

Principles of Management
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Module - 11
Lecture - 53
Leadership and its Theories

Welcome to this week's lecture on Leadership and its Theories. In the past two weeks, we had discussed like in details about organizational change and management. And previous to that, we have discussed about the staffing techniques elaborately. This week we are going to discuss on leadership, team building, the motivation and communication; and in the following week, we will be discussing on controlling and budgeting and reporting. So, let us begin for this week's discussion.

Now, why we are discussing leadership over here is like of all the principles of management that we have learnt till now like whether it is planning, or organizing, or staffing, or coordinating, the leader plays a very important role in doing all these activities for the organization or whether rather bringing in change.

So, here you will find a prominent role of leader in all these activities. So, it is very essential to understand the different theories of leadership, and the essential styles that you get to see in terms of uncertainties. So, this week's discussion is going to focus around that.

So, this will be a like half an hour lecture on, I will try to cover mostly of the different topics which are there. But as you understand like leadership is a very vast topic to be discussed. So, what we will do is we will put the slides for your reading material and you can see at your leisure time to find out like more details about the concepts of leadership and different styles of leadership. So, let us begin.

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The slide features a red header with the title "Leadership: The Learning Objectives". Below it, a blue box contains text citing Charles W.L. Hill and S.L. McShane (2008) on the importance of leading and developing employees in management. The slide is decorated with icons of gears, a hard hat, and a molecular structure. The NPTEL logo and the name "Dr. Khanna" are visible at the bottom.

Leadership: The Learning Objectives

According to Charles W.L Hill and S.L McShane (2008) leading and developing employees is the important function of Management which in other term leadership has significant role in organisation management.

Strategic leadership brings value through individuals' ability to identify both opportunity and risk in organisation management.

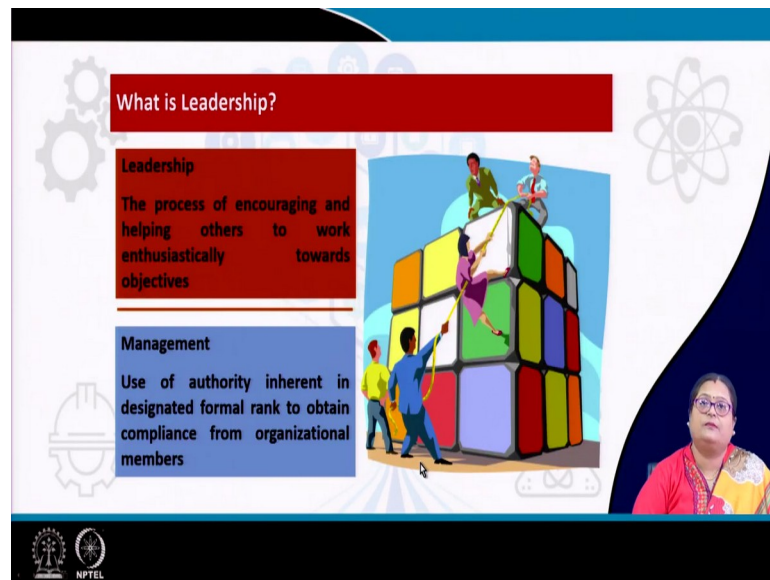
Strategic leadership has also been utilizing strategy in the management of employees which is very important to learn.

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So, what is leadership? Why we are learning this? Like, according to Charles Hill and McShane leading and developing employees is one of the important most important function of management like in which in other term its leadership has a significant role to play in the organizational management.

Strategic leadership brings value through individuals' ability to identify both opportunity and risk in the organisation management. It has also been utilising strategy in the management of employees which is very important to learn that is why it is very important to learn about what strategic leadership is.

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Leadership as we understand is, is the process of encouraging and helping others to work enthusiastically towards the objectives. So, as we had seen in the OD techniques, as we have seen in the staffing principles everywhere, it is talking of like the voluntary contribution of the employees towards achieving the organizational objectives.

It should not be thrust upon them, they should not feel like they are compelled to do it, but they should come forward to contribute voluntarily towards the objectives of the organization.

The beauty of the leadership is it should it is a process which should encourage and help others to work enthusiastically towards the objectives of the organization, and in the process also reach their own goals of life. Management, on the other hand, it is the use of authority inherent in the designated formal rank to obtain compliance from organizational members.

So, there is a subtle difference when you talk of who is a manager and who is a leader. And leadership is more we are focusing on the process of encouraging and helping others to work. So, now we are going to discuss in some details the difference between well who is a leader and who is a manager, so that you will be able to understand the finer differences between these two processes.

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Subject	Leader	Manager
Culture/Essence	Change	Stability
Focus	Leading people	Managing work
Have	Followers	Subordinates
Horizon	Long term	Short term
Seeks	Vision	Objectives
Approach	Sets direction	Plans detail
Decision	Facilitates	Makes
Power	Personal charisma	Formal authority
Appeal to	Heart	Head
Style	Transformational	Transactional
Wants	Achievement	Results
Risk	Takes	Minimizes
Concern	What is right	Being right
Ambiguity	Interpret the world for their teams	Shut down

So, when you are talking of the culture and the essence the leader is focused towards change, but the manager is focused towards stability. The focus of the leader is only leading people while that the manager is a managing work. What a leader have is followers, and what the manager have is subordinates. The vision or the horizon timeline of the leader the focus is on long term vision; and for the manager it is short term vision.

The what the leaders seeks is vision and the objective; the manager seeks is objectives. The approach of the leader is it he or she sets direction, and the manager plans the details. The decision taken by the leader is facilitates the processes; and the manager makes the processes. The power of the leader lies in that of personal charisma, and that of the manager lies in formal authority.

Then leader always appeals to the heart of the followers, and the manager appeals to the head of the followers. The style taken by the leader is that of the transformational style, and that of the manager is that of a transactional style. The leader wants achievement, and the manager wants results.

In terms of risk orientation, a leader is always taking a risk; and the focus of the manager is towards minimising the risk. The concern of the leader is what is right and the manager the is more concerned about being right. In ambiguous situation, the leader tries to interpret the world for their teams; and the manager really tries to shut down the ambiguity and maintain the stability or the status quo.

So, that you see like how a leader functions and how a manager functions depends on two different orientations of looking at the problem, where leader is more focused towards being more pro to change and answer to the ambiguity, appeal to the heart of the person, has a long-term vision in transformational in nature, and helps in bringing achievement for the individual as well as the organizational goal is focused towards the excellence of the organization and towards the person.

And it is very important to learn these leadership qualities, so that you are you are able to lead your team, and your organizational your organization properly through the process of change and you are to design your organization properly in terms of coordinating, in terms of planning for the future and then you have to move ahead and get achieve for the excellence of the organization.

Actually, as a person who is a good leader, you should be having a blend of both managerial qualities and leadership qualities in right proportion, so that you are able to like move through the organization or lead your organization in a proper way. With that focus only here, we will put over here like though the course is on principles of management and where we are trying to learn some of the principles of how of how to manage things properly.

But still we are balancing the course with lot of discussions on leadership, motivation organizational change and change initiatives, because it is only a perfect blend of the leadership and the managerial qualities which is going to make you successfully implement changes in the organization, run the day-to-day operations in a proper way, and lead your organization towards the height which is going to bring make it sustainable in future.

With that focus only we have designed our course in this way which is going to after completing this course, so that you become a perfect blend of both a being a leader and a manager.

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The Essence of Leadership

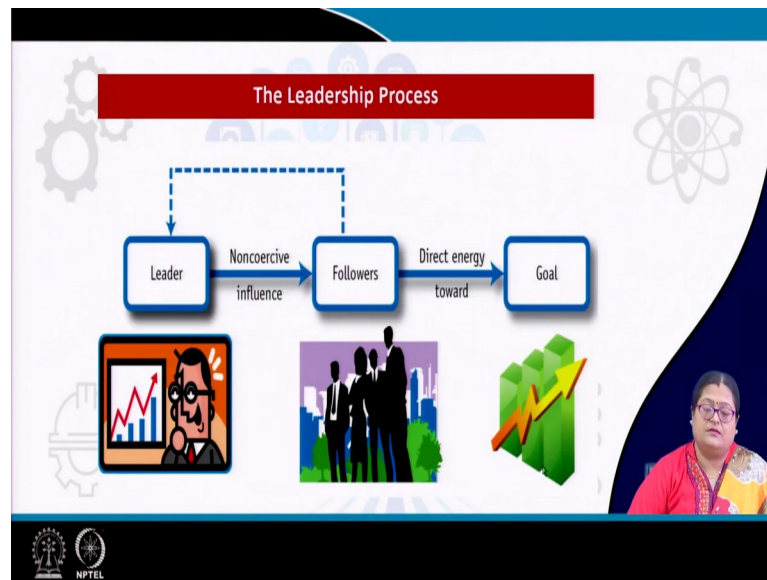
- Leadership refers to the ability one individual to influence others.
- The influence is exercised to change the behaviour of others.
- Behaviour is changed through non-coercive means.
- Change of behaviour is caused with an objective of achieving shared goals.
- The person influencing others possesses a set of qualities or characteristics which he or she uses to influence others.
- Leadership is a group phenomenon. It involves interaction between two or more people.

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So, moving ahead, we will learn about the essence of leadership qualities. The essence of leadership lies in the ability of the individual to influence others. We have learnt about nudging techniques also. So, like how to nudge people properly is one of the important qualities of leadership.

The influence is exercised to change the behaviour of others. Behaviour is changed through non-coercive means. Change of behaviour is caused with an objective of achieving the shared goals. The persons influencing others possess a set of qualities or characteristics which he or she uses to influence others. Leadership is a group phenomenon it involves interaction between two or more people.

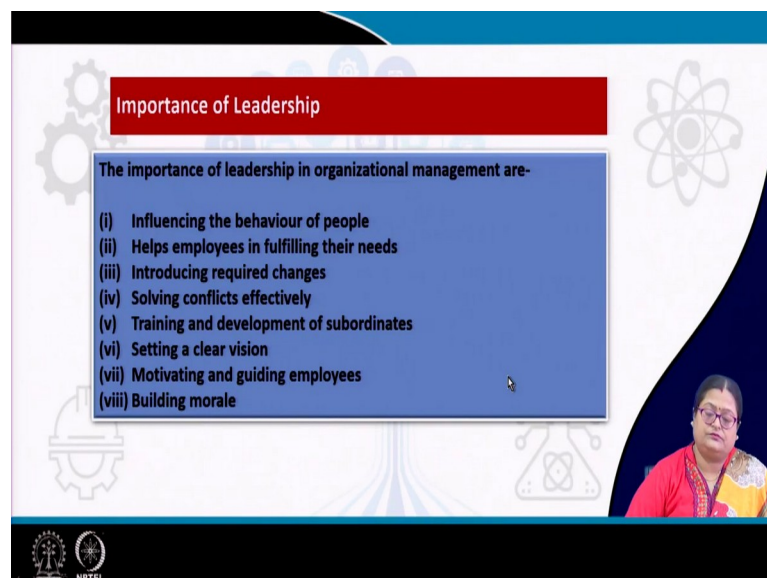
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So, as you see over here in this diagram as the leadership process, the leader through non-coercive manner influence the followers and who direct their energy towards the goal. And this goal is also a mixture of the individual's goal and the organizations goal.

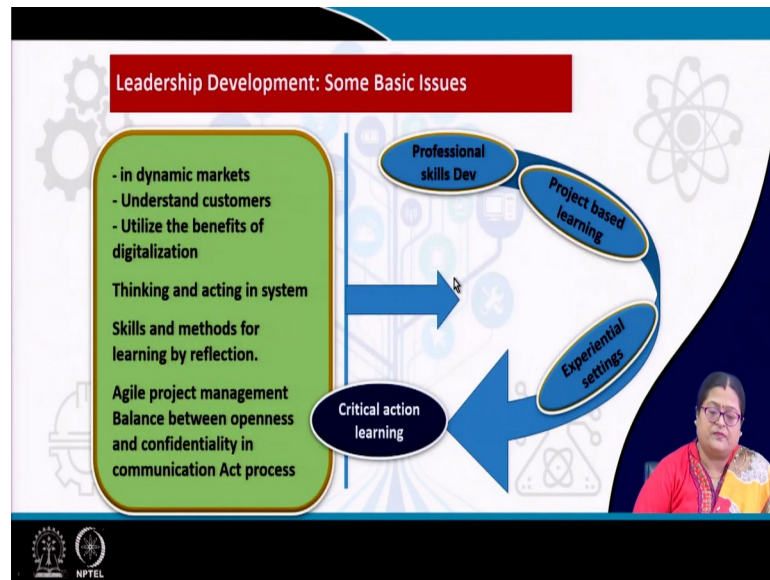
And because it is a coercive influence, the followers also give a feedback to the leader. So, and in this way like how they felt about his or her behaviour, what needs to be modified etcetera. And then the leader again based on that feedback changes his styles or techniques and then moves forward.

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The importance of leadership in organizational management are it helps in influencing the behaviour of people helps the employees in fulfilling their needs, introducing required changes, solving conflicts effectively training and development of subordinates, setting a clear vision, motivating and guiding employees, and building a morale.

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So, some of the basic issues of development of leadership is that like in dynamic markets or in understanding customers utilise the benefits of digitization. So, thinking and acting in system, skills and methods for learning by reflection, agile project management, a balance between openness and confidentiality in communication act processes.

So, these are some of the qualities that are required and then professional skill development project based learning and experiential settings like along with this critical learning techniques is going to develop the person as a leader. So, we need to have these qualities to understand like how to function as a leader properly.

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These are these are the different styles of leadership listed over here like the democratic leadership, or participative leadership, transactional leadership who helps in the day-to-day functioning of the organization, autocratic leaders who like sometimes forces views on others, bureaucratic leadership, charismatic, the laissez-faire leadership.

Strategic leadership, we have already discussed a bit about strategic leadership; transformational leadership when we have discussed about organizational change. We have discussed about the role of leaders in bringing out the organizational changes from one stage of development to the next stage of development, and then formal and informal leadership. So, this we have already discussed elaborating these slides like, and we will be putting it in the as a reading material.

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The slide features a red header with the title 'Functions of Leadership'. Below the header, a blue box contains a list of functions: 'Leader develops team work', 'Leader is a representative of sub-ordinates', 'Leader is a Counsellor', 'Uses power properly', 'Leader manages the time well', 'Strives for effectiveness', 'Takes the initiative', 'Catalysing', 'Representing', 'Inspiring followers', and 'Praising'. To the right of the text is an illustration of three business professionals on a white boat navigating through blue waves, with one person at the front holding a red flag. The slide also includes a small inset video of a woman in a red and yellow patterned top in the bottom right corner and the NPTEL logo in the bottom left corner.

Next, we will come to the functions of leadership. So, as we understand leaders develop teamwork, leader is a representative of the subordinates, leader is a counsellor and uses power properly. Then leader manages the time well. They strive for effectiveness, takes the initiative in catalysing, representing, inspiring followers and praising.

So, as you see like we can talk of leadership as like lead your ship. So, when it is going to travel, water the leader is a person who handholds others to move through these troubled times, and shows the way to others. So, the leader is a counsellor; he is a representative of the subordinates. So, these are some of the important functions of a good leader.

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Theories of Leadership Discussed includes

- Trait Theories by Thomas Carlyle
- Need Theory of Maslow and McClelland
- Behavioral Theories of Leadership
- Contingency Theories
- Hersey and Blanchard's Situational Leadership Theory
- VUCA Opportunities by Warren Bennis and Burt Nanus

The slide features a red header, a blue list box, and a video inset of a woman in the bottom right corner. The background includes icons of gears, a hard hat, and a circuit board.

The theories of leadership include the Trait Theories by Thomas Carlyle, Need Theory of Maslow and McClelland, Behavioural Theories of Leadership, Contingency Theories, Hershey and Blanchard's Situational Leadership Theory, and VUCA Opportunities by Warren Bennis and Burt Nanus. So, we will elaborate on each of these theories and try to discuss on it.

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Theories of Leadership : Trait Theories by Thomas Carlyle

Trait Theories

Traits Theories of Leadership
Theories that consider-
personality, social, physical, or
intellectual traits to differentiate
leaders from non leaders

Leadership Traits

- Extraversion
- Conscientiousness
- Openness
- Emotional Intelligence (Qualified)

The slide features a red header, a yellow box for 'Trait Theories', a blue box for 'Traits Theories of Leadership', and a purple box for 'Leadership Traits'. It includes an image of a man in a white shirt holding a tray of drinks and a video inset of a woman in the bottom right corner. The background includes icons of gears, a hard hat, and a circuit board.

The Trait Theories of Leadership by Thomas Carlyle, it which are the theories which consider personality, social, physical, or intellectual traits to differentiate leaders from non leaders.

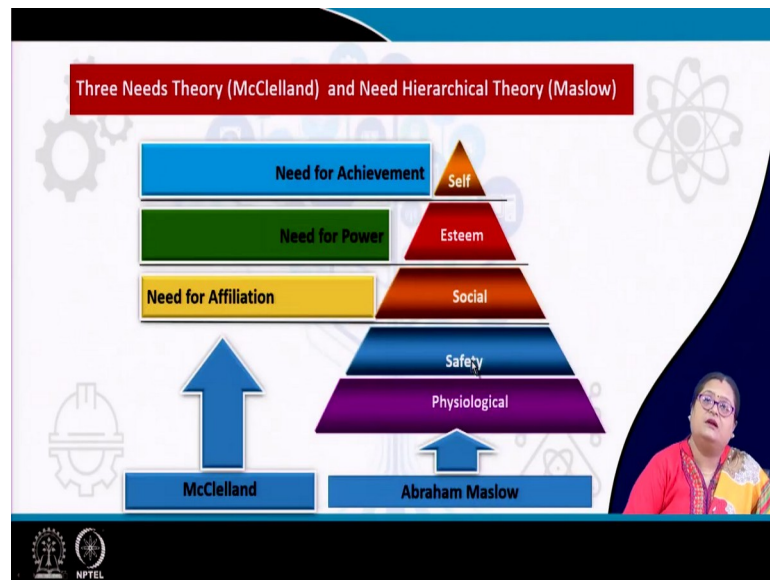
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Trait Approach

- Traits (examples)
 - Extraversion
 - Conscientiousness
 - Openness
- Assumption: Leaders are born
- Goal: Select leaders
- Problems:
 - Traits do not generalize across situations
 - Better at predicting leader emergence than leader effectiveness

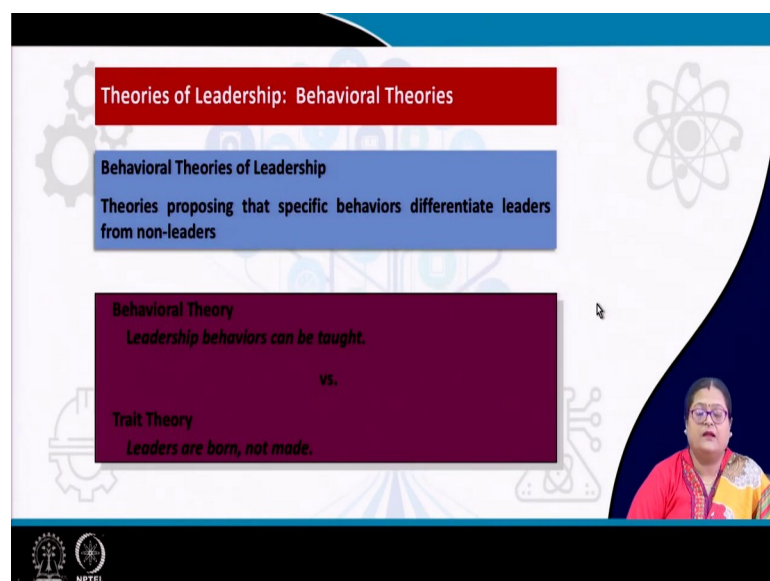
Some of the leadership traits are extraversion, conscientiousness, openness and emotional intelligence. Some of the assumptions which are related to the trait's theories are that like the leaders are born, because it is a taken to be inherent qualities with which like person is born and grows up. The goal is then to select leaders. So, some of the problems of these theories are that traits do not generalise across situations. It is better at predicting leader emergence rather than leader effectiveness.

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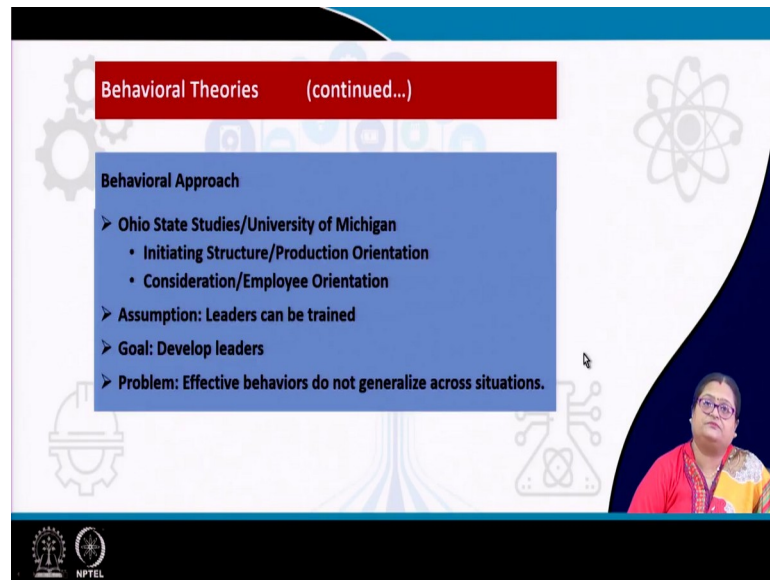
Then we have the Need Theories, where we have the three Need Theories by McClelland and Need Hierarchical Theory by Maslow. Abraham Maslow gave a like hierarchy of needs where you find at the basic level is the physiological need, then safety needs, social esteem, and self, esteem needs, social esteem and self-actualization needs. McClelland has given like it starts at the social level from need for affiliation, need for power, and need for achievement, when we are talking of self-esteem and self-actualization.

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The Behavioural Theories of Leadership are that proposes that specific behaviours differentiate leaders from non-leaders. So, behavioural Theory believes that the leadership behaviours can be taught, whereas the Trait Theories believe that the leaders are born not made.

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The slide is titled "Behavioral Theories (continued...)" in a red header. Below the header, a blue box contains the following text:

- Behavioral Approach
 - Ohio State Studies/University of Michigan
 - Initiating Structure/Production Orientation
 - Consideration/Employee Orientation
 - Assumption: Leaders can be trained
 - Goal: Develop leaders
 - Problem: Effective behaviors do not generalize across situations.

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The behavioural approach to leadership is the Ohio State Studies and the University of Michigan Studies which talks of initiating structure and production orientation, consideration or employee orientation.

The assumption basic assumption over here is that leaders can be trained, and the goal is to develop leader's problem is effective behaviours again do not generalize across situations, that is why when you see like the traits are also cannot generalize across situations or behaviour also cannot generalize across situations.

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Theories of Leadership: Contingency Theories

Fiedler's model postulates that the effectiveness of leader depends upon:

- (i) **His motivational style:** Some are authoritarian in their approach and others are relations-motivated i.e., believe in getting along with others,
- (ii) **Favourableness of the situation:** It is the extent to which the leaders have control over the situation. Leaders are motivated either by interpersonal-relation' or by task-goal accomplishment.

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Next, we have a very important group of theories which we call Contingency Theories, which are more realistic oriented like when you are talking of the bringing in organizational changes, whenever you are bringing in like staffing and bringing in changes in the maybe the organizational structure and design, and like trying to find out the competency in people. So, we have to adapt these leadership styles as guided by the Contingency Theories, and the next set of theories to follow.

The Fiedler's model postulates that the effectiveness of a leader depends upon his motivational style. Some are authoritarian in their approach and others are relations-motivated that is believe in getting along with others. And also, the favourableness of the situation, it is the extent to which the leaders have control over their situation. Leaders are motivated either by interpersonal-relations or task-goal accomplishment.

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Theories of Leadership: Contingency Theories (contd...)

Fiedler Model:

- Leader: Style is Fixed (Task-oriented vs. Relationship-oriented)
- Considers Situational Favorableness for Leader
 - Leader-member relations
 - Task structure
 - Position power

The Fiedler model and which talks about the leadership style is fixed like whether the person is either task-oriented, or leader relationship-oriented. And accordingly, whether it is the situational favourableness for the leader, and leader-member relations, task structure and position power, which will tell whether the task-oriented leader is appropriate in this particular combination of situations, or a relationship-oriented leader.

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Theories of Leadership: Contingency Theories (contd...)

Fiedler Model: Defining the Situation

Leader-Member Relations
The degree of confidence, trust, and respect subordinates have in their leader

Task Structure
The degree to which the job assignments are procedurized

Position Power
Influence derived from one's formal structural position in the organization; includes power to hire, fire, discipline, promote, and give salary increases

The degree of confidence trust and respect subordinates have in their leader defines the leader-member relations. The task structure is the degree to which the job assignments

are processed. And the position power is the influence derived from one's formal structural position in the organization; it includes the power to hire, fire, discipline, promote, and give salary increases.

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Theories of Leadership: Situational Leadership Theory

Hersey and Blanchard's Situational Leadership Theory :
Situational Leadership Theory (SLT)

A contingency theory that focuses on followers' readiness; the more "ready" the followers (the more willing and able) the less the need for leader support and supervision.

Amount of Follower Readiness: LOW to HIGH

Amount of Leader Support & Supervision Required: HIGH to LOW

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So, as we see over there the combination of these techniques, we are not telling like this style is good or that style is bad. But, as per the need of the situation as per the nature of the followers as per the nature of the task that you have at hand, some styles are more effective in this combination as compared to the other style.

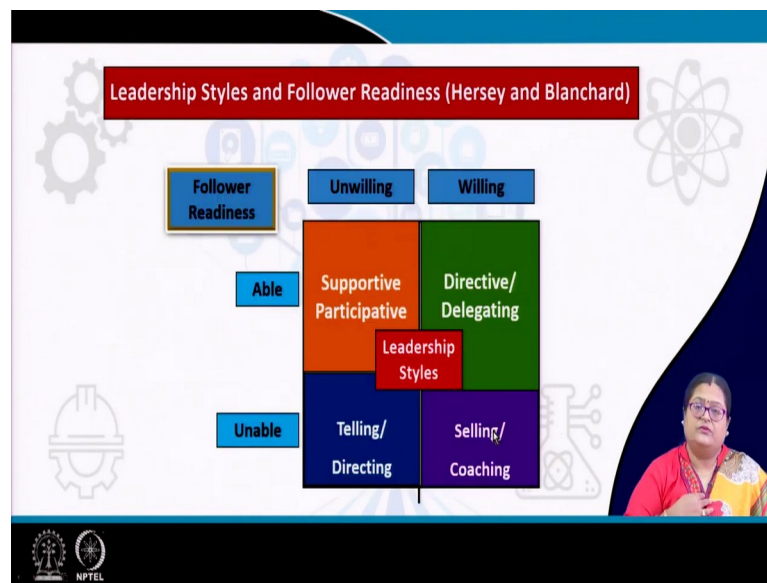
So, the Situational Theory of Leadership given by Hersey and Blanchard, it talks of it is also a contingency theory, but here also it focuses on the follower's readiness, so and that is where they are more willing and able to learn something to do something and the and to explore with something. So, in that case, if they are more willing and able, so there is a less need for like direct supervision by the leader.

So, when we see like the amount of follower readiness is very low, then what you find number of leaders supported supervision required is very high. But when the amount of follower readiness becomes high, the amount of leader support and supervision generally decreases.

So, it is very important for the change initiator, change leader to understand the amount of readiness that a particular person individual may be having, because that will help that

person to like tune with whether the how much direct supervision the person will require or how much autonomy the person needs to be given, so that he or she will love to function on his or her own. So, as we see like the as a follower readiness increases, the amount of leadership supported supervision required is gradually decreasing.

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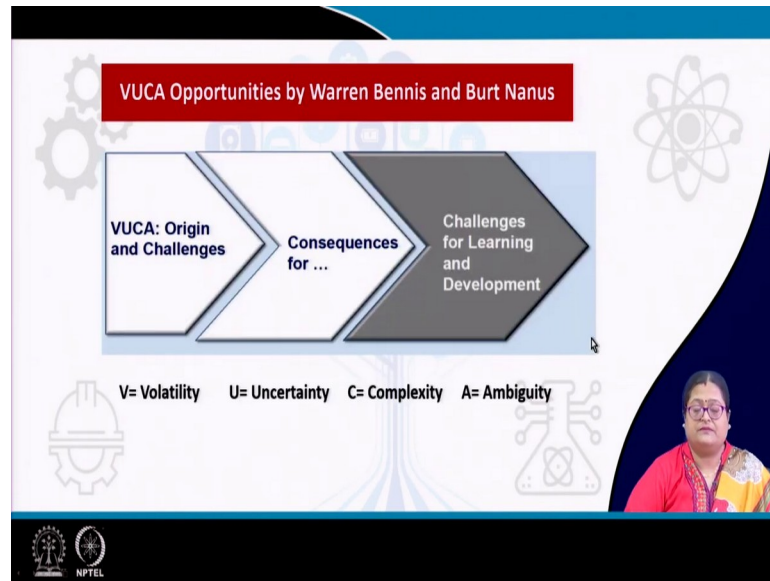


We will see that the leadership styles also depend on the willingness and unwillingness of the follower, and the able whether the follower is able or unable to do certain things. If the follower is able and unwilling, then a supportive and participative leadership is going to help. If the follower is able and willing, then only given some directive is important and the leaders can very well delegate the responsibilities to the followers.

If the follower is unable and willing, then you can coach the person, you can sell your ideas and help the person to or hand over link support to do the things. If the person is both unable and unwilling, then your leader has to tell the follower what to do and give him or her correct directions, and they have to direct like you have to do this, and you have to do that.

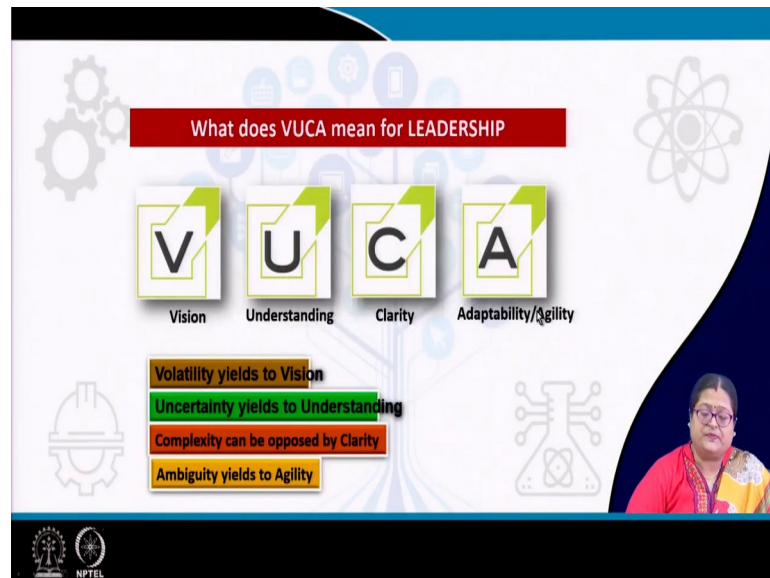
So, as you see that based on the willingness of the person to participate for the organizational objectives that combined with the ability of the person to do certain things as per the expectations of the particular role, so that will change the leadership style. For the different cases based on the follower's readiness, the leader is supposed to take different leadership styles.

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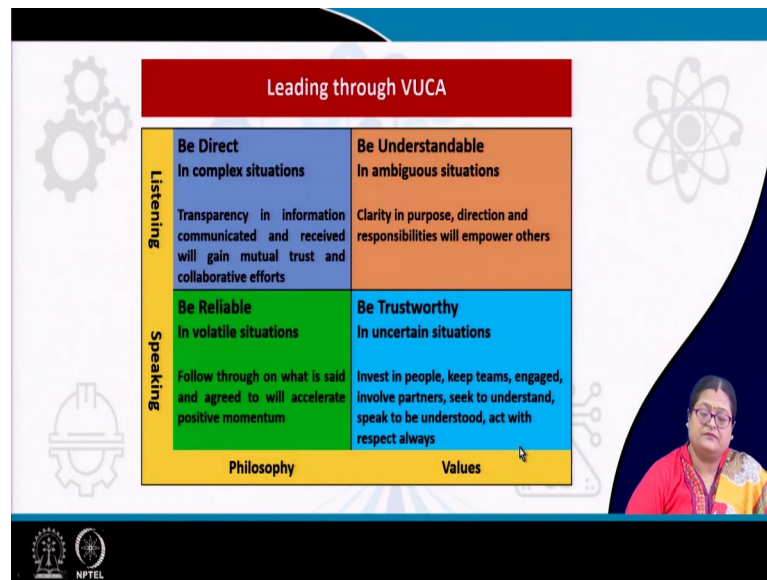
We have already discussed VUCA situations earlier while we are discussing organizational change if you remember. And it when the VUCA situation arises which is the volatility, uncertainty, complexity and ambiguity, it brings in new challenges for learning and development.

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So, we can tell like instead of volatility, uncertainty, and complexity, and ambiguity, we can tell the volatility yields to vision, uncertainty yields to understanding, complexity can be opposed by the clarity of purpose, and ambiguity yields to agility or adaptability.

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So, leading through the VUCA time really require some leadership competencies which are very important that is why we have thought of keeping a separate discussion on it over here; which is like in complex situations like we have tried to find out like in a complex situation, or in ambiguous situations, in volatile situations, and uncertain situations, what are the qualities required.

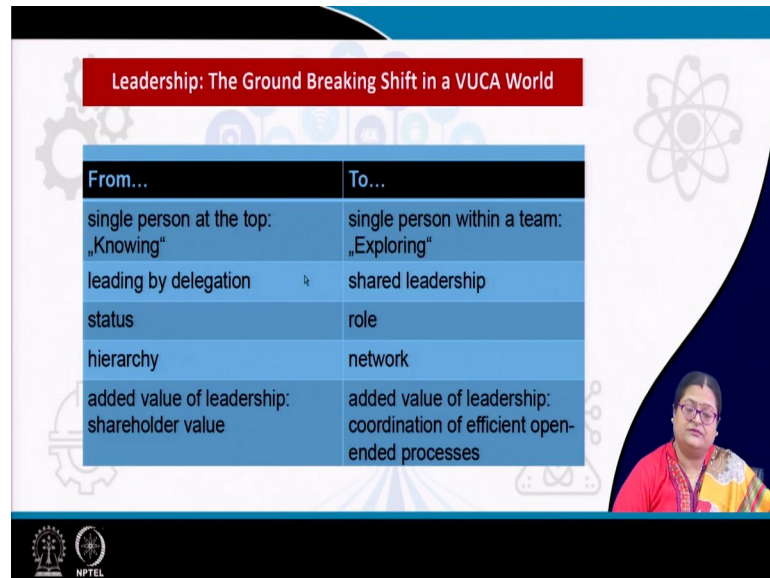
So, what you find is like whether it be listening or speaking, or whether in what is the philosophy that you follow, or what are the values that you follow, so these are things which will be guiding you. So, like in complex situations the style required is be direct. Transparency in information communicated and received will gain mutual trust and collaborative efforts. In ambiguous situations, it is very important to be understandable in ambiguous situations.

Clarity in purpose direction and responsibilities will empower others. Be reliable in volatile situations. Follow through on what is said and agreed to will accelerate positive momentum. Be trustworthy is in uncertain situations, it is to be invested in people, keep teams engaged, involve partners, seek to understand, speak to be understood, act with respect always, these are the values which needs to be followed.

And if we take these kind of leadership styles if they are different as per the whether it is a complex situation, whether it is volatile situations, uncertain situations and all, we are

going to lead through these situations and move to a better world of like developing a proper vision, clarity of purpose, and becoming more agile.

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From...	To...
single person at the top: „Knowing“	single person within a team: „Exploring“
leading by delegation	shared leadership
status	role
hierarchy	network
added value of leadership: shareholder value	added value of leadership: coordination of efficient open- ended processes

So, what has the shift occurred in the VUCA world is that, so from like the single person at the top who is knowing everything. So, it is a single person within a team who is exploring everything. So, it was from leading by delegation to the concept of shared leadership. So, everybody can be leader based on the competencies people have any one person can emerge as a leader. This we are going to discuss in more details while we are discussing group behaviour next.

And we are discussing on team roles where we what we get to see like in a team there are eight different roles, 8 to 9 different roles. And based on your competencies, your personality pattern, your values, your preferences, you can take up any role which suits you. And so, in that way, it really talks of shared leadership.

So, from status to the role, from hierarchy a shift towards network, and from added value of leadership which is the shareholder value, to added value of leadership which is coordination of efficient and open-ended processes.

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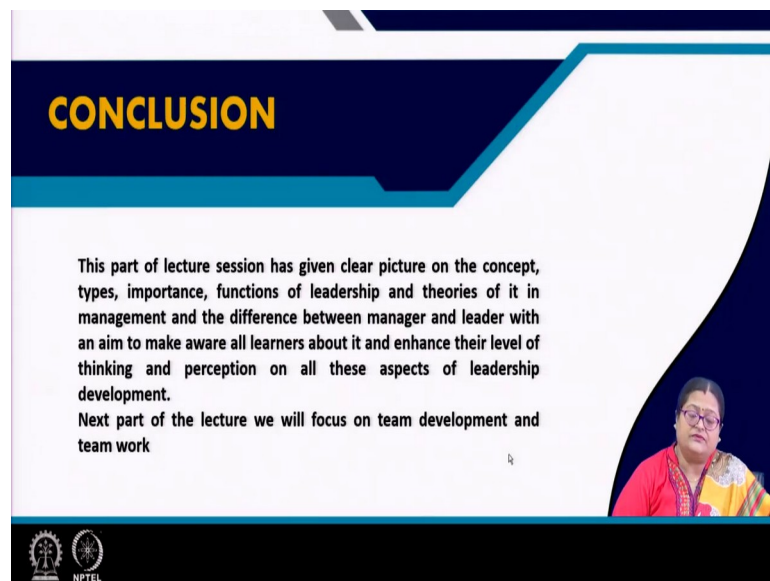


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CONCLUSION

This part of lecture session has given clear picture on the concept, types, importance, functions of leadership and theories of it in management and the difference between manager and leader with an aim to make aware all learners about it and enhance their level of thinking and perception on all these aspects of leadership development.

Next part of the lecture we will focus on team development and team work

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So, with this we will end over here. And we hope like the discussions that we have made between like the functions of and theories of leadership, and the different aspects of leadership has helped you to understand or get an overall idea of what the leadership theories are, and what are the different styles are. In the next, we are going to discuss on team development and teamwork.

Thank you till then.