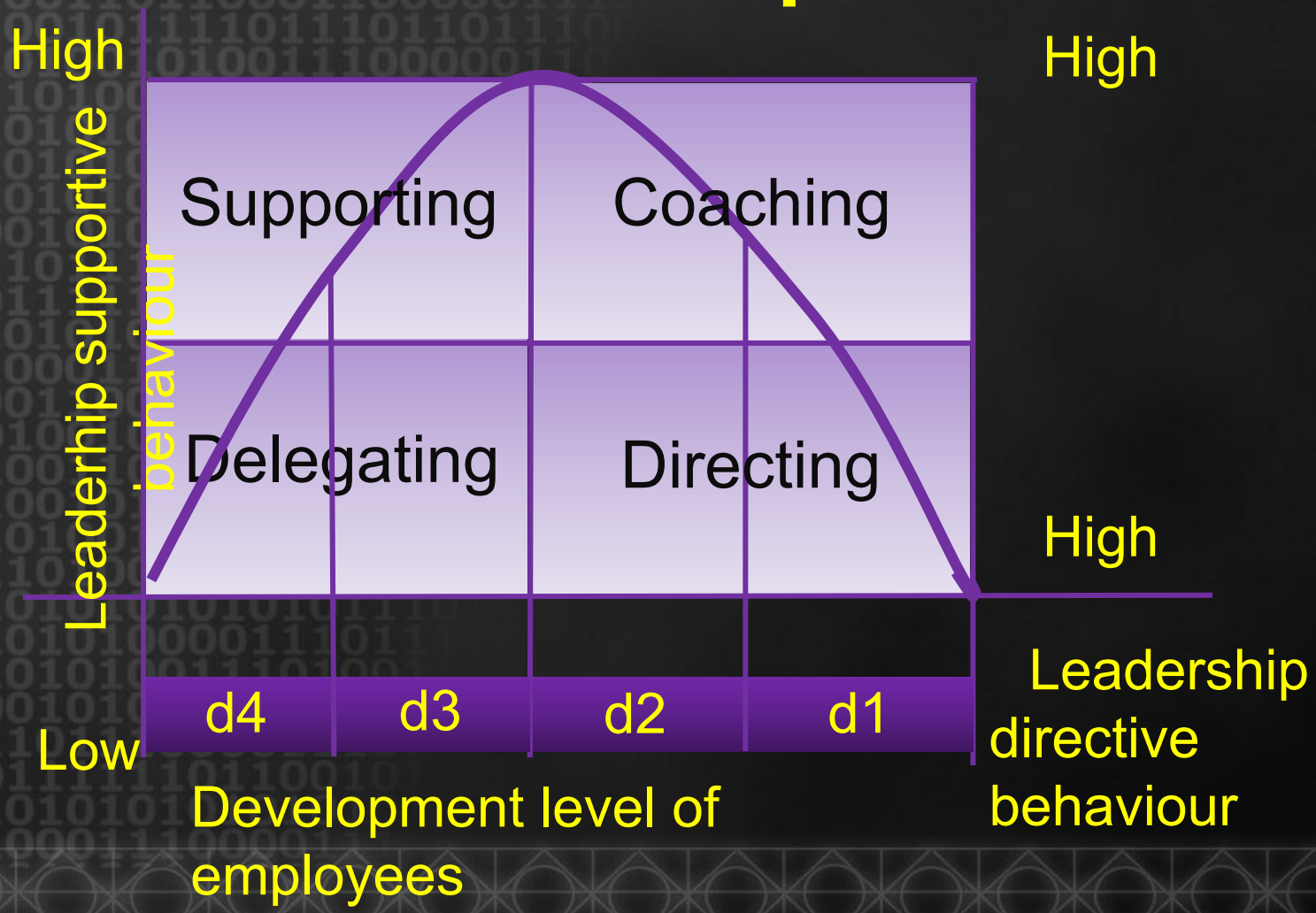
Situational Theory of Leadership

Development level of employees = Maturity of the team

Maturity of the Team

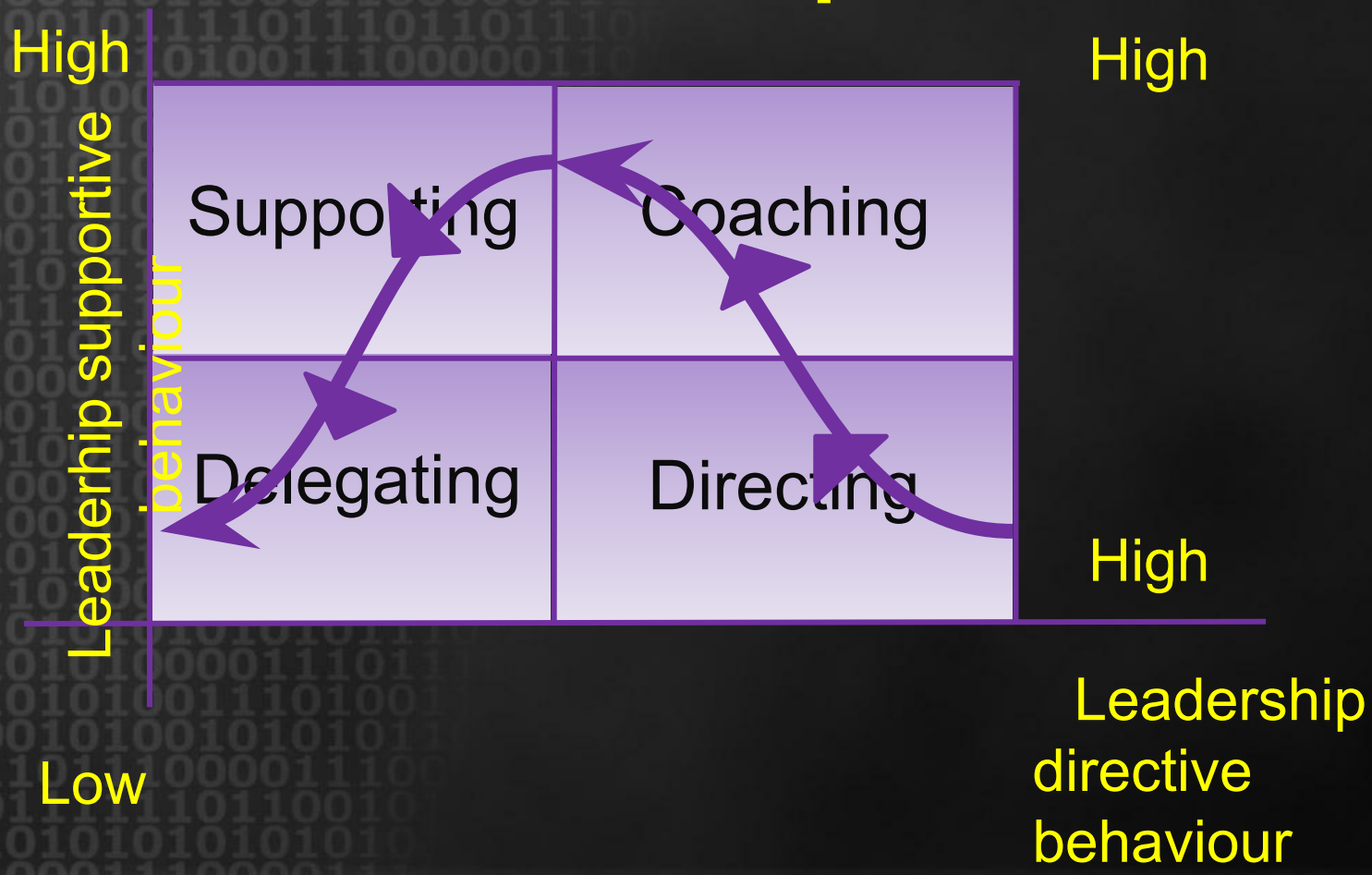
- Working experiences
- Maturity in working with one another
- Psychological maturity

Situational Theory of Leadership

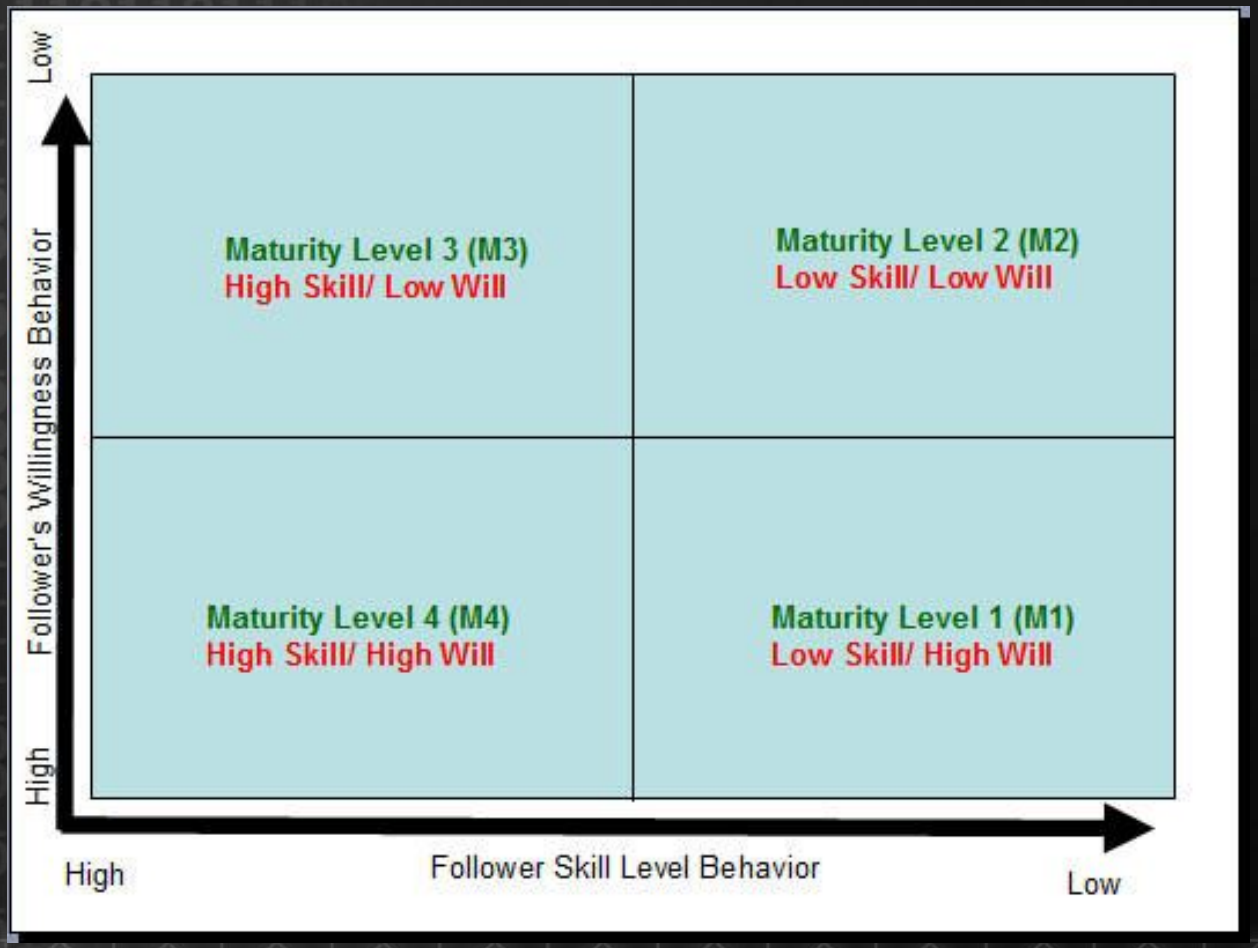


Situational Theory of Leadership

Haus and Mitchell



Situational Theory of Leadership



Situational Theory of Leadership

- **M1** - They generally lack the specific skills required for the job in hand and are unable and unwilling to do or to take responsibility for this job or task.
- **M2** - They are still unable to take on responsibility for the task being done; however, they are willing to

Situational Theory of Leadership

- **M3** - They are experienced and able to do the task but lack the confidence to take on responsibility.
- **M4** - They are experienced at the task, and comfortable with their own ability to do it well. They able and willing to not only do the task, but to take responsibility for the task.

Situational Theory of Leadership

Maturity Level	Most Appropriate Leadership Style
M1: Low maturity	S1: Telling/directing
M2: Medium maturity, limited skills	S2: Selling/coaching
M3: Medium maturity, higher skills but lacking	S3: Participating/supporting

Fiedler's Analysis Of Situations

Leader-member relations	Good				Poor			
Task structure	Structured		Unstructured		Structured		Unstructured	
Leader position power	High	Low	High	Low	High	Low	High	Low
Favorable for leader	←							→ Unfavorable for leader
Most effective leader in the situation	Task-motivated	Task-motivated	Task-motivated	Relation-ship-motivated	Relation-ship-motivated	Relation-ship-motivated	Relation-ship-motivated	Task-motivated

Rensis Likert

- The difference in the productivity of units is explained through the management style
- There are 4 basic

Rensis Likert

System 1	System 2	System 3	System 4

Effectiveness of Management

Managing Teams

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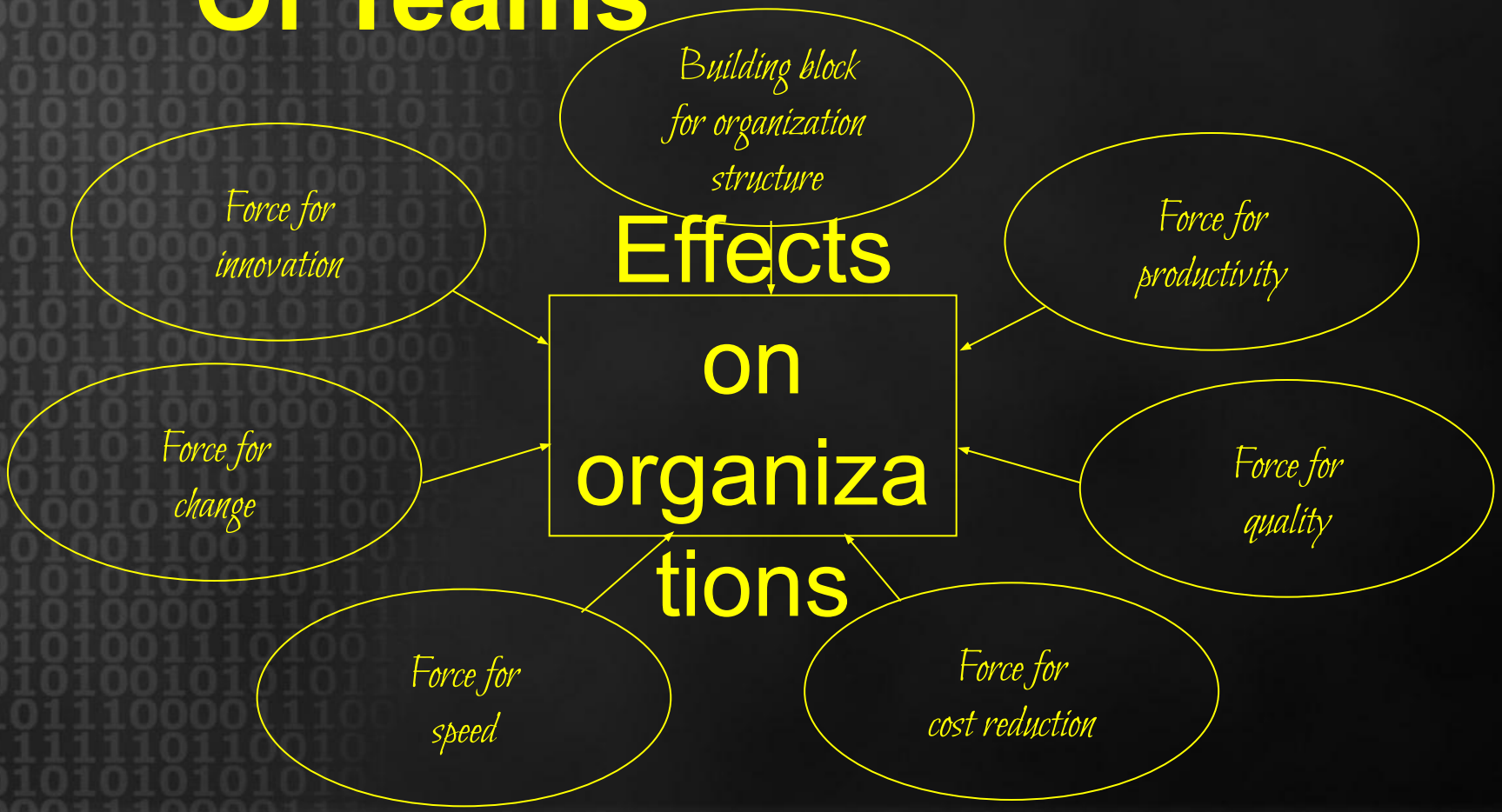
Management English Version

The Contributions Of Teams



Benefits Of Groups

- Benefits derived by organizations
  - groups have greater total resources than individuals do
  - groups have a greater diversity of resources
  - groups can aid decision making

Benefits Of Groups

- Benefits derived by members
  - a group is a useful learning mechanism
  - a group can satisfy important personal needs
  - group members can provide one

The New Team Environment

DEFINITIONS

- ✔ working group - collection of people who work in the same area or have been drawn together to undertake a task
- ✔ do not necessarily come together as a unit and achieve significant performance improvements

The New Team Environment

DEFINITIONS

- ✔ TEAM - small number of people with complementary skills who are committed to a common purpose, common performance goals, and a common approach for which they hold themselves mutually accountable
  - real teams are more fully integrated into the organizational structure

The New Team Environment

Types of teams

- ✔ work teams - make or do things like manufacture, assemble, sell, or provide service
  - are well defined and a clear part of the organization's structure
  - composed of a full-time, stable membership

The New Team Environment

Types of teams

- ✔ project and development teams - work on long-term projects
  - disband when the work is completed

The New Team Environment

Types of teams

- ✔ parallel teams - operate separately from the regular work structure on a temporary basis
  - do work that is not normally done by the standard structure
  - recommend solutions to specific problems
  - do not have the authority to act

The New Team Environment

Types of teams

- ✔ management teams - coordinate and provide direction to subunits under their jurisdiction
  - integrate work among subunits
  - authority based on hierarchical rank
  - responsible for the overall performance of the business unit

The New Team Environment

Traditional environment	Team environment
Managers determine and plan the work	Managers and teams jointly determine and plan the work

The New Team Environment

Traditional environment	Team environment
Jobs are narrowly defined	Jobs require broad skills and knowledge

The New Team Environment

Traditional environment	Team environment
Cross-training is viewed as inefficient	Cross-training is the norm

The New Team Environment

Traditional environment	Team environment
Most information is "management property"	Most information is freely shared

The New Team Environment

Traditional environment	Team environment
Training for nonmanagers focuses on technical skills	Continuous learning requires training for all

The New Team Environment

Traditional environment	Team environment
Risk taking is discouraged and punished	Encourage and support measured risk taking

The New Team Environment

Traditional environment	Team environment
People work alone	People work together

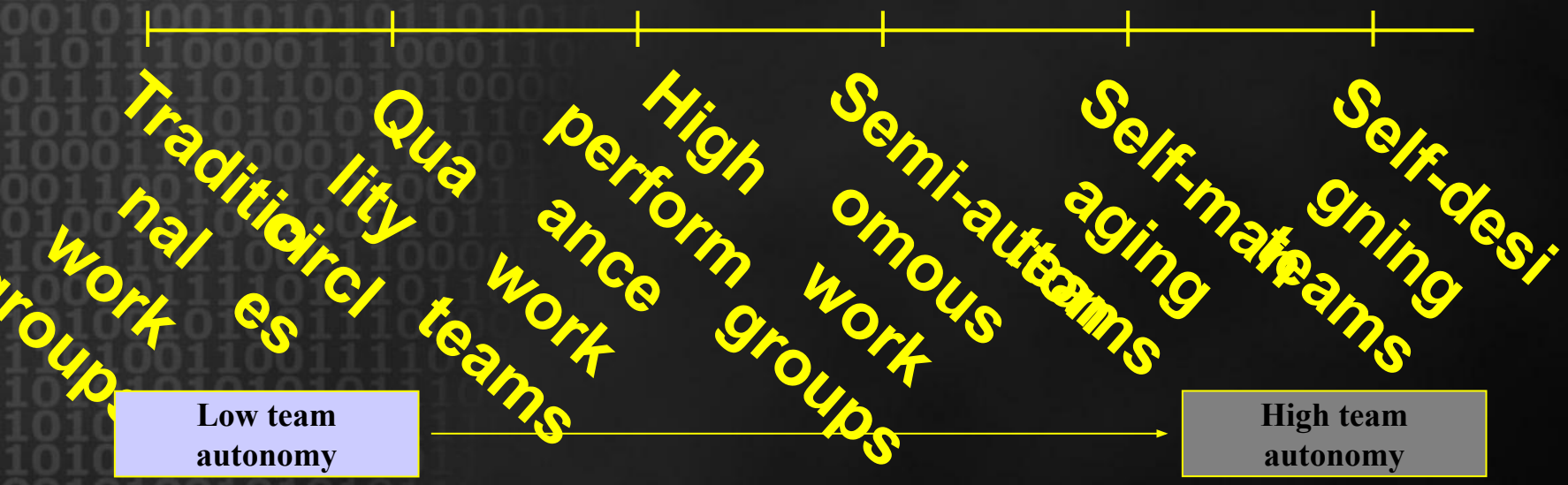
The New Team Environment

Traditional environment	Team environment
Rewards based on individual performance	Rewards based on contributions to the team and individual performance

The New Team Environment

Traditional environment	Team environment
Managers determine “best methods”	Everyone works to improve methods and processes

Team Autonomy Continuum



The New Team Environment

Self-managed teams

- autonomous work groups in which workers are trained to do all or most of the jobs in a unit
- have no immediate supervisor
- make decisions previously made by first-line supervisors

The New Team Environment

Self-managed teams

- compared to traditionally managed teams, self managed teams appear to:
  - ✔ be more productive
  - ✔ have lower costs
  - ✔ provide better customer service
  - ✔ have better safety records
  - ✔ be more satisfying for members

The New Team Environment

Self-managed teams

traditional work groups - have no managerial responsibilities

- ✔ supervised by first-line manager

quality circles - voluntary groups of people drawn from various production teams who make suggestions about quality

- ✔ have no authority to make decisions or execute

The New Team Environment

Self-managed teams

semiautonomous work groups - make decisions about managing and carrying out major production activities

- ✔ still get outside support for quality control and maintenance

autonomous work groups (self-managing teams) - control decisions about and execution of a complete range of tasks

The New Team Environment

Self-managed teams

self-designing teams - control the design of the team

✔ *other responsibilities comparable to those of autonomous work groups*

semiautonomous and autonomous teams improve the organization's financial

How Groups Become Teams

Self-managed teams

self-designing teams - control the design of the team

✔ *other responsibilities comparable to those of autonomous work groups*

semiautonomous and autonomous teams improve the organization's financial

Team shape

Team shape

Team	*Leadership*
shape *Wet sand*	*Designation, precise instruction and detailed control* *Trying to build better relationship in the group*

Team shape

Team shape	*Leadership style*
Soft clay	*Coordination, less designation and control* *Stimulation of personal achievements*

Team shape

Team shape

Leadership style

Fluid concrete

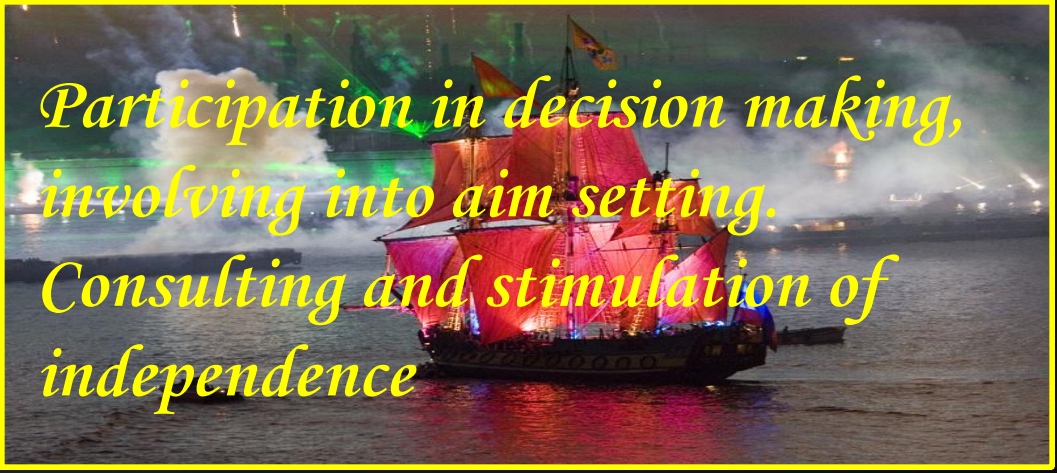
Less coordination
Stimulation of initiatives and business contacts

Team shape

Team

Leadership

shape
Scarlet
sales


Participation in decision making, involving into aim setting.
Consulting and stimulation of independence

Team shape

Team	*Leadership*
Castle in the air *shape*	*Full independence , defining functions and responsibility of personnel. Joint discussion of results*