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**Abel Thabo Thekiso**

..........

**PERCEPTUAL DIFFERENCES BETWEEN MANAGERS AND  
SUBORDINATES REGARDING LEADERSHIP STYLES**

**By**

**Abel Thabo Thekiso**

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of the requirements for the degree**

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# CHAPTER 1

## INTRODUCTION AND STATEMENT OF THE PROBLEM

### 1.1.Introduction

Since 1990 South African business, government and the academic community have been concerned about performance and productivity. Much of this concern has been prompted by the gap in productivity levels between South Africa and first world countries like the United States and Japan. For South Africa to be able to meet its obligation of the Reconstruction and Development Programme, the Gross Domestic Product of South Africa must grow by 6% annually, and till so far this target has not been attained.

According to Moorhead and Griffin (1996.172) **productivity** refers to the amount of goods and services an organisation creates from its resources. If one worker produces 100 units, 3 of which are defective, he or she is more productive than a worker who produces 90 units with 5 defects and less productive than a worker who produces 105 units with no defects. Similarly, a bank that can process an average of 75 customers an hour with 3 teller stations is more productive than a bank that can process only 70 customers an hour with the same number of teller stations. Productivity is therefore the level of outputs relative to inputs. It can be assessed at the level of the individual, the work group, or the organisation itself.

**Performance** on the other hand is explained by Steers and Mowday (1988.110) as the total set of job related behaviours in which employees engage. Thus, in many ways overall performance is quite similar to organisational citizenship behaviour, i.e. if worker A can produce 20 units an hour and worker B can produce only 18 units, worker A is more productive than worker B. But suppose worker B is always willing to work late, assists in training new employees, looks for opportunities to help the organisation, always comes to work on time, and has not missed a day of work in three years. Worker A insists on leaving promptly at 5:00 P.M. every day, ignores new employees, never shows initiative, is often several minutes late for work, and misses an average of one day of work per month. Although worker A is more productive, it might be argued that worker B is the better performer

across a wider array of activities.

Of course it is up to the managers and the organisation to determine exactly what the appropriate job related behaviours should be, and how they should be weighted in determining performance. The point is that performance goes beyond the level of outputs. Fierman (1997.209) says that often the difference between highly effective organisations and less effective ones lies in the motivational profiles of their members.

Gibson, Ivancevich, and Donnelly, (1998.338) also add on by saying that of the issues which have haunted managers ever since people began forming organisations, none has been more persistent than the question: "How do I motivate my employees?" For years motivation was thought to be a trait possessed in varying degrees by everyone.

Mowday (1997.234) says that motivation is difficult to apply in practice despite all the research that has been done on the subject and all the theories of motivation that have arisen from it. The main reason for this is that motivation is a truly human problem, that is, it is people who must be motivated and not only do people differ from each other, but their emotions, interests, needs, etc, also differ from time to time. The methods that must be used for motivation will not always be the same. They will differ not only from firm to firm, but also from department to department, from person to person, and from time to time in respect of the same person.

Steers and Porter (1997.5) say that one of the manager's primary tasks is to motivate people in the organisation to perform at high levels. This means getting them to work hard, come to work regularly and make positive contributions to the organisation's mission. But job performance depends on the ability and environment as well as on motivation. The relationship can be stated as follows:  $P = f(M, A, \text{ and } E)$ , where  $P$  = performance,  $M$  = motivation,  $A$  = ability, and  $E$  = environment. To reach high levels of performance, an employee must want to do the job (motivation), be able to do the job (ability), and have materials and equipments needed to do the job (environment). A deficiency in any one of these areas will hurt performance. A manager thus should strive to ensure that all three conditions are met.

Hill (1997.75) concludes by saying that motivation "is not as much a personal characteristic as it is a product of the interaction between an executive and an



individual staff member." Still, such interaction is closely related to employee characteristics . Hill (1997.78) points out that nothing is as important in individual productive functioning as self esteem. He also adds on to say that no influence is as great in the development of a person's self esteem as the feeling that someone whom he or she respects believes in him or her. The way people are managed therefore serves both to influence a subordinate's personal characteristics and to establish his or her level of motivation.

The manager's interpersonal skills is closely tied to the need for organizations to get and keep high performing employees. For instance, the chief executive of Chrysler Company sees his workforce as an asset that provides his company with a sustainable competitive advantage. "The only way we can beat the competition is with people," says Eden. He further goes on to say that it is the only thing that anybody has. Your culture and the way your people are managed is what makes the difference. The head of Starbucks, the rapidly growing Seattle- based coffee retailer, concurs by saying that their only sustainable competitive advantage is the quality of their workforce and the way they are being managed. However on the other hand the workforce has certain expectations from management and may perceive the way they are being managed as demotivating and as such leading to poor morale and productivity. Therefor the critical issue is for managers to manage the perceptions of their subordinates to make sure that their intentions are not wrongly perceived.

## **1.2. Research problem**

It seems that perceptual differences between managers and subordinates are likely to occur, and that may lead to communication gaps that in turn may hamper the relationship between managers and their subordinates. Since healthy relationships between managers and their subordinates is a strong motivational tool, it is imperative that possible perceptual distortions be identified and addressed in order to create an atmosphere of constructive, supportive work environment that will increase productivity levels.

Because effective leadership is viewed as very important to top management of the MARIBI Company, it has been decided to investigate the current situation regarding the above mentioned issue within this organisation.

### **1.3. Research questions**

The study is comprised of the following three questions

- What are the prominent leadership styles displayed by managers of the MARIBI Co?
- How do subordinates perceive the prominent leadership styles of the managers in the MARIBI Co?
- What are the differences in perceptions between managers and subordinates regarding managers' leadership styles?

### **1.4. Aims and purposes of the study**

The aims and purposes of the study are the following:

- To determine the prominent leadership styles displayed by managers of the MARIBI Company.
- To determine the prominent leadership styles of managers in the MARIBI Company as perceived by subordinates.
- To determine what differences are in perceptions between managers and subordinates regarding manager's leadership styles.

### **1.5. Structure of the thesis**

In chapter 2, the relevant issues regarding perceptions will be addressed i.e. what is meant by perceptions, the respective stages of the perceptual process, possible perceptual distortions, and the nature of the attribution process.

Chapter 3, will deal with issues of leadership, namely: definitions of leadership, respective leadership categories and the role that perception plays in the execution of leadership styles.

The relevant issues regarding the research methodology will be the focus point of chapter 4. This include the selection of the respondents, the gathering of data, the nature and composition of the measuring instrument, the hypotheses and the statistical technique.

The results and the discussion of the results will be presented in chapter 5 whiles the general conclusions and recommendations will be derived from the conclusion.

## CHAPTER 2 PERCEPTIONS

### 2.1. Introduction

This chapter as indicated in chapter1 will cover the relevant issues regarding perceptions, and the issues that will be addressed include: what is meant by perceptions, the respective stages of the perceptual process, possible perceptual distortions, and factors affecting perceptions, These aspects with regards to perceptions are necessary in order to attain the aim of the study i.e. to determine perceptual differences between managers and their subordinates regarding the managers' leadership styles.

### 2.2. Definitions of perception

Perception is defined by Stephen and Robbins (1998.90) as a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment. Wright and Noe (1995.308) adds on to say that the information reaches people through any of the five senses: sight, hearing, smell, touch, and taste. Thus, in the course of a typical workday, the perceptions of a quality control worker at a shirt factory might include the look and feel of shirts he inspects, gossip he hears in the cafeteria, and the smell and taste of the coffee he drinks during his break. Those perceptions begin with worker's nerve ending receiving the sensory input and end with the worker giving meaning to the sensations i.e. the production workers are making good shirts and the coffee is terrible.

According to Isherwood (1974.02) people are cameras, but a moment's thought reveals that they are more than simply recorders of information, like a cameras or a tape recorders, rather they are processors of information. They do not simply register the information that reaches their eyes and ears, they perceive it, and they make sense of it

Research on perception consistently demonstrates that individuals may look at the same thing, yet perceive it differently. One manager, for instance can interpret the fact that her assistance regularly takes several days to make

important decisions as evidence that the assistant is slow, disorganised, and afraid to make decisions.

Another manager, with the same assistance, might interpret the same action as evidence that the assistance is thoughtful, thorough, and deliberate. The first manager will probably evaluate her assistant negatively, while the second manager appraises the same behaviour positively. The point is that none of us see reality. What people do is interpret what they see and call it reality. And, of course, as the above example illustrates peoples acts are based on perceptions.

### **2.3. The perception process**

People count on their senses to give them accurate information. In other words, people trust that that what they see, hear, touch, taste, and smell accurately reflects the world as it objectively is. People perceive work related information in different ways. Suppose a worker doesn't look his or her boss in the eyes. Some people consider this to mean they are being ignored, others observe someone acting guilty, and still others see a demonstration of respect. Or suppose a manager praises an employee enthusiastically once a year at each performance appraisal. The manager might perceive this behaviour as "regular and meaningful feedback", whereas the employee calls it "hardly ever praising me." Differences in perception can lead to employees to conclude that different behaviours are appropriate.

Wright and Noe (1995.309) say that to understand how and why individuals perceive the same information differently, it is necessary to consider the entire perception process. The steps in the perception process are attention, organization, and interpretation. However as is so often the case with models of human behaviour, this presents a general pattern; in practice, the boundaries between steps may be blurry.

#### **2.3.1. Attention**

Wright and Noe (1995.309) says that attention is a stage of perception in which people notice some information and filter out the rest.

Any characteristic that makes a person, object, or event stand out will

increase the probability that it will be perceived, because it is impossible for people to assimilate everything they see. Only certain stimuli can be taken in. This tendency explains why, one is more likely to notice a car like his or her own, or why some people may be reprimanded by their boss for doing something that, when done by another employee, goes unnoticed. Since people cannot observe everything going on around them, they engage in selective perception.

A classic example shows how vested interest can significantly influence which problems we see.

Dearbon and Simon.(1988.96) performed a perceptual study in which 23 business executives read a comprehensive case describing the organization and activities of a steel company. 6 of the 23 executives were in the sales function, five in production, four in accounting, and eight in miscellaneous functions. Each manager was asked to write down the most important problem he found in the case. 83 percent of the sales executives rated sales important, only 29 percent of the others did so. This, along with other results of the study, led the researchers to conclude that the participants perceived aspects of a situation that were specifically related to the activities and goals of the unit to which they were attached. A group's perception of organizational activities is selectively altered to align with the vested interests they represent. In other words, when the stimuli are ambiguous, as in the steel company case, perception tends to be influenced more by an individual's base of interpretation (that is, attitudes, interests, and background) than by the stimulus itself.

Moore (1995.459) says that people cannot assimilate all that they observe, they take in bits and pieces. But those bits and pieces are not chosen randomly, rather they are selectively chosen according to their interests, background, experience, and attitudes. Selective perception allows people to "speed-read" others, but not without the risk of drawing an inaccurate picture. Because people see what they want to see, they can draw unwanted conclusions from an ambiguous situation.

If there is a rumour going around the office that the company's sales are down, and that large layoffs may be coming, a routine visit by a senior executive from head quarters might be interpreted as the first step in management's identification of people to be fired, when in reality such an action may be the furthest thing from the mind of the senior executive.

Some general factors determine what people pay attention to and what they filter out. These factors are both personal (having to do with the person exposed to the stimulus) and external (having to do with the stimulus itself).

#### **2.3.1.1. Personal Factors.**

The major ways in which personal factors influence attention relate to the perceiver's expectations and his or her needs and interests.

##### **2.3.1.1.1. *Expectations.***

Wright and Noe (1995:310). says that people tend to pay more attention to stimuli that confirm their expectations (what they think they will perceive). Thus, a manager who thinks employees should be forced to work will notice incidents in which employees seem not to be doing their job. During the 1960s, U.S. auto makers focused their analysis of competitors almost exclusively on one another, with occasional attention to European firms. They expected their most important competitors to resemble themselves. In the meantime, Honda expanded its expertise by innovating in the design of its motorcycles, then by broadening its product mix to include automobiles, lawn mowers, marine engines, and generators, - a far cry from the more limited product mix of Ford or General Motors. When the big U.S. auto makers realized they should have paid attention to Honda, it had become a well known competitor on a global scale.

Because of this bias in attention, people who want to perceive something as fairly as possible must make an effort to notice information that does not fit their expectations. A manager who thinks, "We have a lock on the market because no one can match our technology", is thus at risk for failing to observe the rise of a new competitor (perhaps one who excels at something customers want more than superior technology). And a manager who believes an employee isn't very smart is likely to miss many of the employee's contributions unless the manager specifically looks for them. In fact, trying to catch employees doing something right often brings out the best in them.

#### **2.3.1.1.2. *Needs and Interests.***

A practical implication of the link between attention and the perceiver's needs and interests is that if a manager wants employees to pay attention to a message, the manager should put it in terms related to their needs and interests. Consider an organization that regularly updates employees on the organization's financial performance. Employees are likely to be most attentive to this information if the message ties the numbers to the employees' role in bringing about improvements or the possible impact of the numbers on the employees' year-end bonuses.

#### **2.3.1.2. *External Factors:***

Eden (1992.210) says that whether or not someone will pay attention to a stimulus also depends on factors related to the stimulus itself: its intensity, contrast, and frequency.

##### **2.3.1.2.1. *Intensity.***

Eden (1992.210) and Robbins (1998.99) says that people are more likely to pay attention to a stimulus when it is intense, as in the case of a loud noise, strong odour, or icy temperature. The impact of intensity is a reason the alarms on smoke detectors are obnoxiously loud. Likewise, when one feels frustrated at getting someone to listen, one is tempted to shout. At intense visual stimulus may be big, bright, and bold. Discover Card uses big capital letters to draw attention to the headline of its ad.

##### **2.3.1.2.2. *Contrast.***

Robbins (1998.98) says that "there 's an old adage among entertainers who perform in variety shows: Never follow an act that has kids or animals in it. The common belief is that audiences love children and animals so much that you will look bad in comparison. In a similar vein Robbins gives an example of when he was college freshman and had to give a presentation in a speech class. He was scheduled to speak third that morning. After both of the first two speakers stammered, stumbled and forgot their lines, he suddenly got a rush of confidence because he figured that even though his talk might not go too well, he'd probably get a good grade. He was counting on the instructor's



raising his evaluation after contrasting his speech with those that immediately preceded it

These two examples demonstrate how contrast effect can distort perceptions. We don't evaluate a person in isolation. Our reaction to one person is often influenced by other persons we have recently encountered. An illustration of how contrast effects operate is an interview situation in which one sees a pool of job applicants. Distortions in any given candidate's evaluation can occur as a result of his or her place in the interview schedule. The candidate is likely to receive a more favourable evaluation if preceded by a mediocre applicants and a less favourable evaluation if preceded by strong applicants.

#### **2.3.1.2.3. *Frequency.***

Donnelly, Gibson, and Ivancevick (1990.405) say that greater frequency of a stimulus also increases the likelihood it will receive attention. Simple examples include running the same advertisement many times and calling to someone over and over until that person hears you. Or suppose an organization wants to promote a focus on quality service. The organization president might announce that in a speech at a company wide meeting. Some employees would listen, and probably others would tune out the speech. Then lower level managers might discuss the quality focus in smaller meetings, where other employees would attend to the message. Later, management behaviour demonstrating a commitment to quality would likely get the attention of more employees and so on.

#### **2.3.2. Organization**

According to Simon (1995;43), to begin making sense of the information received during the attention stage, the perceiver organizes it. The **organization** stage of perception involves a mental sorting process like filing invoices or arranging tools in the organisation's tool room. Instead of file folders and filing cabinets of hooks and drawers in a tool room, the brain uses **schemas**: cognitive structures which related items of information are grouped together. Psychologists think of schemas in terms of scripts.

According to Leana (1985;67) when a schema describes a sequence of actions, it is called a script. Leana continues to say that we have scripts for many reasons. For example, your script for a job interview is likely to involve dressing well, answering questions, perhaps looking around the work place. If one went on a job interview and the interviewer greeted you by saying "Hey, let's go for a beer!" one would probably be confused because that behaviour does not fit most people's script for a job interview.

Using scripts makes processing information efficient. In the case of a script for job interviews, it helps to know the accepted way to behave. If an organisation invites a person to an interview for a job, one does not have to figure out who to ask about proper dress, one know he or she needs to wear business like attire. One also knows that he or she has to answer questions about one's abilities and accomplishments.

### **2.3.3. Interpretation**

According to Wright and Noe (1995.316), when one organizes information into a schema, one has begun to give meaning to it. This effort continues with **interpretation**, or looking for explanations for the stimuli observed). Think of the example where the interviewer invited you out for a beer. To one person, this behaviour might signify a very congenial workplace, to someone else a sneaky way to test whether you drink (or are old enough to do so). A third person interpreting the situation might conclude that there was a misunderstanding about the purpose of the meeting.

Robbins (1998.86) says that in trying to explain how people interpret their observations, psychologists have described basic processes: projection, assumed similarity, stereotyping, halo effect and attribution.

#### **2.3.3.1. *Projection.***

Projection is when one attribute one's own characteristics to other people. Brets (1992.328) continues to say that, if a person wants challenge and responsibility in his or her job, he or she assumes that others want the same. Or, he or she is honest and trustworthy, so he or she takes it for granted that other people are equally honest and trustworthy, This tendency to attribute one's own characteristics to other people which is called **projection** can distort perceptions made about others.

People who engage in projection tend to perceive others according to what they themselves are like rather than according to what the person **being** observed is really like. When observing others who actually are like them these observers are quite accurate -not because they are perceptive but because they always judge people as being similar to themselves. So when they finally do find someone who is like them, they are naturally correct. When managers engage in projection, they compromise their ability to respond to individual differences. They tend to see people as more homogeneous than they really are.

#### **2.3.3.2 Assumed similarity**

Main (1982.58) says that it is easy to others if one assumes that they are similar to them. **Assumed similarity** or "like me" effect, results in an individual's perception of others being influenced more by what the observer is like than by what the person being observed is like. If one wants challenge and responsibility in one's job, one tend to assume that others want the same. People who assume others are like them are right some of the time, but only when they judge someone who is actually like them. The rest of the time, they are wrong.

#### **2.3.3.3 Stereotyping**

Nam (1992.78) says that when people judge others on the basis of their basis of their perception of the group to which he or she belongs, they are using the shortcut called **stereotyping**. "married people are more stable employees than singles" or "union people expect something for nothing" are examples of stereotyping. To the degree that a stereotype is a factual generalisation, it helps in making accurate judgements. But many stereotypes have no founding in fact. In these latter cases, stereotypes distort judgements.

#### **2.3.3.4 Halo Effect**

According to Gibson, Ivancevich, and Donnelly (1988.244) when people draw general impressions about an individual based on a single characteristic like intelligence, sociability, or appearance, a **halo effect** is operating. It is not unusual for the halo effect to occur during the selection interviews. A stunning blonde female candidate for a secretarial position may be perceived

by a male interviewer as an intelligent individual with high secretarial skills, when in fact in fact she may be intellectually dull and poorly skilled in dictation and typing. What has happened is that a single trait-beauty-has over ridden other characteristics in the interviewer's general perception about the individual.

#### 2.3.3.5. *Attribution.*

Our perceptions of people differ from our perceptions of inanimate objects such as desks, machines, or buildings because we make inferences about the actions of people that we don't make about inanimate objects. Nonliving objects are subject to the laws of nature, but they have no beliefs, motives, or intentions. People do. The results is that when we observe people, we attempt to develop explanations of why they behave in certain ways. Our perception and judgement of a person's actions, before, will be significantly influenced by the assumptions we make about that person's internal state.

According to Zerbe and Franken (1992.167), has been proposed to develop explanations of the ways which we judge people differently, depending on what meaning we attribute to a given behaviour. Basically, the theory suggests that when we observe an individual's behaviour, we attempt to determine whether it was **internally** or **externally** caused. That determination, however, depends largely on three factors: distinctiveness, consensus, and consistency.

Internally caused behaviours are those that are believed to be under the personal control of the individual. Externally caused behaviour is seen as resulting from outside causes, that is, the person is seen as having been forced into the behaviour by the situation. If one of ones' employees is late for work, he or she might attribute his lateness to his partying into the wee hours of the morning and then oversleeping. This would be an internal attribution. But if you attribute his arriving late to a major automobile accident that tied up traffic on the road that this employee regularly uses, then you would be making an external attribution.

Distinctiveness refers to whether an individual displays different behaviours in different situations. Is the employee who arrives late today also the source of complaints by co workers for being a "good-off"? What we want to know is whether this behaviour is unusual. If it is, the observer is likely to give the

behaviour an external attribution. If this action is not usual, it will probably be judged as internal.

If everyone who is faced with a similar situation responds in the same way, we can say the behaviour shows consensus. Our late employee's behaviour would meet this criterion if all employees who took the same route to work were also late. From an attribution perspective, if consensus is high, you would be expected to give an external attribution to the employee's tardiness, whereas if other employees who took the same route made it to work on time, your conclusion as to causation would be internal.

Finally, an observer looks for *consistency* in a person's actions. Does the person respond the same way over time? Coming in ten minutes late for work is not perceived in the same way for the employee for whom it is an unusual case (she hasn't been late for several months) as it is for the employee for whom it is part of a routine pattern (she is regularly late two or three times a week). The more consistent the behaviour, the more the observer is inclined to attribute it to internal causes." (1992.166)

Deaux and Heilman (1992.148) says that "one of the more interesting findings from attribution theory is that there are errors or biases that distort attributions. For instance, there is substantial evidence that when we make judgement about the behaviour of other people, we have a tendency to underestimate the influence of external factors and overestimate the influence of internal or personal factors. This is called the **fundamental attribution error** and can explain why a sales manager is prone to attribute the poor performance of her sales agents to laziness rather than to the innovative product line introduced by the competitor. There is also a tendency for individuals to attribute their own successes to internal factors such as ability or effort while putting the blame for failure on external factors such as luck. This is called the **self-serving bias** and suggests that feedback provided to employees in performance reviews will be predictably distorted by recipients depending on whether it is positive or negative.

According to Deaux and Heilman (1992.44), a study of Korean managers found that, contrary to the self-serving bias, they tended to accept responsibility for group failure "because I was not a capable leader" instead of attributing it to group members. Attribution theory was developed largely in the United States on the basis of experiments with Americans. But the

Korean study suggests caution in making attribution theory predictions outside the United States, especially in countries with strong collectivist traditions.

#### 2.4. Factors influencing perception

According to Rosen (1994.98) a number of factors operate to shape and sometimes distort perception. These factors can reside in the *perceiver*, in the object or *target* being perceived, or in the context of the *situation* in which the perception is made.

##### 2.4.1. The perceiver

Dodwill (1983.01) says that when an individual looks at a target and attempts to interpret what he or she sees, that interpretation is heavily influenced by personal characteristics of the individual perceiver. Among the more relevant personal characteristics affecting perception are **attitudes, motives, interests, past experiences, and expectations.**

Different people hold different attitudes regarding the same issue and that will influence their perceptions in different ways.

Nam (1992.325) says that unsatisfied needs or *motives* stimulate individuals and may exert a strong influence on their perceptions. This fact was dramatically demonstrated in research on hunger. Individuals in the study had not eaten for varying number of hours. Some had eaten an hour earlier, others had gone as long as 16 hours without food. These subjects were shown blurred pictures, and the results indicated that the extent of hunger influenced the interpretation of the blurred pictures. Those who had not eaten for 16 hours perceived the blurred images as pictures of food far more frequently than did those subjects who had eaten only a short time earlier.

This same phenomenon has application in an organizational context as well. It would not be surprising, for example, to find that a boss who is insecure perceives a subordinate's efforts to do an outstanding job as a threat to his or her own position. Personal insecurity can be transferred into the perception that others are out to "get my job," regardless of the intention of the subordinates. Likewise, people who are devious are prone to see others as also devious.

Nam (1992.327) says that it is not surprising that a plastic surgeon is more likely to notice an imperfect nose than a plumber is. The supervisor who has just been reprimanded by her boss for the high level of lateness among her staff is more likely to notice lateness by an employee tomorrow than she was last week. If one is preoccupied with a personal problem, he or she may find it hard to be attentive in class. These examples illustrate that the focus of one's attention appears to be influenced by his or her *interests*. Because individual's interests differ considerably, what one person notices in a situation can differ from what others perceive.

Mount (1991.11) says that just as interests narrow one's focus, so does one's past experiences. A person perceives those things to which he or she can relate to. However, in many instances, one's past experiences will act to nullify an object's interest. Objects or events that have never been experienced before are more noticeable than those that have been experienced in the past. An individual is more likely to notice a machine that he or she has never seen before than a standard filing cabinet that is exactly like hundreds others he or she has never seen before than a standard filing cabinet that is exactly like hundred others he or she has previously seen. Similarly, one is more likely to notice the operations along an assembly line if it is the first time you have seen an assembly line. In the late 1960s and early 1970s, women and minorities in managerial positions were highly visible because, historically, those positions were the province of the white males. Today, women and minorities are more widely represented in the managerial ranks, so we are less likely to take notice that a manager is female or African. If you expect police officers to be authoritative, young people to be unambitious, personnel managers to "like people", or individuals holding public office to be unscrupulous, you may perceive them as such regardless of their actual traits.

#### **2.4.2 The Target**

According to Judd and Park (1993.109) characteristics of the target that is being observed can affect what is perceived. Loud people are more likely to be noticed in a group than are quiet ones. So, too, are extremely attractive or unattractive individuals. Motion, sounds, size, and other attributes of a target shape the way we see it. Because targets are not looked at in isolation, the relationship of a target to its background influences perception, as does our tendency to group close things and similar things together.

Judd and Park (1993.112) continue to say that what we see is dependent on how we separate a figure from its general background. For instance, what you as a reader see when you read this sentence is black on a white page. You do not see funny shapes patches of black and white because you recognize these shapes and organize the black shapes against the white background. Objects that are close to each other will tend to be perceived together rather than separately. As a result of physical or time proximity we often put together objects or events that are unrelated.

Employees in a particular department are seen as a group. If two people in a four member department suddenly resign, people tend to assume that their departures were related when, in fact, they may be totally unrelated. Timing may also imply dependence when, for example a new sales manager is assigned to a territory and, soon after, sales in the territory skyrocket. The assignment of the new sales manager and the increase in sales may not be related. The increase may be due to the introduction to a new product line or to one of many reasons, but there is a tendency to perceive the two occurrences as related.

Persons, objects, or events that are similar to each other also tend to be grouped together. The greater the similarity, the greater the probability that we will tend to perceive them as a common group. Woman, blacks, or members of any group that has clearly distinguishable characteristics in terms of features or colour will tend to be perceived as alike in other, unrelated characteristics as well.

### **2.4.3 The Situation**

Robbins (1998.94) says that the context in which we see objects or events is important. Elements in the surrounding environment influence our perceptions. One may not notice a 25 year-old female in an evening gown and heavy makeup at a nightclub on a Saturday night. Yet that same woman so attired for a Monday morning management class would certainly catch one's attention ( and of the rest of the class). Neither the perceiver nor the target changed between Saturday night and Monday morning, but the situation is different. Similarly, one is more likely to notice his or her subordinates goofing off if one's boss from the head office happens to be in town. Again, the situation affects one's perception. The time at which an object or event is



seen can influence attention, as can location, light, heat, or any number of situational factors.

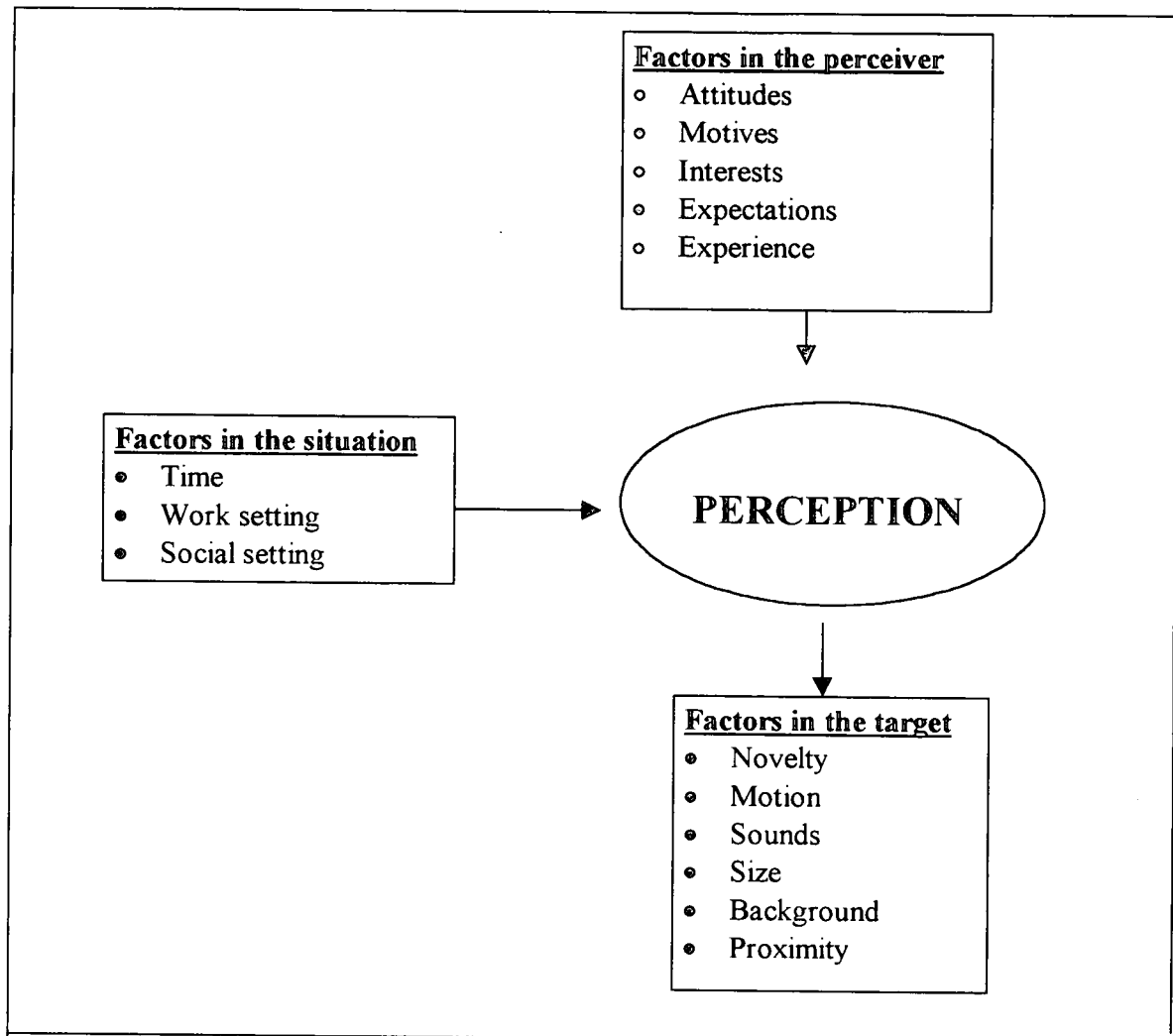


Figure 2.1: Factors influencing perception. Robbins (1998.223)

## **2.5. The influence of perception on human behaviour**

People in organisations judge and evaluate others. As an example, managers conduct interviews and do performance appraisals, and operatives assess whether or not their co-workers are putting forth their full effort. But making

judgement about others is difficult. To make the task easier, individuals take shortcuts. Some of these shortcuts are valuable because they allow people to make accurate perceptions rapidly and provide valid data for making predictions. However, they can also result in significant distortions.

Robbins (1984.290) says that individuals cannot assimilate all they observe, so they engage in **selectivity**. They take in bits and pieces. But these bits and pieces are not chosen randomly, rather they are selectively chosen depending on the interests, background, experience, and attitudes of the observer. Selective perception allows people to "speed read" others, but not without the risk of drawing an inaccurate picture.

Daft (1991.436) says that the way people perceive others is the starting point for how people communicate. When one person wishes to share an idea with another, the message is formulated based on references constructed from past events, experiences, expectations, and current motivations. When a receiver hears a message, he or she relies on a particular frame of reference for decoding and understanding it. The more similar the frame of references between people, the more easily they can communicate.

Daft (1991.437) adds on to what Robbins (1984.290) said that perception in itself does not always lead to an accurate picture of the environment. **Perceptual selectivity** means that various objects and stimuli that vie for people's attention are screened and selected by individuals. Certain stimuli catch their attention, and others do not. Once a stimuli is recognised, individuals organize or categorize it according to their frame of reference, that is **perceptual organisation**. Only a partial cue is needed to enable perceptual organisation to take place. For example a person spotted an old friend from a long distance and, without seeing the face or other features, recognised the person from the body movement.

Griffin (1989.309) says that the most common form of perceptual organisation is stereotyping. A **stereotype** is a widely held generation about a group of people that assigns attributes to them solely on the basis of one or a few categories, such as age, race, or occupation. For example, young people may assume that older people are old fashioned or conservative. Students may stereotype professors as absent minded or as political liberals.

Robbins (1998.102) says that decision making occurs as a reaction to a problem. That is, there is a discrepancy between some current state of affairs and some desired state, requiring consideration of alternative courses of action. So if one's car break down and one rely on it to get to school, one has a problem that requires a decision on the part of the particular individual. Robbins (1989.102) continue to say that unfortunately, most problems do not come neatly packaged with a label "problem" clearly displayed on them. One person's problem is another person's satisfactory state of affairs.

One manager may view his or her division's 2 percent decline in quarterly sales to be a serious problem requiring immediate action on his or her part. In contrast, his or her counterpart in another division of the same company, who also had a 2 percent sales decrease, may consider that percentage quite satisfactory. So the awareness that a problem exists and that a decision needs to be made is a perceptual issue.

## **2.6. Conclusion**

The evidence suggest that what individuals *perceive* from their work situation will influence their productivity more than will the situation itself. Whether or not a job is actually interesting or challenging is irrelevant. Whether or not the manager successfully plans and organises the work of his or her subordinates and actually helps them to structure their work more efficiently and effectively is far less important than how subordinates perceive the manager's efforts. Similarly, issues like fair pay for work performed, the validity of performance appraisals, and the adequacy of working conditions are not judged by employees in a way that assures common perceptions, nor can one be assured that individuals will interpret conditions about their jobs and their managers styles of management in a favourable light. Therefore, to be able to influence productivity, it is necessary to assess how workers perceive their managers style of leadership.

## CHAPTER 3 LEADERSHIP

### 3.1. Introduction

In this chapter definitions, various theories of leadership, recent approaches to leadership, the praxis of leadership, participative leadership and factors that forces organizations to move towards participative leadership will be addressed. These aspects with regards to leadership styles are essential in order to attain the aim of the study i.e. to determine perceptual differences between managers and their subordinates regarding the managers' leadership styles.

### 3.2. Definitions

Misumi (1985.04) says that as a result of the massive changes that have occurred throughout history, the meaning of the term *leadership* has often been questioned. The concept of "*Democratization*" in Japanese society required a reorientation from a previous social perspective on leadership. Democracy calls for each individual's freedom and equality. It emphasizes equality of power and the direct participation of every citizen in decision-making processes having consequences that affect them

The traditional concepts of leadership types have multiple meanings and lack precision in their operational definitions. Consider for example the concept of democratic leadership. In the first place, the definition of democracy itself has many meanings. White and Lippitt, (1960.220) analyzed the many meanings of democracy and identified four common elements in its numerous definitions. They are rule by the masses, liberty, responsibility, and human dignity. Pfeffer's (1992.96) definition of democracy as "government of the people, by the people, for the people" reflects a very different view. Opinion also varies about how directly the masses should rule.

According to Packard (1994.16) leadership appears to be the art of getting others to want to do something you are convinced should be done. He further goes on to say that There's a hoary maxim that proclaims: leaders are born, not made.

Bennis (1996.54) disagrees. He spent years studying a group of 150 acknowledged corporate leaders in the United States. He distinguished between leaders and managers as follows "Leaders are people who do the right things. Managers are people who do things right." He further goes on to say that you don't learn leadership in business schools, you learn management.

The study of leadership has largely been the study of small group dynamics, patterns of influence and uses of authority and domination. Hersey and Blanchard (1985.04) for example, define leadership as the process of influencing the activities of an individual or a group in efforts toward goal achievement in a given situation...the leadership process is a function of a leader, the follower, and other situational variables –  $L=f(l, f, s)$

This definition is widely shared (e.g. Fiedler 1967; Blake & Mouton 1964) and, indeed, serves as the basis of a number of simplistic but profitable training programs. However, the definition remains an empty abstraction in as far as it fails to account for culture, politics and relations of power within both groups and organizations (1986.03).

Leadership is the use of non coercive influence to direct and co ordinate the activities of group members toward goal achievement. The source of this influence may be formal, such as that provided by the possession of managerial rank in an organization. Since management positions come with some degree of formally designated authority, a person may assume a leadership role simply because of the position he or she holds in the organization. But not all leaders are managers, nor all managers leaders. Just because an organization provides its managers with certain formal rights is no assurance that they will be able to lead effectively. The ability to influence that arises outside the formal structure of the organization- is often as important or more important than formal influence. In other words, leaders can emerge from within a group as well as by formal appointment to lead a group.

### **3.3. Various theories of leadership**

Since leadership has existed wherever human groups have existed, observations and theories about leadership are almost as old as the history of social thought. The Christian Bible includes an excellent example of a

leadership theory. According to the Bible, Christ on a beach in Galilee told fishermen drawing in their nets to tell other people about God and in this way to become “fishers of men.” Thus, early Christian leaders – the Apostles – went about their task of preaching the Gospel and in this way fishing exclusively for human souls. Absolute devotion to religious leaders is also encouraged in the Islamic Koran, in the writings of otherwise life abnegating Buddhism, and probably in all religions.

Another theory of leadership can be found in Plato’s *Republic*. One of the noteworthy thoughts in the *Republic* is the idea of a “philosopher-king” based upon Plato’s famous dictum that the ideal leader must be a philosopher. Machiavelli’s *Prince* in the Renaissance period presents a classic political leadership theory emphasizing power and coercion that continues to influence modern theories of leadership. Weber’s (1947) theory of leadership is equally well known in the fields of sociology and management. Weber classified leadership into three ideal types – legal, traditional, and charismatic – according to different bases for legitimizing authority. As modern bourgeois society matured during the mid-nineteenth century, numerous theories about elites appeared in the writings of social philosophers in Europe. Some examples are the “great men” and “genius” theories proposed by Carlyle (1841), Emerson (1850), and Nietzsche (1885). A biologically oriented theory with an elitist theme is the “Genetic Study of Genius” proposed by F. Galton (1870).

A bibliography of leadership theory would be a long one indeed, especially if it included biographies and memoirs of prominent corporate and business leaders.

The universal theories, leadership orientation theories, the probability theory, the contingency theory, and most recently used theories of leadership will be addressed in this chapter.

### **3.3.1. Universal theories**

The “Great man” theory and the trait theories are examples of the universal theories.

### **3.3.1.1. The “Great man” theory**

The “Great man” theory was the earliest and is the most simple view of leadership. According to this theory, some people are born with the capacity for leadership, and rise to prominence later in life. Leaders who fit in this model are Napoleon, Hitler, Martin Luther King, John F Kennedy and Ghandi. Jago (1982.320) adds on to say that the first perspective dealt with the traits that leaders supposedly possessed, such as intelligence, confidence, communicative ability, and so on. This theory eventually made way for a more realistic approach to leadership behaviour, put forward by the behaviourist school of psychology.

### **3.3.1.2 The trait theories**

After a while it was accepted that leadership qualities are not totally inborn, but that they can be acquired through learning and experience. Research was then directed towards discovering universal characteristics of leadership.

These studies showed that intelligence, initiative, extroversion, and a sense of humour were the most common characteristics. Enthusiasm, fairness, and self confidence also featured. Stogdill (1948.68) essentially killed the search for universal traits by finding that leadership is not a matter of passive status nor of the mere possession of some combination of traits.

## **3.3.2. Leadership orientation theories**

Lynnas (1987.74) says that the universal theories have shifted the emphasis of research from characteristics to orientations. At more or less the same time, research was done at the Universities Ohio and Michigan.

### **3.3.2.1 The Ohio studies**

According to literature (Schein 1988.94, Stogdill 1979. 21, Petersen 1996.40) the aim of these studies was to identify orientations of leaders that affected their employees and their job satisfaction.

The following leadership orientations were identified in a wide spectrum of situations:

\*Initiating of structure: This is the extent to which a leader structures and defines the activities of subordinates towards reaching organizational objectives (this is sometimes referred to as production or task orientation)

\*Consideration: This is the extent to which leaders are willing to foster mutual trust between their workers and themselves, and the degree to which they respect their subordinates' suggestions and feelings (this is so also known as the Human Relations Orientation).

### **3.3.2.2 The Michigan studies**

According to Scheine (1988.98) and Martin (1987.42) the Michigan studies had more or less the same results as those of Ohio. Two dimensions of leadership were identified, namely

\*Employee oriented leaders: They were interested in their subordinates as people. They were interested in their employee' welfare and encouraged them to participate in setting objectives.

\*Production oriented leaders: They emphasized the technical aspects of the job, set standards of performance and supervised subordinates closely.

Both Ohio and Michigan studies focus only on the orientation of leaders, and ignore the situation and worker variables.

### **3.3.2.3 Blake and Mouton's managerial grid**

Referring to the research at the Ohio and Michigan universities, Blake and Mouton (1964.43) formulated their own leadership theories based on the two basic leadership orientations. From these, they developed a management matrix that identifies five basic leadership styles. According to the grid, a manager who is able to develop his people orientation as well as his production orientation, would be the best leader.



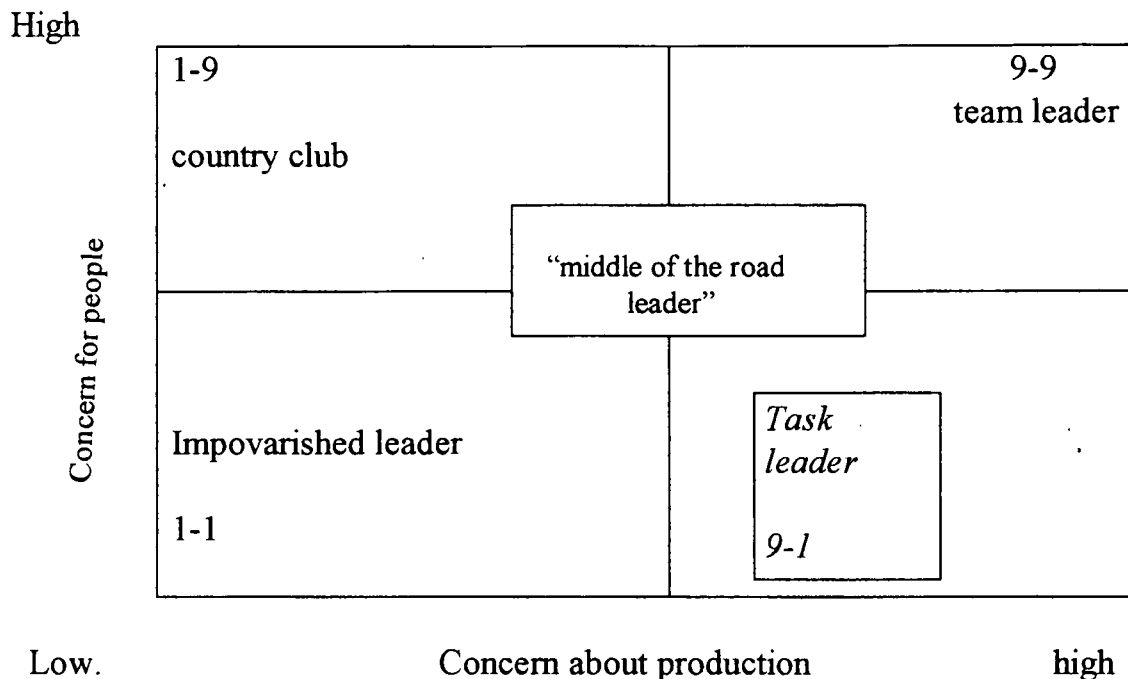


Figure 3.1. Blake and Mouton's managerial grid. Blake and Mouton (1964.24)

Here, the emphasis turned to whether the leader was employee-centered, task-centered, or both, or neither. According to Forster (1986.04) these studies spawned later managerial training programs designed to be rated 'high' on both production and consideration, though the effects of these training programs are clearly limited. As Jago (1982.320) says, Managers can indeed be trained to behave in ways characteristic of high consideration and high initiating structure but the expected pay-offs from such training are not necessarily realized. A major weakness, however, of the consideration-structure framework was that it simply did not offer exploratory power at an adequate level of generalization. The assumption that managers could alter their behaviour to produce high levels of consideration and structure, and then cause some group outcome, is problematic at best.

According to Lorenzi and Skinner (1997.364) the leadership grid incorporates both task orientation (concern for production) and people orientation (concern for people) into a two-dimensional matrix grid (figure 3.1). concern for people and concern for production are each arrayed along a nine-point continuum.

A person with a high concern for people and low concern for production would be represented by the (1,9) cell of the matrix.

Lorenzi and Skinner (1997.365) continue to say that in the reverse situation, a person with high degree of concern for production and a low concern for people would rate the (9,1) cell. In the midrange position is the person who is moderate on both dimensions, represented by the (5,5) cell. An individual rated at the top on both dimensions would be in the (9,9) cell. This technique demonstrates that it is likely that both orientations are more or less present in all managers rather than there being distinct or different leader behaviours.

Ivancevich (1997.346) says that Blake and McCauley believe that the (9,9) cell, which represents high people orientation and high task orientation, is the preferred style. The rationale for their belief is that a leader not only must support the worker, but also must structure the work setting toward task achievement. Finally, a series of seminars are used to guide the leader more toward the (9,9) orientation. A positive feature of the leadership Grid is the recognition that both types of leader behaviours are important and that people have different orientations or predispositions that they bring to the management process. A negative feature of this approach according to Ivancevich (1997.347) is the assumption that leader behaviours can be readily changed through seminar participation.

### **3.3.3. Contingency theories of leadership**

The contingency theories of leadership improved on the single greatest shortcoming of the leadership orientation theories, in the sense that they also took the situation into account.

### 3.3.3.1 Likert's 4 management systems

Sperling (1982.42) says that Likert (1961.160) identified four basic management systems within organizations. These systems range from 1(very authoritative) to 4(very democratic). They can be represented in a diagram as follows:

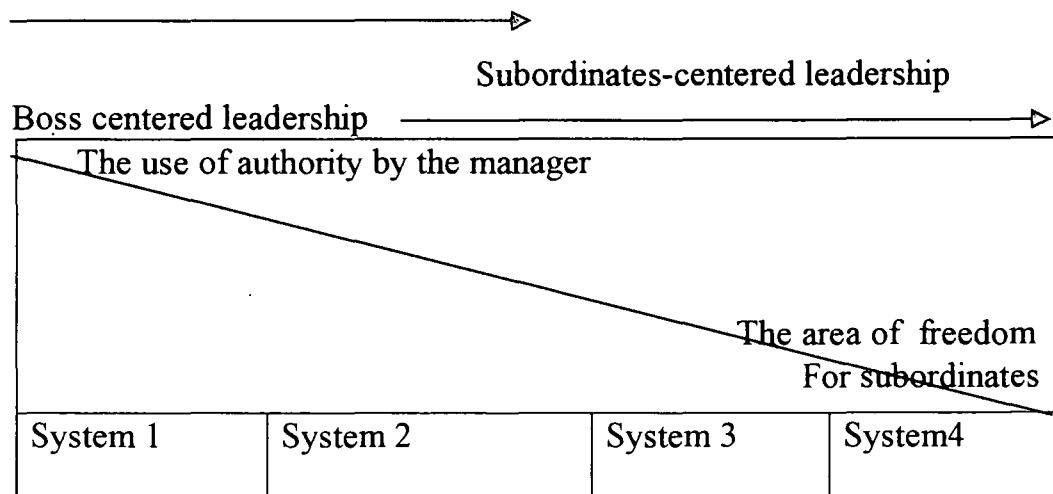


Figure 3.2. Likert's 4 management system. Likert (1967.137)

System1: Management has little confidence in subordinates and does not involve them in decision making. Workers are forced to work under threat of punishment. Authority is centralized in executive management.

System2: Management condescendingly trust subordinates to a small extent. The relationship is one of "master and servant". Few rewards are used to motivate workers. Most decision making is centered at the top of the organization.

System3: Management has a reasonable degree of trust in employee' abilities. Broad policy decisions are taken at executive level. Subordinates are allowed to take certain decisions at a lower levels in the organization.

System4: Management has complete confidence in the abilities of subordinates. Decision making is decentralized throughout the organization.

There is a wide distribution of responsibility among low level workers.

According to Likerts' (1961.234) findings, supervisors and managers who achieve the highest productivity, lowest costs, least turnover and absence rates, and highest levels of employee motivation and satisfaction appear to rank high both on consideration and initiating structure. Findings continued to reveal that the most successful managers are perceived by their subordinates as supportive, friendly, and helpful, rather than hostile. "He is kind but firm, never threatening, genuinely interested in the well being of subordinates, and endeavours to treat people in a sensitive, considerable way". At the same time, his or her own behaviour in directing work is characterized by activities such as planning, and scheduling, training subordinates, supplying them with material and tools, and initiating work activity. Likert (1961.167) calls his effective supervisor, or leader, employee-centered. The less effective supervisors are job centered.

#### **3.3.3.2. Path goal theory**

The path goal theory which was developed by House (1971.321) is currently in great favour among academic researchers. The essence of the theory is that it is the leader's task to stand by his followers in achieving their objectives. He must give them the direction and support they need ensure that their goals reconcile with those of the rest of the group.

According to this theory a leader is acceptable if his followers perceive him as a source of satisfaction or future satisfaction. A leader's behaviour is motivating (a) when he makes his subordinates satisfy their needs through performance; and (b) when he gives them the coaching, guidance, support and remuneration they need to perform effectively.

Building on these concepts as Thill and Dovel (1993.482) say that the path goal theory suggest that the leader's primary motivational functions are to make attractive rewards available, to guide employees through the path to these rewards by clarifying the behaviour that will achieve goals, and to remove any obstacles that prevent goal attainment.

Depending on the situation, a leader can adopt one of four leader behaviours: Directive, Supportive, Participative, or achievement oriented.

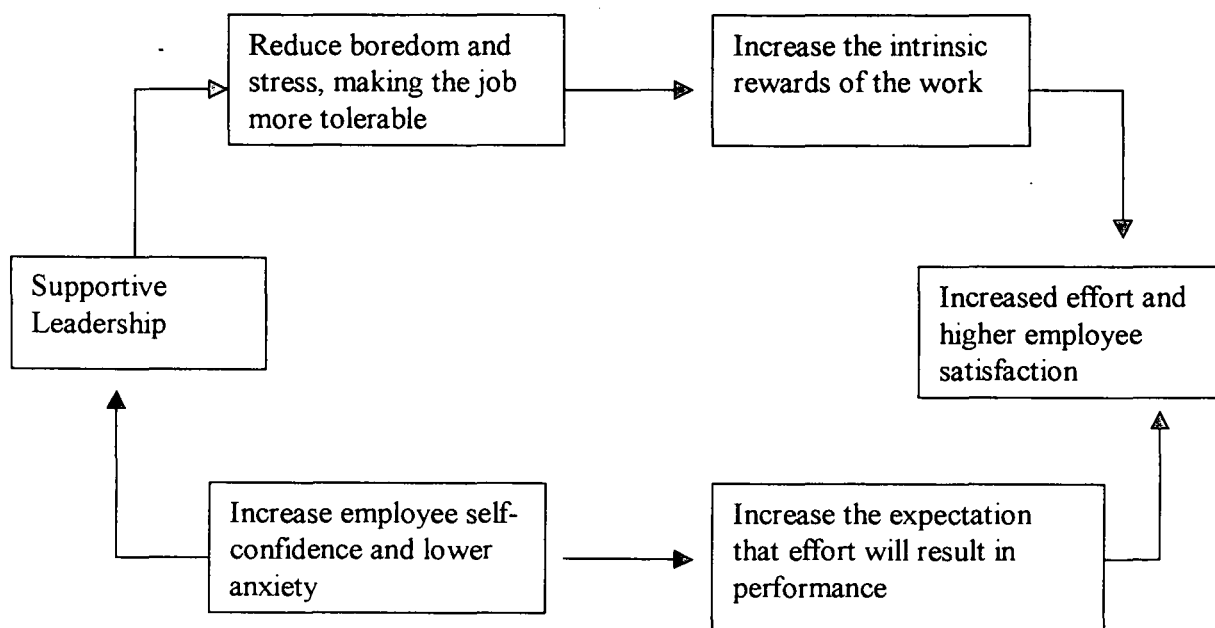
- *Directive leadership* is telling employees exactly what they should do and how they should do it by preparing detailed work assignments and schedules and by defining specific standards of performance. This behaviour is similar to initiating structure and task orientation.
- *Supportive leadership* shows concern for employee needs and well being by treating employees as equals and by creating an open and friendly work environment. Similar to consideration behaviour and relationship orientation, supportive leadership behaviour involves taking an interest in employees as people.
- *Participative management* is consulting with employees, seeking their ideas, and encouraging participation in decision making.
- *Achievement-oriented leadership* sets clear and challenging objectives for employees. Leaders who are achievement-oriented seek continuous improvement in group performance while displaying the confidence that employees can meet these high standards.

Thill and Dovel (1993:483) continue to say that the path goal theory suggests that leaders can modify their behaviour to affect employee performance and satisfaction. Thus, leaders are not presumed to be locked into one consistent behaviour but can shift among the four behaviours depending on the situational variables they face.

The leader's choice of behaviour is affected by a variety of situational variables. These variables can be grouped into two general categories: environmental factors and subordinate characteristics. The first category, environmental factors, includes task structure, the organisation's formal authority system, and work group itself. These factors are not easily influenced by employees but contribute to their ability to perform satisfactorily and to feel satisfied in their work. For example, directive leadership may be too over bearing and even redundant when employees are working on a highly structured, routine task, so motivation and performance may suffer. However, when the task is unstructured and ambiguous, employees may welcome the specificity of directive leadership and therefore perform better.

The second category of situational variables is subordinate characteristics, including employee skills and needs. Managers generally adjust their leadership styles in line with their employees' capabilities. For instance, employees whose abilities are less developed may respond better to directive leader behaviour. On the other hand, those who are highly skilled and experienced may perform better under an achievement- oriented leader who sets challenging goals and shows confidence in employee abilities.

### Motivate employees by increasing rewards



### Motivating employees by clarifying path goal

Figure 3.3. Different methods of motivating employees. Robbins (1998.361)

Directive, supportive, participative, and achievement oriented leader behaviours clear paths to goals and rewards in different ways, so the choice of behaviour depends on how the situational variables influence employee motivation. When a task is stressful (environmental factors) and employee lack confidence (subordinate characteristic), for example, supportive leadership can provide two motivational paths to goals and rewards (see figure 3.3).

First, the leader can make the job seem more tolerable by creating a friendly, open work environment, which leads to the intrinsic reward of more

pleasurable work. To reach this reward, employees are motivated to work harder and therefore achieve their goals and feel more satisfied while doing it. Second, when employees under stress believe that their managers support their efforts, they have more confidence that their hard work will actually lead to successful completion of the task. By boosting their belief that work will lead to performance, the supportive leader encourages employees to increase their efforts to reach the goal and helps employees feel more satisfied.

Bowee and Wood (1993.485) say that path goal theory is complex, and managers may find it difficult to apply in everyday situations. As a theoretical tool, path goal theory has stimulated much research into the relationship of situational variables, leadership, employee motivation, and performance.

#### **3.3.3.3. Fiedler's leadership contingency model**

Unlike the path goal theory, Fiedler (1967.233) assumes that leadership behaviour is fixed. First, he developed the LPC (Least Preferred Co-workers) scale which was supposed to determine the leader's basic leadership orientation. If he evaluated the "least preferred co worker" in favourable terms, he was people oriented, and if he evaluated him unfavourably, he was task oriented.

Lrenzi and Skinner (1997.344) says that the Fiedler model, like other contingency theories, assumes that the appropriate leadership approach varies according to the situation. In Fiedler's view, people cannot change their leadership styles, so his model helps match leaders with the situations most favourable for their styles. Three variables define the favourability of a situation for leadership:

- *Leader -member relations.* This is the degree of mutual trust and support between employees and the leader. It indicates the willingness of employees to respond to leader guidance. When employees and leaders trust each other and are mutually supportive of work efforts, leader member relations are good, when employees and leaders distrust each other and are not supportive, leader member relations are poor.
- *Task structure.* This is a degree to which a job's goals, methods, and standards of performance are clearly specified. Routinized, well-defined

jobs such as those on an assembly have a high degree of structure, whereas creative, more loosely defined tasks such as strategic planning have a low degree of task structure.

- *Position power.* This is the degree of authority granted by the organisation to the leader to hire, reward, and discipline employees. When leaders have little authority to select employees, to grant salary increase, or to fire employees, position power is considered to be weak, whereas when leaders have the authority to handle such tasks, position power is considered to be strong.

| Overall Situational Favourability | Leader Member Relations | Task Structure | Position Power | Most effective Leader |
|-----------------------------------|-------------------------|----------------|----------------|-----------------------|
| Most favourable                   | Good                    | Structure      | Strong         | Low LPC               |
| Favourable                        | Good                    | Structure      | Weak           | Low LPC               |
| Moderately Favourable             | Good                    | Unstructured   | Strong         | Low LPC               |
| Moderately Favourable             | Good                    | Unstructured   | Weak           | High LPC              |
| Moderately Favourable             | Poor                    | Structure      | Strong         | High LPC              |
| Moderately Favourable             | Poor                    | Structure      | Weak           | High LPC              |
| Unfavourable                      | Poor                    | Unstructured   | Strong         | High LPC              |
| Most unfavourable                 | Poor                    | Unstructured   | Weak           | Low LPC               |

Figure 3.4 Findings from Fiedler Model (1967.233)

These three variables, in combination, establish a situation as either favourable or unfavourable for leadership. To apply Fiedler's model, the leader first examines the impact of these three variables, review the favourability of the situation, and then determine the most appropriate for the situation.

Daft (1991.233) says that the three variables that contribute to situational favourability form eight possible combinations (see figure 3.4). To apply Fiedler's model, a manager would see which situations are most favourable for his or her own leadership style.

Low LPC leaders, who are task oriented, are likely to be most effective in either highly favourable situations (those with good relations, highly



structured tasks, and strong position power). High -LPC leaders are relationship oriented and are likely to be most effective when the situation is neither highly favourable nor highly unfavourable.

Daft (1991.233) continue to say that inevitably, organisations face situations in which a manager's leadership style is mismached with the situational favourability. In such an instance , the current manager might have to be replaced with another manager whose LPC scores and leadership style better fit the situation. Or the manager can change one or more of the variables that contribute to the situational favourability. By altering favourability a manager can assure a better fit with his or her own leadership style.

#### **3.3.3.4. Hersey's and Blanchard's situational leadership theory**

Lynas and Dorrian (1995.42) says that the basic point of departure for all situational leadership approaches is that there is no ideal style of leadership that can be used in all situations. Situational leadership is a contingency theory that focuses on the followers. Robbins ( 1998.358) adds on to say that successful leadership is achieved by selecting the right leadership style, which Hersey and Blanchard argue is contingent on the level of the followers' readiness. The emphasis on the followers in leadership effectiveness reflects the reality that it is the followers who accept or reject the leader. Regardless of what the leader does, effectiveness depends on the actions of his or her followers. This is an important dimension that has been overlooked or underemphasized in most leadership theories.

The term readiness as defined by Hersey and Blanchard (1974.102), refers to the extend to which people have the ability and willingness to accomplish a specific task. Situational leadership uses the same two leadership dimension that Fiedler identified: task and relationship behaviours. However, Hersey and Blanchard go a step further by considering each as their high or low and then combining them into four specific leader behaviours: telling, selling, participating, and delegating.

They are described as follows:

*Telling* (high task-low relationship). The leader defines roles and tell people what, how, when, and where to do various tasks. It emphasises directive behaviour.

*Selling* (high task-high relationship). The leader provides both directive behaviour and supportive behaviour.

*Participating* (low task-high relationship). The leader and follower share in decision making, with the main role of the leader being facilitated and communicating.

*Delegating* (low task-low relationship). The leader provides little direction or support.

Moorhead and Griffith (1996) says that the notion of maturity as task specific rather than general is helpful. It permits a leader to see that an employee, say a Xerox Field Service Technical Representative, may be mature in technical matters of machine repair and immature in administrative matters of scheduling, documenting, and reporting work. These differences imply that the leader needs to provide a different mixture of task and relationship behaviour for changes in maturity and for different aspects of subordinate's work.

The final component in Hersey and Blanchard's theory is defining four stages of follower readiness:

**R1.** People are both unable and either unwilling or too insecure to take responsibility to do something. They are neither competent nor confident. The assumption and reasons supporting this prescriptions are that people Who are unable and unwilling to take responsibility to do something need  
Direction and clarity.

**R2.** People are unable but willing to do the necessary job tasks. They are motivated but currently lack the appropriate skills.

**R3.** People are able but unwilling or too apprehensive to do what the leader wants.

**R4.** People are both able and willing to do what is asked of them.

Exhibit 3.1 integrates the various components into the situational leadership

model. As followers reach high levels of readiness, the leader responds by not only continuing to decrease control over activities, but also by continuing to decrease relationship behaviour as well. At stage R1, followers need clear and specific directions. At stage R2, both high-task and high-relationship behaviour is needed. The high-task behaviour compensates for the followers' lack of ability, and the high relationship behaviour tries to get the followers psychologically to "buy into" the leader's desires. R3 represents motivational problems that are best solved by a supportive, nondirective, participative style. Finally, at stage R4, the leader doesn't have to do much because followers are both willing and able to take responsibility.

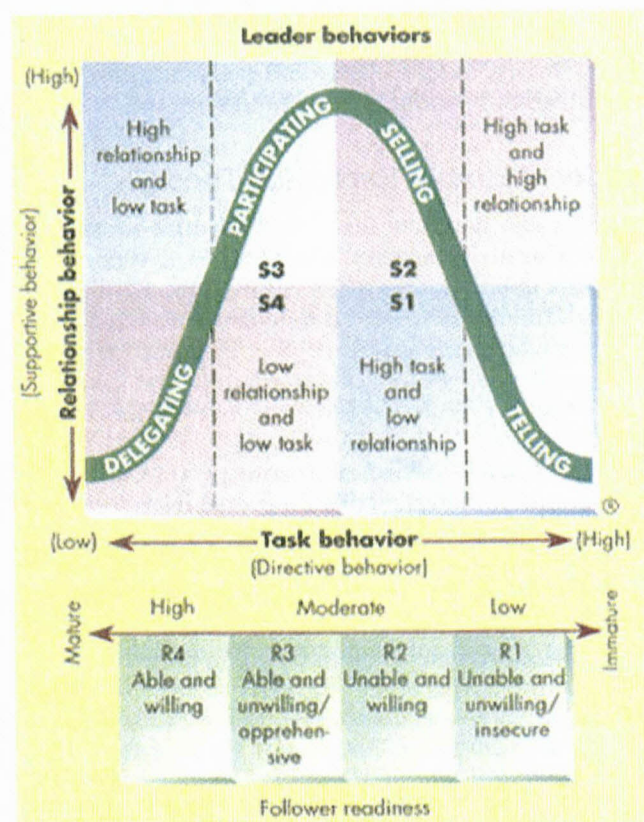


Figure 3.5 Hersey and Blanchard's Situational Leadership Model. Klein and House (1995:582)

### **3.3.3.5. Leadership-Participative Model**

The leader participative model was developed by Vroom, Yetton, (1964.74). Unlike other contingency theories, the scope of the Vroom and Yetton is relatively narrow, it focuses only on a range of five leader styles that can be applied according to the manager's need to share decision making with employees. To determine the most effective style, managers follow a decision tree that guides them through a series of questions about the decision to be made as figure 3.6 indicates. Vroom, Yetton, and Jago have developed a series of decision trees to help managers consider a wider variety of problems. The question in these decision trees examine four types of situational factors that affect the decision: decision quality, decision acceptance, concern for employee development, and concern for time.

- ***Decision Quality*** refers to the concern that the technical quality of the decision may or may not be critical to the achievement of the organisational goals. If all the possible solutions to the problem are about equal in their ability to bring the organisation closer to its goals, then decision quality is not a factor in that situation. However, when employees have relevant information about the problem or the decision and when they share their manager's goals, the model assumes that a consultative or a group style will result in a higher quality decision.
- ***Decision Acceptance*** relates to the likelihood that employees will accept the decision and be committed to its implementation. Employees generally accept a decision and implement it more readily when they have been involved in the decision making process. Thus, decisions acceptance is higher with a group style, lower with a consultative style, and lowest with an autocratic style.
- ***Concern for employee development*** refer to the manager's interest in helping employees improve their technical and decision making skills. Many situations present opportunities for one or more employees to learn new skills or to sharpen existing existing skills if the employees are involved through a consultative or a group style in the decision making process.
- ***Concern for time*** is a situational factor that takes into account whether the

speed of decision making is important to the achievement of organisational goals. Too often, the concern for time conflicts with the concern for employee development, and the manager must sacrifice one or the other. When a situation involves a critical deadline that must be met if goals are to be achieved, the manager may have to use an autocratic or a consultative style for faster decision making, even though employees will lose the opportunity to practice or improve their skills.

Based on the answers to questions about these situational factors, the manager traces the path along the decision tree to find the recommended style, which can be an autocratic, a consultative, or a group leadership style. Unlike Fiedler's model, which assumes that managers cannot change their styles, the Vroom, Yetton, and Jago model is geared toward helping managers change their styles when appropriate.

Bovee, Thill, Wood, and Dovel(1993.486) adds on to say that the Vroom, Yetton, and Jago model is based on a decision tree where variations of autocratic, consultative, and participatory styles are possible. There are two important situational dimensions, namely the degree to which the problem affects the quality and acceptance of the problem, and the degree to which it affects the level of participation. One must ask the following seven questions:

- Is there a quality requirement?
- Is there enough information about how to take quality decisions?
- Is the problem structured?
- Is it important for subordinates to accept decisions?
- Will my decisions be accepted by my subordinates?
- Do subordinates share the aim of solving the problem?
- What are the chances of conflict?

To facilitate the use of this model, a computer program is now available. The program guides managers through the questions in the decision tree and then automatically determines the optimal leader style.

According to Robbins (1998.363) the more recent work by Vroom and Jago (1982.93) has resulted in a revision of this model. The new model retains the same 5 alternative leadership styles but expands the contingency variables to twelve, ten of which are answered along a five point scale. figure 3.7 lists the 12 variables.

The model assumes that any of 5 behaviours may be feasible in a given situation-Autocratic I (AI), Autocratic II (AII), Consultative I (CI), Consultative II (CII), and Group II (GII):

- AI. The leader solves the problem or make a decision himself or herself using whatever facts he or she has at hand.
- AII. The leader obtain the necessary information from his or her subordinates and then decide on the solution to the problem himself or herself.
- CI. The leader share the problem with relevant subordinates one-on-one, getting their ideas and suggestions. However, the final decision is of the leader alone.
- CII. The leader share the problem with his or her subordinates as a group, collectively obtaining their ideas and suggestions. Then the leader take the decision that may or may not reflect the subordinates influence.
- GII. The leader share the problem with his or her subordinates as a group. His or her goal being to help the group concur on a decision. The leader's ideas are not given any greater weight than those of others.

According to Dodwill (1983.87) The leader participative model confirms that leadership research should be directed at the situation rather than the person. It probably makes more sense to talk about autocratic and participative situations than about autocratic and participative leaders.



- QR** Quality requirement: How important is the technical quality of this decision?
- CR** Commitment requirement: How important is subordinate commitment to the decision?
- LI** Leader's information: Do you have sufficient information to make a high-quality decision?
- ST** Problem structure: Is the problem well structured?
- CP** Commitment probability: If you were to make the decision by yourself, is it reasonably certain that your subordinate(s) would be committed to the decision?
- GC** Goal congruence: Do subordinates share the organizational goals to be attained in solving this problem?
- CO** Subordinate conflict: Is conflict among subordinates over preferred solutions likely?
- SI** Subordinate information: Do subordinates have sufficient information to make a high-quality decision?

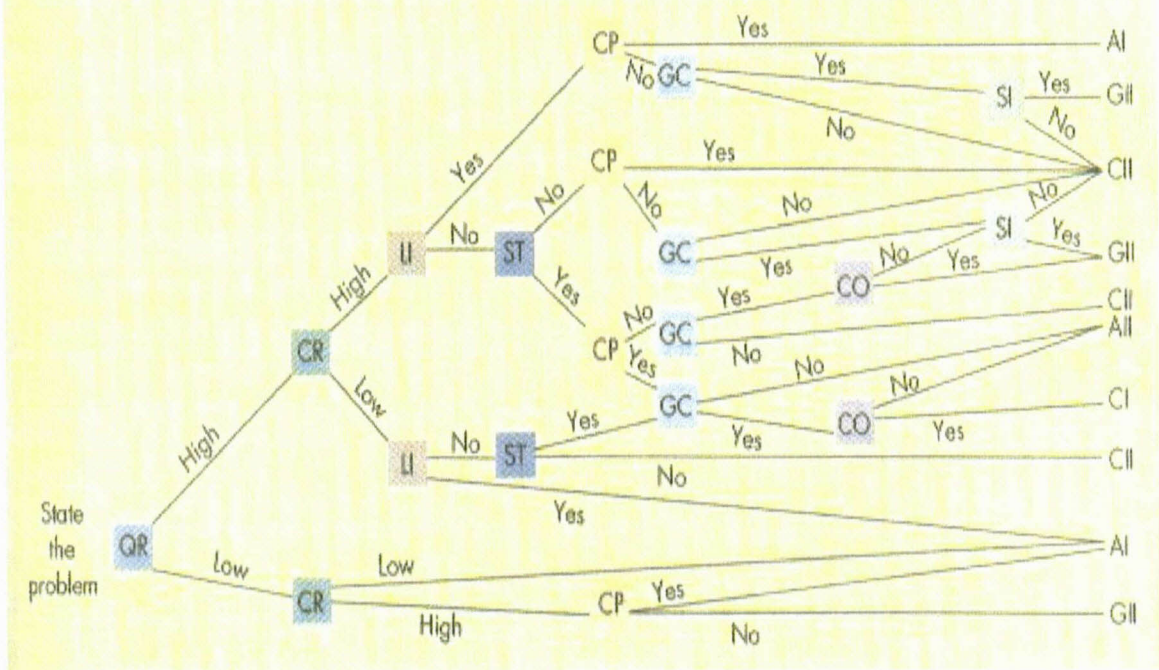


Figure 3.6: The Leadership Participation Model. Griffin (1989:245)

|   |            |            |            |            |
|---|------------|------------|------------|------------|
| <b>QR: Quality Requirement</b>  |            |            |            |            |
| How important is the technical quality of this decision?  |            |            |            |            |
| 1   | 2          | 3          | 4          | 5          |
| No  | Low        | Average    | High       | Critical   |
| Importance  | Importance | Importance | Importance | Importance |
| <b>CR: Commitment Requirement</b>   |            |            |            |            |
| How important is subordinate commitment to the decision?  |            |            |            |            |
| 1   | 2          | 3          | 4          | 5          |
| No  | Low        | Average    | High       | Critical   |
| Importance  | Importance | Importance | Importance | Importance |
| <b>LI: Leader Information</b>   |            |            |            |            |
| Do you have sufficient information to make a high-quality decision?   |            |            |            |            |
| 1   | 2          | 3          | 4          | 5          |
| No  | Probably   | Maybe      | Probably   | Yes        |
|   | No         |            | Yes        |            |
| <b>ST: Problem Structure</b>  |            |            |            |            |
| Is the problem well structured?   |            |            |            |            |
| 1   | 2          | 3          | 4          | 5          |
| No  | Probably   | Maybe      | Probably   | Yes        |
|   | No         |            | Yes        |            |
| <b>CP: Commitment Probability</b>   |            |            |            |            |
| If you were to make the decision by yourself, is it reasonably certain that your subordinates would be committed to the decision? |            |            |            |            |
| 1   | 2          | 3          | 4          | 5          |
| No  | Probably   | Maybe      | Probably   | Yes        |
|   | No         |            | Yes        |            |
| <b>GC: Goal Congruence</b>  |            |            |            |            |
| Do subordinates share the organizational goals to be attained in solving this problem?  |            |            |            |            |
| 1   | 2          | 3          | 4          | 5          |
| No  | Probably   | Maybe      | Probably   | Yes        |
|   | No         |            | Yes        |            |
| <b>CO: Subordinate Conflict</b>   |            |            |            |            |
| Is conflict among subordinates over preferred solutions likely?   |            |            |            |            |
| 1   | 2          | 3          | 4          | 5          |
| No  | Probably   | Maybe      | Probably   | Yes        |
|   | No         |            | Yes        |            |
| <b>SI: Subordinate Information</b>  |            |            |            |            |
| Do subordinates have sufficient information to make a high-quality decision?  |            |            |            |            |
| 1   | 2          | 3          | 4          | 5          |
| No  | Probably   | Maybe      | Probably   | Yes        |
|   | No         |            | Yes        |            |
| <b>TC: Time Constraint</b>  |            |            |            |            |
| Does a critically severe time constraint limit your ability to involve subordinates?  |            |            |            |            |
| 1   |            |            |            | 5          |
| No  |            |            |            | Yes        |
| <b>GD: Geographical Dispersion</b>  |            |            |            |            |
| Are the costs involved in bringing together geographically dispersed subordinates prohibitive?                                    |            |            |            |            |
| 1   |            |            |            | 5          |
| No  |            |            |            | Yes        |
| <b>MT: Motivation—Time</b>  |            |            |            |            |
| How important is it to you to minimize the time it takes to make the decision?  |            |            |            |            |
| 1   | 2          | 3          | 4          | 5          |
| No  | Low        | Average    | High       | Critical   |
| Importance  | Importance | Importance | Importance | Importance |
| <b>MD: Motivation—Development</b>   |            |            |            |            |
| How important is it to you to maximize the opportunities for subordinate development?   |            |            |            |            |
| 1   | 2          | 3          | 4          | 5          |
| No  | Low        | Average    | High       | Critical   |
| Importance  | Importance | Importance | Importance | Importance |

Source: V.H. Vroom and A.G. Jago, [eds.], *THE NEW LEADERSHIP: Managing Participation in Organizations*, ©1988. Reprinted with permission of Prentice Hall, Inc., Upper Saddle River, NJ.

Figure 3.7: Contingency Variables in the Revised Leader Participation Model. Griffin (1989:246)



### 3.3.4. Leader-Member Exchange Theory

Graen, Cashman, and Dansereau (1973.184) developed the leader member exchange theory. They start off by asking whether did one ever notice that leaders often act differently towards different subordinates? They continue to ask whether did the leader tend to have favourites who made up his or her "in-group"? According to Graen, Cashman, and Dansereau (1973.184) If one has answered "Yes" to both questions, one is acknowledging they have observed, which creates the foundation for their leader-member exchange theory.

The **leader-member exchange (LMX) theory** argues that because of time pressures, leaders establish a special relationship with a small group of their subordinates. These individuals make up the in-group – they are trusted, get a disproportionate amount of the leader's attention, and are more likely to receive special privileges. Other subordinates fall into the out-group. They get less of the leader's time, fewer of the preferred rewards that the leader controls, and have superior-subordinate relations based on formal authority interactions.

Robbins (1998.360) says that the theory proposes that early in the history of the interaction between a leader and a given subordinate, the leader implicitly categorizes the subordinates as an "in" or "out" and that relationship is relatively stable over time. Just how precisely the leader chooses who falls into each category is unclear, but there is evidence that leaders tend to choose in-group members because they have personal characteristics (for example, age, gender, attitudes) that are similar to the leader, a high level of competence than out-group members, and/or an extroverted personality (See figure 3.8). LMX theory predicts that subordinates with in-group status will have higher performance ratings, less turnover, and great satisfaction with their superiors.

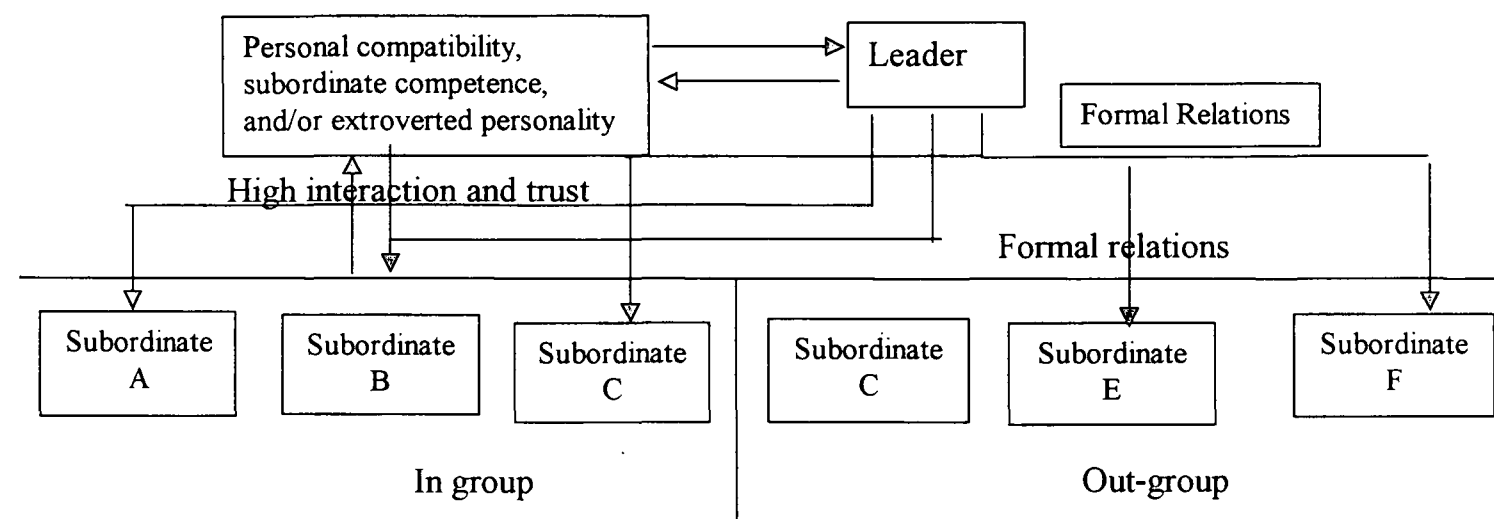


Figure 3.8. Leader-Member Exchange Theory. Moorhead and Griffin (1996.355)

### 3.3.5. Institutional Leadership

Selznick.( 1957.28) starts his consideration of hierarchical leadership by distinguishing it from management: the leader, from his view, is concerned with 'critical' as opposed to 'routine' decisions in the organization. The definition of purpose, for Selznick (1957.135), is not simply the linkage of means to ends: The cult of efficiency in administrative theory and practice in a modern way of overstressing means and neglecting ends. Nor is it concerned with human relations efforts designed to develop a harmonious team. Leadership, thus, is not equivalent to office –holding, rather, it is concerned with statesmanship, and therefore the institutional leader... *is primarily an expert in the promotion and protection of values.*

This is evident in his description of three premises about leadership. These become generative ideas for his conceptualization of leadership (Selznick1957.22-5):

- *Leadership is a kind of work done to meet the needs of a social situation* (p.22). This is to say that leadership can involve the interaction of leaders and organization or institution. He notes, though, that it does not follow that the nature of leadership varies with each social situation. If that were so, there would be nothing determinate about it, its study would be a scientific blind alley (p.23), a conclusion we have reached again almost three decades later.
- *Leadership is not equivalent to office holding or high prestige or authority or decision making* (p24). Leadership may be exerted by those in positions of authority, then again it may not.
- *Leadership is dispensable* (p.24). The idea developed here is that not everything that occurs in an institution can be called leadership, there are social processes which occur without any need for leadership.

So Selznick 's approach abstracts leadership as a construct which explains certain human action in the organization, emphasizing in particular the maintenance or transmittal of values which steer the direction of the institution.

### **3.3.6. The most recent approaches to leadership**

Because leadership is such an important area, managers and researchers continue to study it. As a result new ideas, theories, and perspectives are continuously being developed. According to Robbins (1998.310), Stogdill (1997.264), Moorhead and Griffin (1996.272) the most recent approaches to leadership are Vertical-Dyad Linkage Model, Life Cycle Theory, Leadership Substitutes, Leadership as symbolic Action, Attribution theories, Transactional v/s Transformational leadership, visionary leadership, and Charismatic leadership.

#### **3.3.6.1. The Vertical-Dyad Linkage Model**

The vertical-dyad linkage model of leadership, conceived by Duckon, Taber, Green and Dansereau (1996), stresses the importance of variable relationships between supervisors and each of their subordinates. Each supervisor-subordinate pair is referred to as a vertical dyad. The model suggests that supervisors establish a special relationship with a small number of trusted subordinates referred to as the *in-group*. The in-group usually receives special duties requiring responsibilities and autonomy and may also receive special privileges.

According to Duckon, Taber, Graen and Dansereau (1996) subordinates who are not part of the in-group are called the out-group, and they receive less of the supervisor's time and attention. Early in his or her interaction with a given subordinate, the supervisor initiates either an in-group or out-group relationship. It is not clear how a leader selects members of the in-group, but the decision may be based on personal compatibility and subordinates competence. Research has confirmed the existence of in-groups and out-groups. In addition, studies generally have found that the in-group members have a higher level of performance and satisfaction than the out-group members.

#### **3.3.6.2. Leadership Substitutes**

According to Kerr and Jemier (1988.375) leadership substitutes are individual, task, and organisational characteristics that tend to outweigh the leader's ability to affect subordinates' satisfaction and performance. In other words, if certain factors are present, the employee will perform his or her job capably without the direction of the leader. In contrast to traditional theories, which assume that hierarchical leadership is always important, the premise of the leadership substitutes perspective is that leader behaviours are irrelevant in many situations.

Kerr and Jemie (1988.376) continues to say that individual characteristics that may neutralise leader behaviours are ability, experience, training, knowledge, need for independence, professional orientation, and indifference toward organisational rewards.

For example, an employee who has the skills and abilities to perform her job and a high need for independence may not need-and may even resent- a leader who provides direction and structure.

A task characterised by routines, a high degree of structure, frequent feedback, and intrinsic satisfaction may also render leader behaviour irrelevant. Thus, if the task provides the subordinate with an adequate level of intrinsic satisfaction, he or she may not need support from a leader.

Howell and Bowen (1990.20) says that characteristics of the organization that may substitute for leadership include explicit plans and goals, rules and procedures, cohesive work groups, a rigid reward structure, and physical distance between supervisor and subordinate. For example, if job goals are explicit and there are many rules and procedures for task performance, a leader providing directions may not be necessary.

### **3.3.6.3. Attribution Theory of Leadership**

According to Robbins (1998.370) attribution theory as developed by Kelley (1979.93) deals with people trying to make sense out of cause effect relationships. When something happens, they want to attribute it to something. In the context of leadership, attribution theory says that leadership is merely an attribution framework. Researchers have found that people characterize leaders as having such traits as intelligence, outgoing personality, strong verbal skills, aggressiveness, understanding, and industriousness. Similarly, the high-high leader (high on both initiating structure and consideration) has been found to be consistent with attributions of what makes a good leader. That is, regardless of the situation, a high-high leadership style tends to be perceived as best.

Stogdill (1997.270) adds on to what Robbins said saying that "at the organizational level, the attribution framework accounts for the conditions under which people use leadership to explain organizational outcomes. Those conditions are extremes in organizational outcomes. When an organization has either extremely negative or extremely positive performance, people are am prone to make leadership attributions to

explain the performance.

Stogdill continue to say that this helps to account for the vulnerability of CEO's when their organizations suffer a major financial setback, regardless of whether or not they had much to do with it. It also accounts for why these CEOs tend to be given credit for extremely positive financial results – again, regardless of how much or how little they contributed.

One of the themes in the **attribution theory of leadership** literature is the perception that effective leaders are generally considered consistent or unwavering in their decisions. That is, one of the explanations for why Ronald Reagan (during his first term as president) was perceived as a leader was that he was fully committed, steadfast, and consistent in the decisions he made and the goals he set. It can also help explain some of the criticism targeted at President Bill Clinton. He is seen by many as “wishy washy” on the issues and as continually changing his mind.

#### **3.3.6.4. Transactional v/s Transformational Leadership**

Burns (1978.12) sees leadership as a special form of power and power as the motivated utilization of resources to achieve certain goals. Power, however, is not interpreted in any mechanical sense, nor is it always coercive: the most powerful influences consist of deeply human relations in which two or more persons engage with one another. Burns (1978.18), writes Leadership over human beings, motivates purposes mobilize, in competition or conflict with others, institutional, political, psychological, and other resources so as to arouse, engage, and satisfy the motives of followers.

Burns (1978.19) claims that leadership may be classified as ‘transactional’ and ‘transformational’. Transactional leadership involves exchanges- the leader and the followers are engaged in the exchange of some valued goods- such as the exchange of votes for particular programs on the part of the politician and the electorate. Transactional leadership may then be considered the ‘normal’ expression of leadership in society, in so far as somebody with an idea and a motive uses various mechanisms to convince

others to exchange their support for his or her value.

Burns (1978.55) continue to write that a transformational leader is somewhat different. A transformational leader does not simply engage in exchange of valued goods: he or she engages the followers and transforms the followers vision of the world. The transformational leader is moral but not moralistic. Much of this kind of leadership asks sacrifices from followers rather than merely promising them goods. Transforming leadership can occur as intellectual leadership, using ideas to transform , reform leadership, reforming particular structure of governance, revolutionary leadership, as occurred with MaoTse Tung in China, and heroic leadership and ideological leadership, the use of charisma and dominative ideas to sway followers.

Tucker (1981) criticizes Burns's work in that, firstly, Burns rules out by definition political leadership which is coercive or dictatorial (such as Stalin and Hitler), preferring to see it not as leadership but as power wielding, and secondly, Burns 's view bypasses the key question of what it is that leaders do, or how they function as leaders, apart from interacting motivationally with followers (Tucker 1981.12). Tucker's answer to the first point is to see politics itself as leadership, where politics is considered as the active direction of a political community and can be thus equated with leadership. Politics, in this view, is not simply power-seeking, though it can involve power. Thus dictators can exert political leadership which is power-based and power seeking. This then raises the question of what is it that political leaders do. Tucker's answer lies in the development of three interlocking phases: *First, leadership has a diagnostic function. Leaders are expected to define the situation authoritatively for the group. Second, they must prescribe a course of group action, or of action on the group's behalf, that will meet the situation as defined...Third, leadership has a mobilizing function ... We may describe these functions as diagnostic, policy formulating, and policy implementing.* (Tucker 1981.18,19)

Leadership, for Tucker (1981.21), can be seen to involve activities which are political in nature and which are responses to a problem situation. Like Selznick, routine situations are considered administrative in nature. Tucker thus provides us with an activity-based analytical scheme for examining the leadership of political events.

Kerr and Jemier (1987.274) says that transactional leaders guide or motivate their followers in the direction of established goals by clarifying role and task requirements. Transformational leaders on the other hand pay attention to the concerns and developmental needs of individual followers, they change follower's awareness of issues by helping them to look at old problems in new ways; and they are able to excite, arouse, and inspire followers to put out extra effort to achieve group goals.

Robbins (1984.374) says that Transactional and transformational leadership should not, however, be viewed as opposing approaches to getting things done. According to Robbins (1984.374) Transformational leadership is build on top of transactional leadership - it provides levels of subordinate effort and performance that go beyond what would occur with a transactional approach alone. Moreover, transformational leadership is more than charisma. The purely charismatic [leader] may want followers to adopt the charismatic's world view and go no further, the transformational leader will attempt to instill in followers the ability to question not only established views but eventually those established by the leader.

Bass (1990) says that the evidence supporting the superiority of transformational leadership over the transactional variety is overwhelmingly impressive. For instance, a number of studies with U.S., Canadian, and German military offices found, at every level, that transformational leaders were evaluated as more effective than their transactional counterparts. And managers at Federal Express who were by their followers as exhibiting more transformational leadership were evaluated by their immediate supervisors as higher performers and more promotable. In summary , the overall evidence indicates that transformational leadership is more strongly correlated than transactional leadership with lower turnover rates, higher productivity, and higher employee satisfaction.



### **3.3.6.5. Visionary Leadership**

Another study of leadership worth noting is Bennis's (1983) study of executives and hierarchical leaders based on visionary leadership developed by Shashkin (1980). Here, unlike the previous scholars, Bennis focuses on leadership in the firm. His study does, however, reinforce some of Burns's and Tucker's conclusions. Bennis (1984.66) finds that his leaders shared *vision*, a clarification of the present and a view of the future, *communication and alignment*, communicating and gaining support for the vision, persistence, consistency and focus, maintaining the vision of the organization, empowerment, creating a social architecture which allows for the expression of energy, and organizational learning, the ability to monitor performance and learn from errors.

The combination of these factors provides what he calls 'transformative power', the ability to translate an intention into reality and sustain it (Bennis 1984.64). Bennis nicely sums up the newer approach to leadership studies:

*In sum, the transformative power of leadership stems less from ingeniously crafted organizational structures, carefully constructed management designs and controls, elegantly rationalized planning formats, or skillfully articulated leadership tactics. Rather, it is the ability of the leader to reach the souls of others in a fashion which raises human consciousness, builds meanings, and inspires human intent that is the source of power.*

*Within transformative leadership, therefore it is vision, purposes, beliefs, and other aspects of organizational culture that are of prime importance.* (Bennis 1984.70)

Forster (1986.14) says that while these four studies are a definite advance over the functionalist approaches to leadership, in so far as they attempt to account for political and social action in more than objectivistic terms, they still contain an implicitly hierarchical definition of leadership which abstracts leadership as a property possessed by some individuals.

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In so doing they do not approach the essence of leadership, they fail in the development of a critical spirit, which, in turn, is necessary for leadership to understand the context of its surroundings, and they treat leadership as a volunteeristic trait, where one simply chooses to exert leadership.

Again, the context of social development is lacking. Consider, in this regard, Rosner (1984.43)'s comments where he says that the historical record indicates that the development of society generally involves a movement from the small-scale societies anthropologists usually term simple or primitive to the complex nation-states of the modern world. Broadly speaking, this movement has been characterised by increasing economic and social inequality in nearly every sphere of life. Thus, the watershed of complex society has been the development systems of caste, class, bureaucratic, and sexual stratification unknown or muted in simple systems. Paralleling this the development of leadership systems is equally clear: leadership systems have tended to become increasingly closed, ascribed, and power based.

As far as the literature has gone, clearly what is needed is a critical politics of leadership, one which can deal with organizational structure and which provides a different paradigm for considering leadership. A new paradigm or framework will not just look at functions of leadership, nor just at individuals who demonstrated leadership.

A new paradigm must include within it an analysis of leadership in organizations and a critical vision of the future. While these four studies talk about politics, they are essentially apolitical, while they talk about vision, they are essentially located in the past.

Visionary leadership according to Snyder and Graves (1994.01) is the ability to create and articulate a realistic, credible, attractive vision of the future for an organisation or organisational unit that grows out of and improves upon the present. This vision, if properly selected and implemented, is so energising that it 'in effect jump starts the future by calling forth the skills, talents, and resources to make it happen'.

Graves (1994.14) says that a review of various definitions finds that a vision differs from other forms of direction setting in several ways: "A vision has clear and compelling imagery that offers an innovative way to improve, which recognises and draws on traditions, and connects to actions that people can take to realise change.

Vision taps people's emotions and energy. Properly articulated, a vision creates the enthusiasm that people have for sporting events and other leisure time activities, bringing the energy and commitment to the workplace.

Nutt and Backoff (1995.04) say that a place in favour of visionary leadership has been made by many writers. For instance: "the 21st century organisation virtually demands visionary leadership. It cannot function without it, for an organisation driven by accelerating technological change, staffed by a diverse, multicultural mix of highly intelligent knowledge workers, facing global complexity, a vast kaleidoscope of individual customer needs, and the incessant demands of multiple constituencies would simply self-destruct without a common sense of direction". Another argues that vision is "the glue that binds individuals into a group with a common goal when shared by employees, it can keep an entire company moving forward in face of difficulties, enabling and inspiring leaders and employees alike.

#### **3.3.6.6. Charismatic Leadership Theory**

Robbins (1998.370) says that the charismatic leadership theory is an extension of attribution theory. It says that followers make attributions of heroic or extraordinary leadership abilities when they observe certain behaviours. Studies on charismatic leadership have, for the most part, been directed at identifying those behaviours that differentiate charismatic leaders from their non charismatic counterparts. Some examples of individuals frequently cited as being charismatic leaders include John F Kennedy, Martin Luther King Jr, Walt Disney, Mary Kay Ash(founder of Mary Kay Cosmetics), Ross Perot, Steve Jobs (co-founder of Apple Computer), Ted Turner, Lee Iacocca (former chairman of Chrysler), Jan Carlzon (chairman of SA Airlines), and General Norman Schwarzkopf.

Schein (1988.96), Stogdill (1979.23), and Peterson (1996.47) attempted to identify personal characteristics of the charismatic leader. House(1994.19) identified three: extremely high confidence, dominance, and strong convictions in his or her beliefs. Bennis (1990.74), after studying 90 of the most effective and successful leaders in the United States, found that they had four common competencies:

They had a compelling vision or sense of purpose, they could communicate that vision in clear terms that their followers could readily identify with, they demonstrated consistency and focus in the pursuit of their vision, and they knew their own strengths and capitalized on them. The most comprehensive analysis, however, has been completed by Conger and Kanungo (1988.72) at Mc Gill University. Among their conclusions, they propose that charismatic leaders have an idealized goal that they want to achieve, a strong personal commitment to their goal, are perceived as unconventional, are assertive and self-confident, and are perceived as agents of radical change rather than managers of status quo.

Attention has recently been focused on trying to determine how charismatic leaders actually influence followers. According to Kotter (1990.34) the process begins by the leader articulating an appealing vision. This vision provides a sense of continuity for followers by linking the present with a better future for the organization. The leader then communicate high performance expectations and expresses confidence that followers can attain them. This enhances follower self esteem and self confidence. Next, the leader conveys, through word and actions, a new set of values and, by his or her behaviour, sets an example for followers to imitate.

Finally, the charismatic leader makes self sacrifices and engages in unconventional behaviour to demonstrate courage and convictions about the vision.

Kotter (1990.34) continue to say that there is an increasing body of research that shows impressive correlations between charismatic leadership and high performance and satisfaction among followers. People working for a charismatic leaders are motivated to exert extra work effort and, because they like their leader, express greater satisfaction."

Charismatic leadership may not always be needed to achieve high levels of employee performance. It may be most appropriate when the follower's task has an ideological component. This may explain why, when charismatic leaders surface, it is more likely to in politics, religion, wartime, or when a business or firm is introducing a radically new product or facing a life -threatening crisis. Such conditions tend to involve ideological concerns. Franklin D. Roosevelt offered a vision to get Americans out of the Great Depression.

Steve Jacobs achieved unwavering loyalty and commitment from the technical staff he oversaw at Apple Computer during the late 1970s and 1980s by articulating a vision of personal computers that would dramatically change the way people lived. General "Stormin Norman" Swardkopf's blunt, passionate style, absolute confidence in his troops, and a vision of total victory over Iraq made him a hero in the free world following Operation Desert Storm in 1991. Robbins (1998.98) says that "charismatic leaders, in fact, may become a liability to an organization once the crisis and need for dramatic change subside because then the charismatic leader's overwhelming self-confidence often becomes a liability. He or she is unable to listen to others, becomes uncomfortable when challenged by aggressive subordinates, and begins to hold an unjustifiable belief in his or her "rightness" on issues. Phillippe Kahn's charismatic style, for instance, was an asset during the years of rapid growth of software-database company Borland International. But Borland's CEO became a liability as the company matured. His dictatorial style, arrogance, and reckless decision making have put the company's future in jeopardy.

According to Moorhead and Griffin (1989.344) the notion of charismatic leadership, like trait theories, assumes that charisma is an individual characteristic of the leader. Charisma is a form of interpersonal attraction that inspires support and acceptance and is likely to make a supervisor who is very charismatic more successful in influencing subordinate behaviour than a supervisor lacking charisma. House proposed a theory of charisma leadership in 1977, based on research findings from variety of social science disciplines. The following characteristics are believed to contribute to charisma:

- The followers trust the correctness of the leader's beliefs.
- The followers' beliefs are similar to the leader's beliefs
- The followers accept the leader unquestioningly.
- The followers feel affection for the leader.
- The leader obey the leader willingly.
- The followers feel an emotional involvement in the mission of the organisation

- The followers have heightened performance goals.
- The followers believe that they can contribute to the success of the group's mission.

The theory also suggests behaviours and traits of charismatic leaders. For example, charismatic leaders are likely to have a lot of self confidence, a strong conviction in their own beliefs and ideals, and a strong need to influence people. They also tend to communicate high expectations about follower performance and express confidence in followers.

Gardner (1987.235) says that charismatic leadership ideas are a synthesis of social science research, but few studies have specifically attempted to test the theory's propositions. The theory's major contribution is that it explains charismatic leadership in terms of a set of testable propositions.

#### **3.3.6.7. Leadership as Symbolic Action**

Sherman (1990.75) says that recently some writers have argued that the true meaning of leadership lies in its symbolic nature as opposed to its substance. In other words, the actual decision and action taken by leaders matter very little, more important is the symbolic aura that the leader's behaviour conveys.

Suppose a manager always tries to remember to send each subordinate a birthday card. Traditional leadership theorists would consider this a part of considerate behaviour and would assume it would result in employee satisfaction. The symbolic view, however, would suggest a more complex picture. If the cards are always on time and personally signed, this will symbolically indicate caring and concern. To the extent that other behaviours are consistent with the interpretation, the manager will be respected. On the other hand, suppose the cards are often late and obviously signed by a secretary. Worse still, when the recipient's names are often misspelled! Then the gesture will convey a lack of attention and concern by the manager and likely to result in resentment or lack of respect. Thus, it may not be the content of the decisions (the decision to send the cards) but the symbolism of the act (how it is carried out) that truly matters

### 3.3.7. Participative Leadership

Today, it is not good enough for any manager to be a good engineer or a good accountant. He or she must have good "people skills". Over 87% of local managers favour an indigenous afrocentric management approach to business, according to research conducted by Aliquo (1996.190) .

According to Aliquo (1996.190). the majority of South African managers believe it is essential to embrace the cultural concepts of communalism, collectivism, traditionalism and "ubuntu". "Ubuntu" is the foundation for sound human relations in African society", says Aliquo(1996.191) : "It means humanness, empathy, humbleness, mutual caring and sharing". Another finding was that South African managers believe it is vital to speak an African language.(1996.192)

Major overseas companies are using trust as a method of motivating employees and increasing profits. However, South Africa has not yet jumped onto this bandwagon. The thinking in the ranks of overseas middle managers shows that companies are putting more faith in their front line workers. Nordstrom, an American department store, issues its workers with just one instruction. "Use your good judgment in all situations". And this need for trust is spreading to outside companies too. The popularity of alliances and the lightening of links between customers and suppliers means that firms can co-operate with potential competitors without the security of legal ties.

The arguments in favour of trust seem overwhelming. Trust reduces the costs and delays associated with traditional monitoring systems and legal contracts. It enables companies to engage the hearts and minds of their employees, not just their passive compliance. This is particularly important in knowledge based organizations, where people are hardly likely to be forthcoming if they are worried about their ideas being stolen. Collins (1995.14) says that in South Africa, it appears that even though, in principle, there is agreement between unions, employers and the state that there should be a level of co-operation, there is still a long way to go.

Trends in participative management in South Africa are not that positive, says Jaya Josie (1995.73), economist at the National Institute for Economic Policy. Nedlac - headed by Jayendra Naidoo and which represents labour, business and government, is the forum where these issues are being negotiated, says Josie. He further says that consensus and worker participation are important because these would boost the economy and foreign investment, thus leading to growth and development.

On the other hand, employees, particularly blacks, do not perceive themselves as part of the organization. They are still poised by the them and us syndrome which encourages them to pass the buck to management every time when there is a problem. Richard Dancer, local co-ordinator of the World Business Academy shares the same sentiments on worker attitudes. He feels that trust is important, but that not enough workers in South Africa are willing to take responsibility. He says there seems to be an attitude of "entitlement" where people expect from the state, but not enough people are willing to take responsibility.(Collins,1995.15)

Dancer (1995.48) feels that South African companies would love to follow American models and develop responsibilities, but workers in South Africa are still "hiding behind the lack of empowerment argument". For him, this is a lame excuse. He sees no real willingness by labour to get involved in decision making. He says the advantages of trust in the workplace include sharing and making people part of the process. People then feel good about themselves and their positive role in the operation. Fashionably or not, trust is not a cure-all. Companies are finding that employees are not always as trustworthy as they would have hoped. The Baring family lost their bank partly because they put too much trust in one individual, Nick Lesson. Many workers have also found their employers remarkably untrustworthy. An internal survey at British Talcum this year discovered that only a fifth of employees thought that managers could be relied upon to do what they had said.(Dancer,1995.15)

There are several factors that forces organizations to move towards participation.



### **3.3.7.1.Factors forcing organizations to move towards participation**

#### **3.3.7.1.1. Legislation**

For the first time in South African history, employers, the labour movement and a democratically elected government sat down as joint social partners to negotiate a new Labour Act. The Act seeks to strengthen workplace democracy and participation. This is shown in the establishment of workplace forums. A workplace forum is a body that aims to promote the interests of all workers, as well as efficiency in the workplace, ( Cheadle, 1996.05).

If South African businesses are to compete in the global economy, major restructuring of the workplace is required. management and labour have to find new ways of relating to each other. There needs to be a shift towards joint problem solving and better communication on certain issues. According to Cheadle (1996.05) there are two ways in which a workplace forum provides for this shift :

- ***Consultation***

The employer is obliged to consult and try to reach agreement with the workplace forum on particular issues.

- ***Joint decision making***

On other matters, the employer cannot take a decision alone. The decision must be made jointly with the workplace forum. If no agreement can be reached between the workplace forum and the employer on joint decision making issues, the issue must be referred for conciliation.

#### **3.3.7.1.2.Globalization**

Peck (1993.17) says that globalization is another of the forces driving the move towards participation. People, organizations and even nations that in the past were relatively isolated now find themselves face to face via fax, television and cellular phones. Companies often design, manufacture and sell in several different countries. Boundaries within organizations are blurring as functions and levels, customers and suppliers realize that they must bring down the walls between them. Increased independence requires

increased participation.

#### **3.3.7.1.3.Customer Needs**

Clarke (1995.17) says that the rise of the customer is another important factor driving the move towards participation. Before the Second World War, someone like Henry Ford could say of the cars that his company produced that "you can have a car any colour you like, as long as it's black". Today, that kind of producer centeredness would mean ruin. Quality is rapidly becoming the minimum prerequisite for customer satisfaction. In the future, customers will increasingly expect to have their individualized needs understood and met fast. The great mobility of customers today means that their ability to shop around and thus their range of choice has increased exponentially. Organizations must now be in a position to respond instantaneously to a customer's request. In practice, the person who receives the customer's request must be empowered to do whatever it takes to get and keep the customer.

#### **3.3.7.1.4.Technology**

McLagan and Nel (1995.16) says that as technology transforms labour, participation receives another boost. Technology is changing the nature of work and freeing up time - time that can be devoted to participation. Because technology reduces the number of people required to produce a given good or service, it increases the scope of production for which each worker is responsible. It increases the size of the individual job and the associated responsibility. As automation and computers take on the routine or dangerous work, the new worker becomes the manager of exceptions. He or she is expected to access information, understand the context of an issue, and respond rapidly and appropriately to satisfy customer needs. Old style controls are not appropriate for this situation.

When both the environment and the organization are complex, authoritarian and centralized governance methods are too brittle and unresponsive to ensure the organization's long-term survival. Bennis (1990.07) says that in white waters, people are better off with a flexible raft and twelve alert eyes than with a wooden boat in which one captain "up top" directs a galley of fettered rowers.

### 3.4. The praxis of leadership

Praxis is the recognition that theory must eventually be located in sensuous human activity. The test of theory is its eventual relevance to improving the human condition: "Through practice and labour the human species synthesizes and alters the material world and thereby transforms nature *qua* known as well as itself" (Held 1980.190). Praxis is politics, but politics in a classical sense, not as theory interpreting the immutable scheme of events, nor as 'techne', developing specific skills of action. Rather, politics becomes the search for just and equal state and praxis is transformative action that will yield this. Praxis, in this respect, stands for the ability of all persons to engage in acts of leadership which help in transformation to a way of life which incorporates participative principles; leadership, in this regard, is both a critical and a shared leadership. It is shared because no one individual has the right way: rather leadership is a communal endeavour wherein the direction of the society is discussed and debated. Leadership, in this respect, resides in actions and acts, not in persons or positions. But each act must also have a critical audience.

The critical spirit is the basis for leadership acts. Grob( 1984.270-71) discusses this by saying that in pointing to the critical spirit as the ground of all leadership, his intent has been to argue that without that willingness to examine one's life, alleged leaders in any and all areas of human endeavour must, of necessity, become identified with their purposes, purposes which inevitably congeal into fixed doctrines or dogma. In short, potential leaders without this ground find themselves in the service of fixed ideas or causes, and thus agents of the use of power in their behalf. No longer nourished by a wellspring of critical process at its centre, leadership dries up and becomes, finally, the mere wielding of power on behalf of static ideals.

Leadership in this view must be conceived as critical reflection, critical action within the dialectic of enactment, structure, and power. With this in mind, some propositions concerning leadership may be suggested.

These propositions are based on the idea of emancipatory leadership, one that deals with organizational enactment, power and structure.

Firstly: Berger & Luckmann (1971.78) says that *Leadership involves the demystification (penetration) of structure*. This is to claim that leaders make problematic the way things are. If they construct social reality, they also look back on their construction and say that *that* is now objective and real, that *that* is the way it has been, will be, and should be. In other words they build a consciousness, sometimes false, held together by shared myths, rituals and symbols.

Secondly: *Leadership involves being politically critical and critically educative*. Gramsci (1971) used the term 'domination' and 'hegemony' to describe a social situation in which power is maintained both through 'force and consent'. Force resides in the ultimately coercive power of the state, hegemony, though, can be thought of as an ongoing ideological control which is 'taken for granted' by social members. Hegemony can be said to occur when certain groups have unequal power over other groups, and benefit from this inequality, and this situation is presented as right and normal, historically devined. Contradictions which occur in the relations of groups (e.g. talking about the virtues of participation in an authoritative hierarchy) are made opaque though they often surface.

Hegemony occurs in the reification of conditions of employment. Clegg (1979. 95) finds that hegemony in the factory is born out of specific practices devised by the intellectual cadre of the factory and mediated by management. This cadre is that of the administrative and organization sciences. The same might be said of schools. Taylorism, for example could be analyzed as an intellectual system about the nature of work, adopted by school administrators, placed in the school, and legitimated by intellectuals discover human relations, management by objectives or situational leadership. The intellectuals legitimate the practical use of technique at hand, thereby masking structures control, manipulation or domination. For students, the development of IQ tests and other sorting devices are examples of the process at work.

The educative model developed by Fay (1982.151) about leadership says that the responsibility of leadership lies in critical education. Further, critical education involves the notion of power, but not 'power-over' but 'power-to'.

The leader, in this instance, must have intellectual power-to- analyze and power-to- criticize, and dialogic power-to prevent. *The educative use of power is realized in the empowerment of followers*, an empowerment which provides the actors themselves with insight and reflection into the conditions of their existence and into the possibilities for change. The danger, of course, for the leader is to confuse power-to with power-over, and in so doing deny the empowerment of the followers. The empowerment of followers through the educative process is accomplished through penetration, through challenge, through penetration of alternative universe.

Kegan and Lahey (1984.226) provide an appropriate summary of educative empowerment by saying that *People do not grow by having their reality only confirmed. They grow by having them challenged, as well, and being supported to listen to, rather than defend against, that challenge. We defined leadership as the exercise of authority. But a person whose way of being in the world – in a family, at work, or as a citizen amounts to the exercise of authority on behalf of facilitating the development of those around him or her, is the person who can truly be called a leader.*

Thirdly, *leadership is conditioned on language*. It should be clear that the demystification of structure and the critical political and educative dimensions of leadership are based on language. Pondy (1978) takes us into an analysis of leadership as a 'language game', suggesting that there is a parallel between leadership and type of generative grammar we use to create new and previously unsaid sentences. Leadership thus is the ability to make sense of things and to put them into language meaningful to large numbers of people (Pondy 1978.95)

Habermas (1975.19) has done seminal work in this area. He begins by distinguishing purposive-rational action from communicative interaction. The former can be considered labour, expressed in the ability to shape and control nature and guided by instrumentalities. The latter, however, is communication which is intersubjectively arrived at, and guided by norms, values and rules. Habermas continue to say that other forms of social action-for example, conflict, competition, strategic action in general-are derivatives of action oriented to reaching understanding...

This assumption is grounded in the characteristics of ideal speech-that an individual, in speaking, is also making the following claims:

- *Uttering* something understandably.
- Giving [the hearer] *something* to understand
- Making *himself or herself* thereby understandable.
- Coming to an understanding with *another person*

Mueller (1973.11) says that in a real sense, leadership as language analysis is an attempt to uncover the political uses of language. Structure of domination are perpetuated through a linguistic cover up which says 'things are' when they are not or things 'are not' when they are.

Edelman (1977.03) shows how basic issues of social welfare, such as poverty, crime, housing policies, and so on, are structurally located in a system of economic inequality, but that, rather than deal with this, a symbolic, political language evolves to conceal the problem and to maintain a social elite which benefits from wealth inequality. Edelman continue to tell us that in politics, in religion, whatever is ceremonial or banal strengthens reassuring beliefs regardless of their validity and discourages sceptical inquiry about disturbing issues. From the beginnings of recorded history to the present day, governments have won the support of large numbers of their citizens for policies that were based upon delusions: beliefs in witches, in nonexistent internal and external enemies, or in the efficacy of laws to regulate private power, cope with destitution, guarantee civil rights, or rehabilitate criminals that have often had the opposite effect from their intended ones.

Foster (1986.24) says that if, then, leadership acts have a part to play in the human condition, that part must address the ways and the means by which repressive policies, and consequent structures, are legitimated through linguistic distortion which serves the needs of the powerful by maintaining conditions of inequity and winning uninformed public support for discriminatory policy. Leadership acts, then, serve as a construct to encapsulate a variety of actions on the part of different and many individuals, but all oriented toward the idea of praxis-obtaining more just conditions for all of us who wish to persevere in fulfilling democratic relationships.

### **3.5 Essential practices of exemplary leadership**

Leadership is concerned primarily with organizational survival over the long term. It must create the conditions needed for innovation, continuous improvement, and adaptation. Therefore according to Mc Lagan and Nel (1994:337) leaders are characterised by the following traits.

#### **3.5.1. Critical thinking regarding existing organizational practices**

Leaders do criticize and encourage their subordinates to challenge the way things are done if that does not add value in the business of the day. Leaders motivate their subordinates to exceed their limits so that they too (subordinates ) can become leaders. Leaders are pioneers of paradigm, they want to change things to suit new and challenging situations, so that they and their subordinates can grow and develop.

#### **3.5.2. Visionary Leadership**

Leadership is about knowing your destination, knowing where your organization is, where you want it to be, how to get there and when. Leadership is also about making your followers have the same vision as that of the leader. Leadership is about getting others excited about getting their organization from where it is to where leaders want it to be. Leaders understand that they have to enlist their subordinates in a common vision by appealing to their dreams, values, hopes and dreams.

#### **3.5.3. Empowerment**

Leadership is about building teams based on mutual trust and respect. They create an atmosphere where everybody feels that they are part of the family and not mere optional extras. Leaders know that there is only one difference between themselves and their subordinates and that this difference is that the (leaders) have more responsibilities than their subordinates , other than that they are all colleagues working for a common goal.

#### **3.5.4. Leadership by example**

Leadership is about setting standards of how their organization should be measured, values that guide employees and colleagues, and how customers should be treated. Leaders act as role models, they lead by example and make certain that their subordinates learn from them, they act as coaches role models.

#### **3.5.5. Motivation**

Leadership is about making others leaders by making them feel like leaders. They recognize good behaviour by rewarding job well done by (celebrating accomplishments) and addressing poor performance by (counselling, coaching and disciplining), while not taking any behaviour personally.

#### **3.6. Research findings regarding subordinates' perceptions of leader's practices:**

According to Chen, Chen, & Meindl, (1998), and Hofstede, (1980) there has been interests in whether managers' leadership styles has an impact on the employee perceptions and whether those styles have any impact on work group performance. Johnson and Packer (1987) adds on to say that the need to learn more about cross- cultural differences (because they directly influence perceptions) coincide with the rapid globalization of the world's economy as well as with the cultural diversification of the U.S. workforce, in which the majority of new entrants over the next 20 to 30 years will be woman, Asians, Hispanics and African Americans.

Hofstede (1980) argued that many differences in individual motivation and leadership styles could be traced to differences in cultural programming as it influences individual perceptions. Erez (1994) also challenged the appropriateness of simply assuming that United States centric leadership theories can be generalized to other cultures.

Bass (1985) poses a question whether should one lead differently in different cultural settings? This question was formulated on the basis of preliminary evidence showing that culturally different groups prefer different ways of being led.



Wagner (1995), Triandis (1993), and Dorfman, (1996) set out to compare how transformational and transactional leadership affected the performance of ad hoc work groups comprised of either individualists or collectivists. They also examined different task conditions and their interaction with leadership styles, since their prior research has reported that cultural orientation affect perceptions and as such may interact with an individual's preferred way of working.

Transactional leadership was described by Burns (1978), as motivating followers primarily through contingent reward based exchanges. Bass (1985), adds on to say that the main focus of transactional leaders is on setting goals, clarify the link between performance and rewards, and providing constructive feedback to keep followers on task. In contrast, transformational leadership involves developing a closer relationship between leaders and followers, one based more on trust and commitment than on contractual agreements. Burns (1978) says that transformational leaders help followers to see the importance of transcending their own self interest for the sake of the mission and vision of their group and/ or organization. (Gardner & Avolio, 1998; Klein & House, 1995; Shamir, House, & Arthur, 1993) continue to say that by building followers' self confidence, self efficacy, and self esteem, such leaders are expected to have a strong, positive influence on followers' levels of identification, motivation, and goal achievement. Transactional and transformational leadership have been examined in various cultures. For example, Yorks (1989) reported that the top managers in several large Japanese firms rated by followers as more transformational and also had higher ratings on their followers' level of effectiveness. Koh (1990) reported a similarly positive relationship between ratings of transformational leadership, levels of trust, and school effectiveness for secondary school principals in Singapore.

According to (Earley, 1989; and Triandis, 1995) a number of cross cultural studies have shown that collectivists tend to have a stronger attachment to their organizations and tend to subordinate their individual goals to group goals. Steers, and Park, (1997) says that collectivists maintain longer term relationships with their organizations and view interpersonal relationships and skills as being more valuable than specific job knowledge and skills.

Indeed, many organizations in collectivist culture highlight the importance of maintaining long term relationships as well as in group solidarity. According to (Jung et al, 1995) the central role the group plays in collectivist cultures parallels some of the main value orientations associated with transformational leadership. For example, transformational leaders emphasize the importance of subordinating individual needs to group goals, a central feature of collectivist cultures. Collectivists are expected to identify with their leaders' goals and the common purpose or shared vision of the group and organization. They also typically exhibit high levels of loyalty and commitment to the leader.

People in individualist cultures according to (Hofstede; 1980) are expected to be more motivated to satisfy their own self interests and personal goals. In such cultures, individuals take care of themselves, and they tend to place higher priority on individual initiative and achievement, as well as on personal rewards based on satisfying transactional agreements. The person or self is defined more as an independent entity, whereas the self is defined in association with groups or organizations in collectivist cultures. Triandis (1995) adds on to say that individualists are as such expected to be more motivated by transactional leadership. Transactional leadership is typically more short term focused and in line with the values orientation in more individualistic cultures.

Avolio and Bass, (1988) says that in collectivist cultures, the strong tendency to support organizational values and norms should fit with a transformational leader's efforts to align followers' personal values with a new mission or vision.

According to (Hofstede, 1980; Triandis, 1995; and Jung, 1995) followers from collectivist cultures are expected to more readily internalize their leader's vision than will individualist followers for at least two reasons. First, collectivists tend to accept their leader's beliefs more readily, because of the high power distance that exists in those cultures. Although there may be some countries such as Norway and Sweden, where individuals are collectivists but prefer equal distribution of power, most collectivists countries, such as those in Asia, tend to demonstrate high degrees of power distance. Second, there is typically a high level of value congruence between followers and leaders owing to extensive socialization process in collectivist cultures. (Jung et al., 1995) says that they expected that transformational

leader's emphasis on achieving collective goals would be more readily accepted when group members' cultural orientation was more collectivist.

Jung and Avolio, (1998) says that the congruence between followers' cultural values and a transformational leader's attempts to build identification with a collective vision is expected to enhance motivation and performance among followers. Hence, they predicted that such leaders would maximize the efforts and performance on followers who have a more collectivistic orientation.

### **3.7. Research finding regarding Followers' Cultural Orientation and Task Structure**

According to Cox, Label, & McLeod (1991) and Wagner (1995) collectivists are considered to be more concerned than individuals with maintaining solidarity in their groups. Collectivism is also associated with a higher attachment to the group and greater acceptance of group norms. These specific cultural differences may have some implications for the design of work tasks in different cultures. For example, Gabrenya, Latane, and Wang (1983) compared American and Chinese students and reported that the performance of Chinese students working in groups was significantly higher than that of Chinese students working alone. They suggested the collectivist Chinese may have viewed their individual actions as an important contribution to their group's efforts and received greater levels of satisfaction and feeling of accomplishment from group outcomes. Chen et al; (1998), and Cox et al, (1991) adds on to say that the collectivist's tendency to display cooperative behaviour in a group setting may also contribute to differences in performance.

Earley (1989) explained collectivists' strong tendencies to prefer to work in groups and to perform better in groups than when working alone on the basis of social loafing theory. Earley found that collectivist Chinese managers did not engage in social loafing when working with groups because they valued achieving group goals over self interest. In contrast, individualist American managers performed better on an individual than on a group task and were more likely to loaf when their individual contributions to group performance were not easily monitored.

Erez and Somech (1996) explained collectivists' low degree of social loafing in work group situation in terms of "independent" and "interdependent" selves and their different motivational effects on a person's desire to contribute to group performance. In Erez and Somech's formulation, collectivists' view themselves as an integral part of social relationships and are more likely to define their self as being tied to others in their social network. Erez and Somech (1996) argued that working with others and making contributions to group performance help collectivists fulfil the interdependent self and strengthen their group identity. Individualists, who value the independent self more than the interdependent self more than the interdependent self, view their contributions to groups as being less important than enhancing their self accomplishment.

In order to assess quantity, two rates counted the total number of unduplicated recommendations independently. Their initial agreement rate prior to discussion was over 90 percent. The dimensions used to assess the quality of performance were practicality and long-term versus short term orientation. Practicality was defined in terms of ease of implementation was in the control of the school. Long term orientation was defined as requiring substantial and fundamental efforts for change by the school over an extended period of time. Although researchers did not intend to imply that short term ideas and solutions were necessarily of less value than long term ones, they did assume that long term ideas and solutions were more in line with the school's interest in developing a strategic mission, values, and plan launching a "new" school of management. In addition, the dean emphasised in his letter to participants that the school needed to develop a long term and mission based focus to achieve reaccreditation. Overall, initial interrater agreement was 77.6 percent for practicality and percent for long term orientation. Discrepancies were resolved through discussion between the two raters working together to arrive at a single score for each category. The final interrater agreement for all categories was above 90 percent.

After 15 hours of leadership training, the confederate leaders' portrayal of the two leadership styles was videotaped without any participants present.

A group of undergraduate business students unfamiliar with this study evaluated the videotapes using the 17 MLQ Form 5X items (Bass & Avolio, 1997). Drawing on feedback provided by student raters, each confederate leader then spent an additional 5 hours training with the authors to further refine his portrayal of the two leadership styles. After the second training

session, a panel of doctoral students who were also unfamiliar with the study rated a second videotape of each leader.

The results of these comparisons were significant ( $p < .001$ ) and in the intended direction, indicating that students perceived each leader's behaviour as more or less transformational or transactional in the appropriate condition. Furthermore, students' rating confirmed that the same leadership style was being portrayed similarly by both confederates. None of the  $t$ -tests were significant, indicating the two confederate leaders portrayed the leadership styles similarly. Results of mean comparisons for actual experimental participants revealed a similar pattern.

As predicted, the mean score for collectivism among Asian students (3.42) was significantly higher than it was among the Caucasian students (3.10;  $F = 6.50$ ,  $p < .01$ ). In order to test for the effects of the length of their stay in the United States on the Asian's cultural orientation, all Asians were split into two groups based on mean length of time (10.6 years) in the United States. Results of an analysis of variance (ANOVA) indicated there was no significant difference in terms of collectivist orientation between the two Asian groups ( $F_{1,151} = 2.43$ , n.s.). Also, the correlation between the collectivism score and length of stay in the United States was not significant. Mean scores for quantity were similar for Asians and Caucasians. Results of a confirmatory factor analysis also supported the development of the two leadership scales. Alpha coefficients were .79 and .85 for transactional and transformational leadership, respectively. Multivariate analysis of covariance (MANCOVA) was used to test all main and interactive effects of leadership style and task structure on performance.

The effects of individual differences on participants' performance were controlled by using each individual's performance during a pre trial period as a covariate. The potential confounding effects of having non business majors (the Korean language students) participating in the study by running a parallel MANCOVAs without these students included and obtained results identical to those reported below for the entire sample. Consequently, subsequently reported analyses include the 27 non business majors.

The MANCOVA results produced significant  $F$  values for the two main effects as well as for the two -way interaction terms in both samples. Since all results from the MANCOVAs were significant, analyses of covariance

(ANCOVA) were run next. For the Caucasians, leadership and task conditions were highly significant for quantity performance. Neither the main nor the two-way interaction effects were significant for the practicality measure. Leadership, task, and their interaction were each significant for the long-term orientation measure. It appears that for the Caucasians, the significant multivariate results for leadership were mainly due to differences on the quantity and long term orientation measures. The same pattern emerged for the effects of task condition. For the two-way interaction term, the main differences occurred with the long -term orientation measure.

For the Asians, the main and interaction effects were all significant for quantity, but only leadership had a significant effect on the practicality measure. Task condition had a significant effect on the long term orientation measure of performance. It appears that for Asians the significant multivariate effects for leadership were due to differences on the quantity and practicality measures, for the task condition, the significant effects appeared to be primarily due to differences on the quantity and long term orientation measures , and the interaction effect appeared to be mainly the result of differences on the quantity measure.

Next, a series of one way ANOVA was ran using the cell means on two of the three performance measures. As expected, Caucasians working in the transactional leadership condition generated more recommendations than Caucasians in the transformational leadership condition, while also generating more practical recommendations. The performance of Asians was in the expected direction and significant for both quantity and practicality. The mean difference between the two leadership condition on the long term orientation measure among Asians was not significant. Tests for the main effects of task condition indicated that Caucasians working in groups outperformed their counterparts working alone on both quantity and long term orientation. Hypotheses 2b was not supported. Mean differences between the two task conditions on measures of quantity and practicality for Asians were not significant. However, performance in terms of the number of long term ideas was significantly higher when the Asians performed the task alone versus in groups.

Anova did not support Hypothesis 3a. Caucasians working in a group led by a transactional leader had significantly higher scores on quantity than their

counterparts in the other three conditions. Although the mean score for practicality was highest in the individual task and transactional leadership condition, it was not significant ( $p < .09$ ). Caucasians who worked in a group with a transformational leader generated more long-term-oriented recommendations than their counterparts in the remaining conditions. Hypothesis 3b was supported in that Asians in the group task and transformational leadership condition generated significantly more ideas than Asians in any other conditions.

Caucasians in the transactional leadership condition produced more ideas than those working in the transformational leadership condition. These results may be partially explained by the transactional leader's strong instrumental orientation, which could have led the Caucasians to generate as many practical, short term ideas as they could within the limited time allotted. Given the short duration of the experimental session, participants may have chosen to simply generate more recommendations. Sosik (1995) reported that giving instructions to followers that are framed in terms of goals and rewards may enhance the quantity of ideas without necessarily enhancing quality.

In contrast, transformational leadership appeared to promote Caucasians' generating ideas with a long term orientation. In keeping with the longer term goals and vision articulated by transformational leaders, participants may have seen the importance of such ideas, as opposed to short term solutions. Avolio and Bass (1988) says that this pattern of influence would be consistent with the idea that transformational leaders encourage followers to go beyond their immediate needs to address the long term interests of their organizations.

Asians working with a transformational leader outperformed their Asian counterparts working a transactional leader on the measures of quantity and practicality. Perhaps the transformational leader's emphasis on having a collective sense of mission and sacrificing self interest for the collective interests of the school resonated more positively with the collectivist Asian students' cultural norms. However, the transformational leader did not have a significant impact on the Asians' generation of long term ideas. Earley (1997) says that their strong tendency toward face saving, maintenance of group harmony, and fear of evaluation may explain this finding. Possibly the Asians' were more apprehensive about being criticized by group members and/or about losing face if their long term and fundamentally different ideas were not

well accepted. Additionally, Asians may have felt less comfortable questioning authority of the institution and its professors by proposing fundamental changes in what the school was currently doing. This hesitancy, coupled with the need to maintain group harmony, may have reduced the number of long term ideas generated.

Contrary to Hypothesis 2a, Caucasians produced a greater number of long term oriented recommendations in group than in the individual task condition. The number of practical recommendations was similar in the two task conditions. Over all results for the group versus the individual task condition were consistent with findings of previous group brainstorming research. Diehl and Stroebe (1987) says that on the average, people can think up twice as many ideas when working in a group than they can when working alone. Unlike the Asians, the Caucasians may have generated more long term ideas in their groups because of a lack of concern for maintaining group harmony or saving face, which may have resulted in the higher evaluation apprehension noted earlier for Asians.

First, for the Caucasians in the sample, the quantity of ideas was higher in the group task and transactional leadership condition. It appears the transactional leader's emphasis on goals and expectations had a stronger impact on the Caucasians' total output in the group condition. Second, the number of ideas classified as having a long term orientation was highest in the group task and transformational leadership condition. Apart from achieving their group's goals, Caucasians may have been reinforced by the transformational leader's emphasis on taking a longer term view and offering ideas for fundamental change. Finally, Asians performed best in terms of their total output of ideas working in groups guided by a transformational leader. Perhaps the transformational leader's emphasis on working toward collective goals for the sake of the school motivated Asians to generate a higher number of recommendations in the group than in the individual task condition.

Research results illustrated that the same leadership style may be perceived differently and can have different effects on motivation and performance for followers from different cultural groups. For example, a transformational leader's encouraging followers to come up with long term ideas that challenged the current state of the school, the focal organisation, appeared to have different motivating effects among Caucasians and Asians. Hence,



researchers need to be cautious about assuming that the same leader behaviours and statements will be interpreted similarly by followers with different cultural orientations.

Smith, Misumi, Tayeb, Peterson , and Bond (1989) found that leaders' consideration and task styles emerged as universally relevant dimensions across several different cultures but that how followers evaluated actual leader behaviours in terms of these styles differed across cultures. Smith (1989) gave an example that, a leader who discussed follower's personal problems with others in their absence was viewed as considerate in Japan but was seen as invading the followers' privacy in the United States.

The second implication of the study according to Jung and Avolio (1998), is that confounding effects of individual differences may also affect the different levels of motivation and performance observed in the study. For example, the Caucasian participants performed better on the group than on the individual task, while the Asians' performance did not differ across the task conditions. A group versus individual "psychological orientation" may or may not be the same as a cultural orientation.

Early and Triandis (1995) says that another implication for the cross cultural research to consider involves the composition of the groups that were labelled "collectivist". For instance , the Asian groups in the study consisted of individuals from various ethnic and/or national backgrounds. Perhaps the Asian groups were more ethnically heterogeneous than the Caucasian groups, since the former could contain Koreans, Japanese, and Chinese individuals. Higher variation among the groups considered to be collectivist in the study may in part explain some of the patterns in the results. For example, it was reported that the Caucasian participants performed better in the group than in the individual task condition. This finding may be due to the group identity of the Caucasian being stronger than the group identity of the more heterogeneous Asians. Indeed, perceptions of in-group versus out-group among the Asian participants could have had a significant effect on group members' attitudes toward each other as well as on their willingness to co operate in the group task condition.

The results reported here may have practical implications for managing perceptions in the corporate world. The different effects that transformational and transactional leadership had on both Caucasians and Asian followers'

performance may suggest that companies can help their leaders manage perceptions more effectively by providing training on the differential effects of various leadership styles. Certain leadership styles may be more or less effective than others depending on the ethnic group followers belong to and the task that are being performed. Results from this study indicated that individuals with different cultural orientation may prefer different ways of performing their tasks.

For example, when employees are more collectivist, managers may want to design tasks in such a way that group members can work together. Performing tasks in a group can by itself satisfy collectivist followers' social motives, which in turn may enhance their motivation and performance.

Yet one must also keep in mind that collectivist concern for maintaining group harmony and tendency to avoid intra group conflicts may warrant keeping certain tasks individually rather than group based. This recommendation is particularly important if one is concerned about the effects of evaluation apprehension on idea generation or the offering of innovative, radical solutions.

Joplin and Daus (1997) says that when managers are soliciting ideas from collectivist followers for long term organisational planning or about more sensitive issues, they need to make sure their followers feel comfortable suggesting ideas that challenge current organisational norms and authority.

One potentially useful tool for helping collectivists to challenge each other more openly according to Kahai, Sosik, & Avolio (1997) is to use group decision making support systems (GDSS), which allow members to discuss and exchange ideas without worrying about pressures to conform. These systems provide anonymity for participants, which can directly enhance the level of creativity observed in brainstorming tasks. Using GDSS tools and technology, collectivist followers may provide more ideas without jeopardizing harmony and face saving.

### **3.8. Conclusion**

In this chapter the nature and theories regarding leadership have been covered. It has been indicated that effective leadership is a function of specific qualities of the leader, a balance between task and relationship orientation and characteristics of the situation as well.

The content of the respective leadership theories will be used to identify a

suitable measuring instrument for determining leaders' characteristic leadership styles and to interpret the findings of the study.

## CHAPTER 4

### RESEARCH METHODOLOGY

#### 4.1. Introduction

In this chapter the selection of respondents, gathering of data, measuring instruments, rational for inclusion, validity, reliability, hypothesis, and the statistical technique will be addressed.

#### 4.2. Selection of respondents

The target population is composed of all managers and subordinates in the central region (Maribi). For the sake of anonymity the targeted company was named Maribi. The central region is made up of three districts which stretches from the Free State, North West, and part of the Northern Cape.

The Free State comprises the following magisterial areas Welkom, Bloemfontein, Bethlehem. The North West is made up of Potchefstroom and Mafeking whiles the Northern Cape is made up of Kimberley, Taung and Mothibstad.

The population of the area under investigation is of heterogeneous nature, characterized by the following languages spoken Tswana, S. Sotho, English, Afrikaans. English is a dominant language used in the company probably because of its international status.

Sample was determined as per (Morgan:1970.607)'s guide to determine sample size for research activities .i.e. for population of 365 you need a sample of 136. The lottery method was used wherein each individual in the total population was given a number, corresponding numbers are put into a container. The numbers are tossed so that they are thoroughly mixed then one tab bearing number is selected from the container, without the selector seeing the pool. The number selected is recorded, and then the tab is tossed back into the pool again to make sure that every individual has the same chance of being chosen as every other individual.

### **4.3. Gathering of data**

Each of the districts were personally visited, wherein the relevant respondents were given the questionnaire to fill in whiles the researcher was there to clarify misunderstandings and responses were collected after each session.

### **4.4. Measuring instruments**

#### **4.4.1. Leadership Process Inventory**

##### **4.4.1.1. Nature and contents**

The Leadership Process Inventory makes provision for five distinctive leadership practices, i.e.:

- **Challenging the process**

Challenge is the opportunity for greatness. Maintaining the status quo breeds mediocrity. Leaders seek and accept challenging opportunities to test their abilities and look for innovative ways to improve their organizations. People do their best when they have a chance to change the way things are. Leaders motivate others to exceed their limits.

Most innovations, however, do not spring forth directly from the leader. Leaders realize that their customers and people who do the work are the source of good ideas, consequently, they, listen to the advise and counsel of these people.

Leadership is closely associated with change and innovation, the quest for change is an adventure and the training grounds for leaders. For leaders to get the best from themselves and others, they must find the task enjoyable and intrinsically rewarding.

Leaders are experimenters. They find ways to get outside the imaginary boundaries of organizational convention They take risks and focus on mistakes as learning opportunities. The commitments of leaders to challenging the process involve the following behaviours:

- Searching out challenging opportunities to change, grow, innovate and improve.
- Experimenting, taking risks, and learning from the accompanying mistakes.
- Inspiring a shared vision

There is no freeway to the future- often not even paved roads, but instead uncertain terrain and wilderness, So pioneering leaders rely on a compass and a dream. They look to the future with a sense of what is uniquely possible, and they passionately believe that people working together can make a difference. Visions are the leaders' magnetic north, they give direction and purpose to the organization.

Visions seen by the leader are insufficient to create organized movement. A leader must enlist others in common vision by appealing to their values, hopes, and dreams, so that others clearly understand and accept the vision as their own. Leaders breathe life into their vision with strong appeals and quiet persuasion, generating enthusiasm and excitement for the common vision.

The commitment of leaders to inspiring shared vision involve these behaviours:

- Envisioning an uplifting and ennobling future
- Enlisting others in a common vision by appealing to their values, interests, hopes, and dreams.
- Enabling others to act

Leaders know that they cannot do the job alone. To accomplish extraordinary things in an organization, people must work in partnerships. Leaders create an atmosphere of mutual trust and respect. They build teams that feel like family, not like hired hands.

Getting people to work together begins with creating cooperative goals and sustaining trusting relationships. Leaders understand that by trusting others, they are rewarded with trustworthiness on the part of others. They make sure

that when they win, everyone wins.

Empowering others is essentially the process of turning followers into leaders. Leaders realize that they can empower others without diminishing their own power. The process of empowering others is facilitated when people work on tasks that are critical to the organization's success, when they exercise discretion and autonomy in their efforts, when their accomplishments are visible and recognized by others, and when they are well connected to other people of influence and support.

The commitments that leaders make to enabling others to act involves these behaviours:

- Fostering collaboration by promoting cooperative goals and building trust.
- Strengthening people by sharing information and power and increasing their discretion and visibility.
- **Modelling the way**

Leaders have a philosophy, a set of high standards by which the organization is measured, a set of values about how employees, colleagues, and customers should be treated, and a set of principles that make the organization unique and distinctive. Leaders stand up for their beliefs and show by their own examples how others ought to behave. Leaders build their credibility by maintaining consistency between their words and deeds.

Being a role model requires clarity about personal values. Focusing other people's energies and commitments requires developing alignment between the of the leader and those of others in the organization. Leaders get people started by convincing them that the impossible is possible and by taking the first step themselves. Leaders break problems into manageable chunks so that people can develop their abilities, experience small victories along the way, and solve those problems without being overwhelmed. Planning small "wins" in this way breeds success and set the stage for building commitment to the new path.

The commitments of leaders to modelling the way involve these behaviours:

- Setting an example for others by behaving in ways that are consistent with their stated values.
- Planning small “wins” that promote consistent progress and build commitment.
- Encouraging the heart

Getting extra ordinary things done in organizations is hard work. The climb to the summit is arduous and steep. Leaders encourage others to continue the quest. They encourage the heart by visibly recognizing people’s contributions to the common vision. They express pride in the accomplishment of their teams. A leader makes people feel like heroes by telling the rest of the organization about what individual members and the team have accomplished.

Leaders have high expectations both of themselves and of their constituents. They provide people with clear directions, substantial encouragement, personal attention, and meaningful feedback. Leaders make people feel like winners, and winning people like to continue raising the stakes!

Celebrating team accomplishments adds fun to hard work and reinforces the team spirit. Celebrations increase people’s network of connections and promote information sharing. Fostering high quality interpersonal relationships enhances productivity along with both physical and psychological health.

The commitments of leaders to encouraging the heart involve the following behaviours:

- Recognizing individual contribution to the success of every project.
- Celebrating team accomplishments regularly.



#### **4.5. Rationale for inclusion**

The questionnaire of the Leadership Process Inventory is standardized and as such its reliability and validity is not questionable as it has been tested.

#### **4.6. Validity**

Plowman (1991) says that validity concerns whether an instrument truly measures what it purports to measure and whether its scores have meaning for a respondent. Validity is determined in several ways.

The most common assessment of validity is called face validity, which concerns whether, on the basis of subjective evaluation, an instrument "appears" to be measuring what it purports to measure. Given that the items on the LPI are related to the statements that workshop participants generally make about their own or others' personal-best leadership experiences, the LPI has excellent face validity.

Postner and Kouzes (1988.63) says that validity is also determined empirically. Factor analysis is used to determine the extent to which the instrument items measure common or different content areas. The results of these analyses consistently reveal that the LPI contains five factors, the items that measure "Challenging the process" are all more related to (correlated with) one another than they are to items measuring the other four practices.

The question of whether the scores have payoff for a respondent is probably the most important concern to workshop participants. To answer this question, we assess the extent to which LPI scores are correlated (associated) with other important variables. The LPI has excellent payoff validity, as shown by studies of the relationship between LPI scores and such variables as work group performance, team cohesiveness, member commitment and loyalty, satisfaction (both with the job and with the leader), upward influence, and credibility.

For example, LPI-Self scores in one study were positively correlated with the independent assessments of others about a leader's leadership ability and credibility in the organisation. The more respondents reported that they engaged in the behaviours measured on the LPI, the more likely were their subordinates to view them as, for example, building strong work teams, being influential with upper management, and being productive as leaders.

#### 4.7. Reliability

Reliability according to Stoner-Zemel (1988:57) refers to the extent to which an instrument contains "measurement errors" that cause scores to differ for reasons unrelated to the individual respondent: The fewer errors contained, the more reliable the instrument. Reliability is determined empirically in several ways. One is to split the responses in half and test to see whether the two halves are correlated. If the two halves were completed by the same person at the same time, we would expect the responses from the first half to be reasonably consistent with the responses from the second half. If the two halves were perfectly independent (for example, one-half of an apple and one half of an orange), we would expect zero correlation, although there might be some correlation, given that both items are still fruits rather than one fruit and one vegetable. If the halves were perfectly correlated (for example, two halves of the same apple), we would expect a 1.0 correlation coefficient. Statisticians refer to this correlation as *internal reliability*. "Acceptable" internal reliability coefficients are usually .50+, and the LPI scales are generally above .80, therefore, the LPI has strong internal reliability.

Another empirical measure of reliability is called *test retest reliability*, which has to do with the extent to which an instrument is sensitive to extraneous factors that might affect a respondent's scores from one administration to another. Over periods as short as one or two days and as long as three to four weeks, scores on the LPI show significant test retest reliability (or consistency) at levels greater than .90 correlation. However, it should be pointed out that LPI scores would be expected to change if respondents have attended a leadership workshop such as the one described in the trainer's manual, are consciously working on changing their leadership behaviour, or have experienced significant emotional life/ organisational events.

Finally reliability is enhanced when an instrument asks about a behaviour more than once. Therefore, a two-item scale is inherently more reliable than a one-item scale, and so on. The LPI scales contains six items or statements for each of the five key leadership practices.

#### 4.8. Hypotheses

*Ho* : There is no significant difference between the way managers see themselves and the way they are being perceived by their subordinates with regard to their (managers) leadership styles.

*HA* : There is a significant difference between the way managers see themselves with regard to their leadership styles and the way they are being perceived by their subordinates.

#### 4.9. Statistical technique

The difference in perceptions was determined by a standard SPSS computer program. The formular utilised for analysis was:

$$Sx^2 = \frac{\sum (X - 8)^2}{N - 1}$$

## CHAPTER 5

### RESULTS AND INTERPRETATION

#### 5.1. Introduction

In this chapter the following issues will be addressed: characteristics of the sample, statistical report of the responses, interpretation of the statistical results, suggestions and conclusion.

#### 5.2. Characteristics of the sample

The population of the three districts and supporting departments under investigation is as follows:

Table 5.1. Number of employees in the three districts

| DISTRICTS  | TOTAL |
|------------|-------|
| FREESTATE  | 163   |
| NORTH WEST | 104   |
| N.CAPE     | 48    |

Table 5.2 Number of employees in the supporting departments

|              |            |
|--------------|------------|
| TRD MARKET   | 4          |
| FINANCE      | 33         |
| LOSSCONTR    | 3          |
| GEN MNMNT    | 10         |
| <b>TOTAL</b> | <b>365</b> |

The Free State District had the biggest population of 163 employees whiles the Northern Cape District had the least number of employees 48.

Table 5.3. Sample from different levels of the hierarchy out of the total

population.

| MONTHLY PAIDS  | NO | WEEKLY PAIDS | NO  |
|----------------|----|--------------|-----|
| DISTRICT MNMNT | 3  | SHOPSTEWARDS | 30  |
| SALES MANAGERS | 6  | SUPERVISORS  | 13  |
| DEPOT MANAGER  | 4  | SALES REPS   | 29  |
| DISTRB MNMNT   | 5  | GEN ADMIN    | 6   |
| WRHSE MNMNT    | 5  | FINANCE      | 25  |
| FINANCE        | 3  | LOSS CONTROL | 2   |
| LOSS CNTR      | 1  |              |     |
| GEN ADMIN      | 4  |              |     |
| TOTAL          | 31 |              | 105 |

TOTAL SAMPLE=136

The number of respondents from weekly paid staff is higher (105), with the shopstewards being mostly represented. The monthly paid staff were lesser in number(31), with the number of sales managers being higher than other departmental managers.

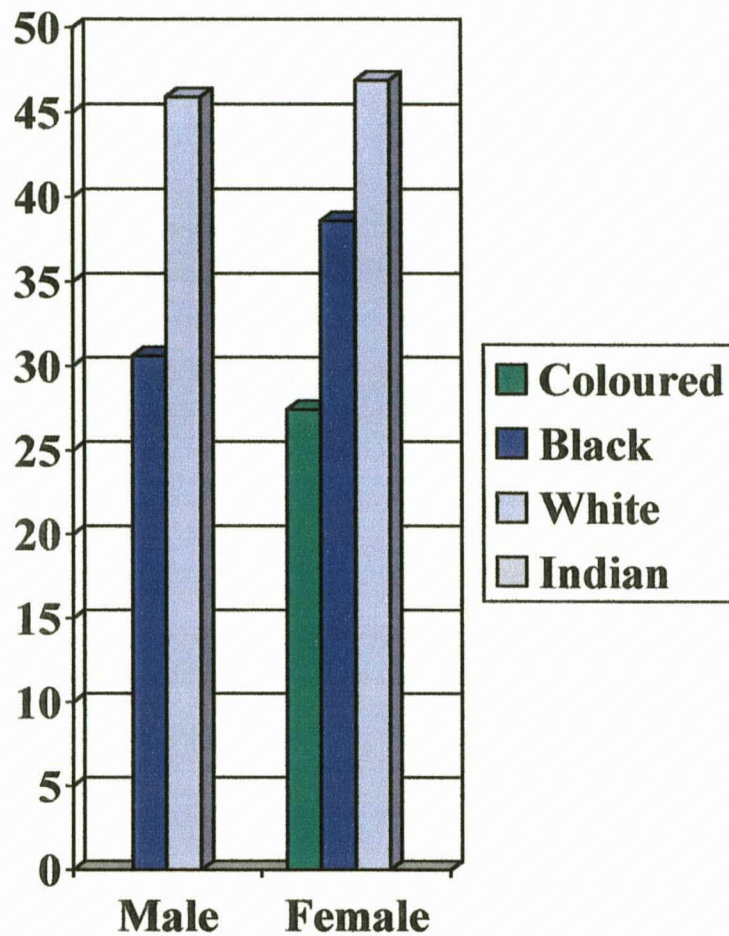


Figure 5.1. Gender Difference.

The sample was characterised by 30% black males, 45% white males, 27%coloureds females, 37%black females, and 46% white females.

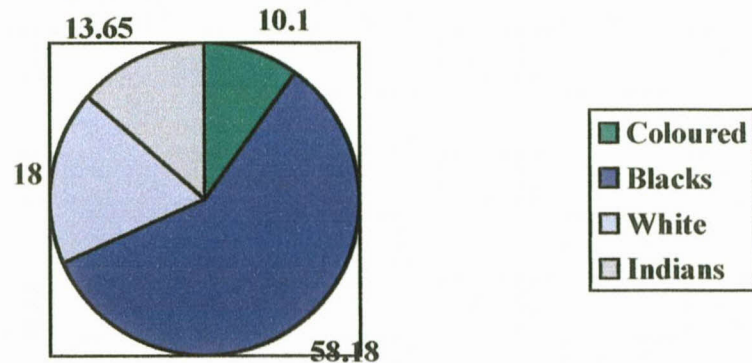


Figure 5.2. Race difference

In terms of race, the sample was characterised by 13.7% Indians, 10.1 Coloureds, 18% Whites, and 58.18% Blacks.

Table 5.4. Age difference

|                     | <i>Subordinates</i>  |                      |
|---------------------|----------------------|----------------------|
| <b>Management</b>   | <b>Sales teams</b>   | <b>Operations</b>    |
| Between 30 to 55yrs | Between 28 and 45yrs | Between 36 and 56yrs |

Of the three categories, the sales Team was the youngest whiles operations was the oldest.

\*NB The warehouse department, distribution department and depot management are referred to as operations department

Table 5.5. Difference in education levels

|   | <i>Subordinates</i>     |                      |
|---|-------------------------|----------------------|
| <b>Management</b>                         | <b>Sales teams</b>      | <b>Operations</b>    |
| From matric level to honours degree level | From matric to B.degree | From std 5 to matric |

The most qualified of the three categories were management followed by sales reps whiles the workforce was the least qualified.

Table: 5.6. Differences between how managers and subordinates observe the managers' leadership styles

| Dimensions of Leadership  | Managers  |      | Subordinates |      | F    | Sig of F |
|---------------------------|-----------|------|--------------|------|------|----------|
|                           | $\bar{x}$ | s    | $\bar{x}$    | s    |      |          |
| Challenging the process   | 25.12     | 2.89 | 19.78        | 7.43 | 7.96 | 0.007**  |
| Inspiring a shared vision | 23.35     | 3.28 | 20.67        | 6.25 | 2.67 | 0.11     |
| Enabling others to act    | 26.18     | 3.15 | 20.67        | 7.11 | 9.02 | 0.004**  |
| Modelling the way         | 25.18     | 3    | 21           | 6.2  | 6.68 | 0.013*   |
| Encouraging the heart     | 24.65     | 3.9  | 20.85        | 7.05 | 4.11 | 0.049*   |

Where \*p < 0,05

\*\*p < 0.01

Table 5.7. Departmental differences on how subordinates perceive their leaders

|                         | Sales Department | Operations |
|-------------------------|------------------|------------|
| Challenging the process | 78%              | 44%        |
| Enabling others to act  | 67%              | 37%        |
| Modelling the way       | 71%              | 68%        |
| Encouraging the heart   | 69%              | 61%        |



### 5.3. INTERPRETATION OF RESULTS

#### 5.3.1. Challenging The Process

According to table 5.6. there is a highly significant difference ( $p < 0.01$ ) between managers and subordinates in terms of **challenging the process**. Managers to a higher degree believe that they do search out challenging opportunities to change, grow, innovate, and improve. They believe that they also do experiment, take risks, and learn from the accompanying mistakes.

Subordinates on the other hand do not see their managers challenging the process of their organization to the same extent as managers do. They believe that managers do not search out challenging opportunities to change, grow, innovate, and improve. They also do not believe that their managers do not experiment, take risks, and learn from the accompanying mistakes. Due to this finding the null hypothesis is rejected.

There are however departmental differences in the way subordinates perceive their leaders. For instance, 78% of the sales force perceived their leaders to be challenging the process of their organization as opposed to only 44% in other departments. The reason could be that sales teams are smaller in size, the leader and his or her subordinates share the same characteristics. (Characteristics that sales managers and sales reps share are: out going, go getters, ambitious, and they all work together collectively as a team) as it is the selection process used when appointing the sales force, as opposed to other departments where there is a huge gap in literacy levels, subordinates being union members and leaders seen as members of management and not as part of the team. Refer to Table 5.4 and 5.5.

Communication could be a determinant factor in that subordinates are not exposed to management environment and see things from management perspective. Therefore management cannot communicate every detail of every activity or problems that they encounter on their daily basis while they are performing their management duties. Therefore subordinates in some instances do not see things from the angle of the manager and tend to

interpret management activities as not challenging the process.

The other issue could be employee expectations.i.e. in instances where managers does not behave in a way that his or her subordinates expected him or her to behave. Those manager's activities could be perceived as not challenging the process because they did not meet the expectations of the subordinates. As Wright and Noe (1995.310) says that people tend to pay more attention to stimuli that confirm their expectations. Thus a subordinate who believe a manager isn't very smart, is likely to miss many of the manager's contributions unless the subordinate specifically looks for them. In fact trying to catch managers doing something right often brings the best in them.

### 5.3.2.Enabling others to Act

As table 5.6. indicates there is a highly significant difference ( $p < 0.01$ ) between managers and their subordinates in terms of **enabling others to act**. Managers feel that they collaborate by promoting co operative goals and building trust. They also feel that they strengthen people by sharing information and power and increasing their discretion and visibility. By virtue of this finding the null hypotheses is rejected. Subordinates on the other hand do not see their leaders as enable them to act, the same extent that managers do.

This view is however not shared by all subordinates, in that 67% of the sales staff said that their leaders do enable them to act as opposed to 37% of subordinates in different departments. Refer to Table 5.7.

The reason for this response could be that the job nature of the sales force is such that they have to take decisions without always having to consult with management as long as their decisions are in line with their goals and plans. The other reason could be that the sales force are granted discretionary funds to help them achieve company goals.

Interpretation of enabling others to act may be an issue in this case in that most of on the spot decisions that are taken by the sales force have financial implications hence they are empowered by being given discretionary funds, while the decisions that are taken by subordinates in operations are of logistical nature hence are not granted discretionary funds as logistical

expenses are catered for in the logistical budget. However that does not mean that subordinates in the operations department are not empowered to take decisions. If they compare themselves with the sales department their perception about their managers become distorted. Brets (1992.328) says that the tendency to attribute one's own characteristics to other people which is called projection can distort perceptions made about others.

### 5.3.3. Modelling the way

According to table 5.6. there is a significant difference ( $p < 0.05$ ) between the managers and their subordinates in terms of modelling the way. Managers feel that they set examples of others by behaving in ways that are consistent with their stated values, and they also plan small "wins" that promote consistent progress and building commitment.

Subordinates on the other hand to a lesser extent see their leaders modelling the way by behaving in ways that are in consistent with their stated values, and plan small "wins" that promote consistent progress and building commitment. Due to this finding the null hypotheses is rejected.

There was departmental difference in response to this variable however it was not that huge. 71% of the sales force said that their leaders were modelling the way for them, while 68% of operations subordinates said that their managers are modelling the way, as table 5.7. indicates.

This response could be attributed to perceptual expectations. As Wright and Noe (1995.310) says that people tend to pay more attention to stimuli which confirm their expectations (what they think they will perceive). Because of this bias in attention, people who want to perceive something as fairly as possible must make an effort to notice information that does not fit their expectations.

#### **5.3.4. Encouraging the Heart**

As figure 5.1 indicates that there is a significant difference ( $p < 0.05$ ) between managers and their subordinates with regard to encouraging the heart. Managers to a larger extent feel that they recognise individual contribution to the success of every project, and celebrate team accomplishments regularly.

Subordinates on the other hand, to a lesser degree feel that their managers recognise individual contribution to the success of every project, and celebrating team accomplishments regularly. Due to this finding the null hypotheses is rejected.

69% of the sales force felt that managers do encourage their hearts while 61% of other departments felt that their managers were encouraging their hearts as figure 5.7 indicates.

The issue here could be the implication of the link between attention and the perceiver's needs and interests in that when managers celebrate team contributions they should do it in terms related to individual needs and interests. Eden (1992:209) says that one should consider an organisation that regularly updates employees on the organisation's financial performance. He continues to say that employees of that organisation are likely to be most attentive to that information if the message ties the numbers to the employees' role in bringing about improvements or the possible impact of the numbers on the employees' year-end bonuses.

#### **5.4. Conclusions**

The following conclusions regarding the study as a whole can be made:

- The questionnaire suffers from certain constraints: it does not cover the broad range of leadership styles reflected in the literature study. Because the standardised LPI questionnaire was used, one did not have that much of flexibility to deviate from what the LPI contained in terms of the leadership styles.
- The size of the sample was limited to only one company or organization. Even though the research was conducted in different regions, the company was still the same. Therefore one could not compare cultures of different companies.

- Highly significant differences between leaders and subordinates regarding challenging the process and enabling others to act occurred.
- Significant differences between the two groups of respondents have been identified in relation to modelling the way and encouraging the heart.
- The perceptual differences between leaders and their subordinates regarding the leadership styles of leaders can be attributed to the perceptual distortion that occur during the respective stages of the perceptual process, i.e. the selection, the organisation and the interpretation. The perceptual differences can probably also be ascribed to a lack of communication between leaders and subordinates. The fact that these differences exist, has specific implications for the relationship between the leaders and subordinates in the sense that this can contribute to misunderstandings and a decrease of the motivational value of the relationship.

### **5.5. Recommendations**

The following recommendations can be made of the study:

- Use or develop a questionnaire that cover a broader range of leadership styles.
- The size of the sample could be extended to more than one organisation or company. Only one organization was targeted for the study. The sample needs to be extended to more than one organisation in order to determine different organizational cultures affect leadership styles and perceptions of their subordinates with regards to leadership styles.
- Possible explanations for significant difference between leaders and subordinates regarding the application and practical implementation of the respective leadership styles should be investigated and addressed.
- The relative significance and impact of perceptual differences between leaders and subordinates regarding the leaders' leadership styles should be

investigated in order to minimize a potential negative effect on the outcome of this relationship.

## ABSTRACT

Maribi Company acknowledged that perceptual differences between managers and subordinates are likely to occur, and that may lead to communication gaps that in turn may hamper the relationship between managers and their subordinates. Since healthy relationships between managers and their subordinates are a strong motivational tool, the company believes that it is imperative that possible perceptual distortions be identified and addressed in order to create an atmosphere of constructive, supportive co operation environment that will increase productivity levels.

The current study was therefore set about by the Maribi Company to investigate and determine the perceptual differences that might occur between managers and their subordinates with regard to the manager's leadership styles.

In reviewing the literature, perception and leadership were dealt with in separate chapters. In reviewing perception, the process commenced with the definition of perception, followed by the perception process, then factors influencing perception, and the influence of perception on human behaviour.

The chapter regarding leadership was commenced by the definition of leadership, various theories of leadership, the most recent approaches to leadership, participative leadership, factors forcing organisations to move towards participation, the praxis of leadership, essential practices of exemplary leadership, research findings regarding subordinate's perceptions of leader's practices, and research finding regarding follower's cultural orientation and task structure.

It was evident from the literature that, whether or not the manager successfully plans or organizes the work of his or her subordinates and actually helps them to structure their work more efficiently and effectively is far less important than how subordinates perceive the manager's efforts.

It was also discovered from the literature study that that effective leadership is a function of specific qualities of the leader, a balance between task and relationship orientation and characteristic of the situation as well.

The methodology utilized in the process was to target a company that produces liquor in the central region which has depots Free State, North West, and part of the Northern Cape. The company was given a pseudo name (Maribi) for the sake of anonymity.

The population of the area investigated was of heterogeneous nature, characterised by people speaking Tswana, S.Sotho, Afrikaans, and English being a dominant language in the company.

A sample of 136 respondents has been randomly selected. The data was gathered by personally visiting the respective depots and relevant respondents being given

questionnaires to fill in while the researcher was there to clarify misunderstandings. The Leadership Process Inventory which made provision for five distinctive leadership practices (challenging the process, inspiring a shared vision, enabling others to act, modeling the way, and encouraging the heart) was used as a measuring instrument.

The standard SPSS computer program was used to conduct a multivariate analysis of variance to determine the differences in perceptions between managers and their subordinates with regard to managers leadership styles.

Highly significant differences between managers and subordinates regarding the leadership styles of "challenging the process" and "enabling others to act" have been identified. Significant differences between managers and subordinates occur regarding the leadership styles of "modeling the way" and "encouraging the heart".

Conclusions made out of the study were that the perceptual differences between managers and their subordinates regarding the leadership styles of managers can be attributed to the perceptual distortion that occur during the respective stages of the perceptual process, i.e. the selection, the organization and the interpretation of information. It was also concluded that the perceptual difference can probably also be ascribed to a lack of communication between managers and subordinates.

It was therefore recommended that a questionnaire that cover a broader range of leadership styles be used or developed, and that the sample size be extended to more than one organization. It was further recommended that the explanation for significance differences between managers and subordinates regarding the application and practical implementation of the respective leadership styles be investigated and addressed. With regard to the relative significance and impact of perceptual differences between managers and subordinates pertaining to leadership styles, it was recommended that the matter be investigated further in order to minimize a potential negative effect on the outcome of this relationship.



## ABSTRAK

Die Maribi-maatskappy het vasgestel dat waarnemingsverskille tussen bestuurders en volgelinge tov. die bestuurders se oorheersende leierskapstyle voorkom. Dit kan lei tot kommunikasiegapings wat die verhouding tussen bestuurders en ondergeskiktes nadelig kan beïnvloed. Aangesien gesonde verhoudings tussen bestuurders en hulle volgelinge 'n sterk motiveringsmiddel is, glo die maatskappy dat dit noodsaaklik is om moontlike perseptuele versteurings te identifiseer en aan te spreek om sodoende 'n atmosfeer van konstruktiewe ondersteunende samewerking te skep wat produksievlakke sal laat styg.

Die huidige studie is in die Maribi-maatskappy van stapel gestuur om moontlike perseptuele verskille tussen bestuurders en hulle ondergeskiktes tov. bestuurders se leierskapspligte te bepaal.

In die literatuurstudie is veral gefokus op persepsie en leierskap wat in afsonderlike hoofstukke bespreek is. Wat persepsie betref, is veral gefokus op 'n definisie van persepsie, die aard van die perseptuele proses, faktore wat persepsie beïnvloed, asook die invloed van persepsie op menslike gedrag. In die hoofstuk aangaande leierskap is veral gekonsentreer op die onderskeie teorieë aangaande leierskap. Die mees resente benaderings tot leierskap, deelnemende leierskap, faktore wat organisasies dwing om na deelnemende leierskap te beweeg, die praktyk van leierskap, die noodsaaklike toepassings van voorbeeldige leierskap, navorsingsbevindinge aangaande ondergeskiktes se persepsies van bestuurders se leierskapstyle, asook navorsingsbevindinge van ondergeskiktes se kultuuroriëntasie en taalstruktuur.

Dit het uit die literatuur geblyk dat volgelinge se persepsie van bestuurders se pogings 'n belangriker rol speel as die werklike pogings wat bestuurders aanwend om hulle volgelinge se werk te beplan en om hulle te help om hulle werk meer effektief te struktureer. Dit het ook uit die literatuur geblyk dat effektiewe leierskap 'n funksie is van spesifieke eienskappe van die leier, 'n balans tussen taakoriëntasie en verhoudingsoriëntasie, asook die kenmerke van die situasie.

Vir die doeleindes van die studie is 'n maatskappy wat drank vervaardig in die sentrale streek van die land met takke in die Vrystaat, Noordwesprovinsie en 'n gedeelte van die Noordkaap betrek. Terwille van die anonimiteit van die maatskappy is 'n skuilnaam (Maribi) daaraan toegeken.

Die steekproef het uit 'n heterogene groep respondente bestaan, naamlik Tswana-, Suid-Sotho-, Afrikaans- en Engelssprekendes. Engels is die dominante taal in die maatskappy.

'n Steekproef van 136 respondente is op 'n ewekansige basis geselekteer. Inligting is versamel deur die onderskeie takke persoonlik te besoek en respondente te versoek om toepaslike vraelyste te voltooi. Die navorser was die hele periode beskikbaar om onsekerhede uit die weg te ruim. Die Leierskapprosesvraelys is as meetinstrument gebruik en maak voorsiening vir vyf onderskeie leierskapstyle, naamlik uitdaging van die proses, inspirasie tot 'n gedeelde visie, om andere in staat te stel om op te tree, modellering van die weg en aanmoediging vir die hart. 'n Standaard SPSS-rekenaarprogram is gebruik om 'n meerveranderlike variansie-analise uit te voer om die perseptuele verskille tussen bestuurders en hulle ondergeskiktes tov. die bestuurders se leierskapstyle te bepaal.

Hoogs beduidende verskille tussen bestuurders en ondergeskiktes tov. die leierskapstyle, "uitdaging van die proses" en "om andere in staat te stel om op te tree" is geïdentifiseer. Beduidende verskille kom voor tussen bestuurders en ondergeskiktes tov. die leierskapstyle "modellering van die weg" en "aanmoediging van die hart".

'n Gevolgtrekking wat uit die studie voortspruit, is dat die perseptuele verskille tussen bestuurders en hulle ondergeskiktes tov. bestuurders se leierskapstyle toegeskrywe kan word aan die perseptuele versteurings wat gedurende die onderskeie stadia van die perseptuele proses voorkom, naamlik die seleksie, organisasie en interpretasie van inligting. 'n Verdere gevolgtrekking is dat die perseptuele verskille waarskynlik aan 'n gebrek aan kommunikasie tussen bestuurders en ondergeskiktes toegeskrywe kan word.

Daar is aanbeveel dat 'n vraelys ontwikkel behoort te word wat 'n breër spektrum leierskapstyle dek en dat die steekproef na meer as een organisasie uitgebrei moet word. 'n Verdere aanbeveling is dat die verklaring vir beduidende verskille tussen bestuurders en ondergeskiktes tov. die toepassing en praktiese implementering van die onderskeie leierskapstyle empiries ondersoek behoort te word. Wat betref die relatiewe impak van perseptuele verskille tussen bestuurders en volgelinge, is aanbeveel dat die aangeleentheid verder ondersoek word om sodoende die moontlike negatiewe uitwerking hiervan op die verhouding tot 'n minimum te beperk.

Gevalle

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