

Strategic Management Course

Oct. 2004 – June 2005

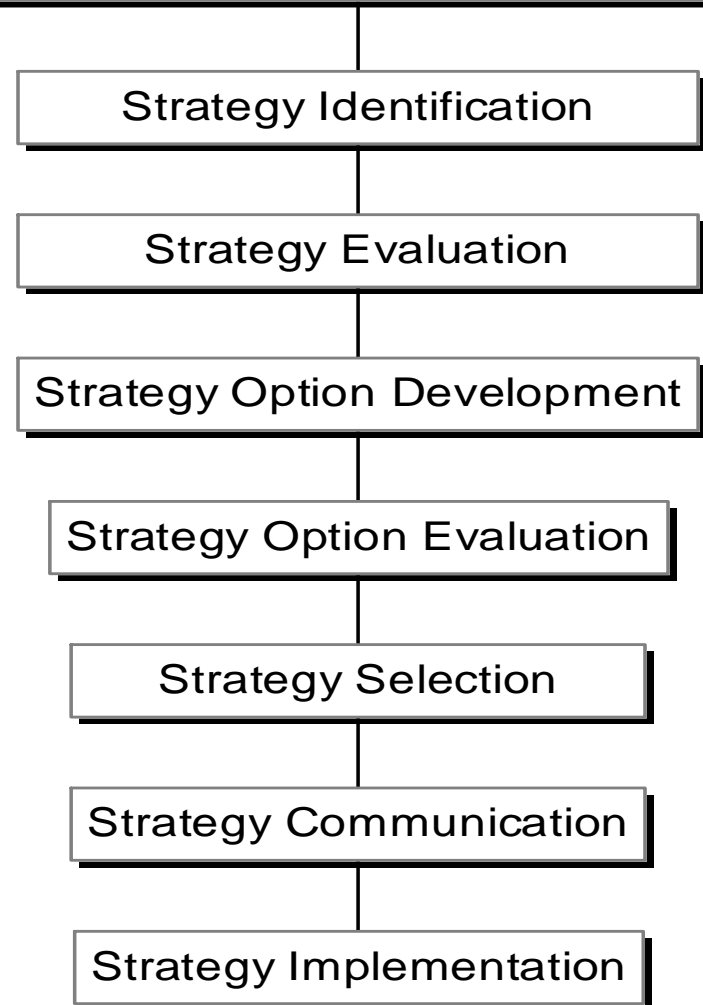
Leadership: the Case of Shackleton and his Crew

Dr David Ward

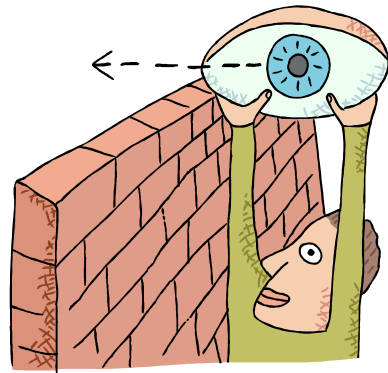
Strategy Process

Clearly before the strategy process can be initialised it is essential that the vision and the necessary leadership are present. Without these two aspects the subsequent strategy will be weak, misaligned and without the necessary belief of the company.

Steps for setting Strategy



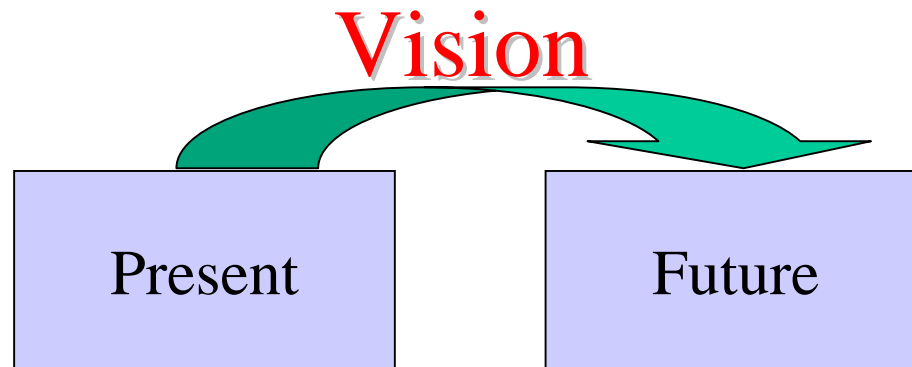
NB Taken from Lessons 3 & 4



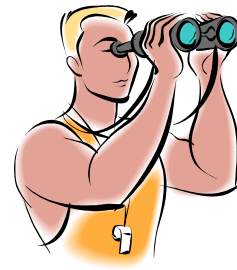
Vision

A vision is a mental image of what the company will be or is striving to be.

It is the platform on which you build the company and links present to future.



Strategic Thinking



To think strategically is to see the big picture, to understand both system-wide effects and long-term consequences of situations, problems, decisions, and actions.

Strategic thinking allows you:

- to handle the changing nature of change
- to grasp the revolution we are living
- to beware of the dark side of.....technology
- to keep the ‘horse in front of the cart’

Leadership

Leadership is the ability to get men to do what they don't like to do and like it. (H. Truman).

Can leadership be demonstrated mathematically?

Leadership

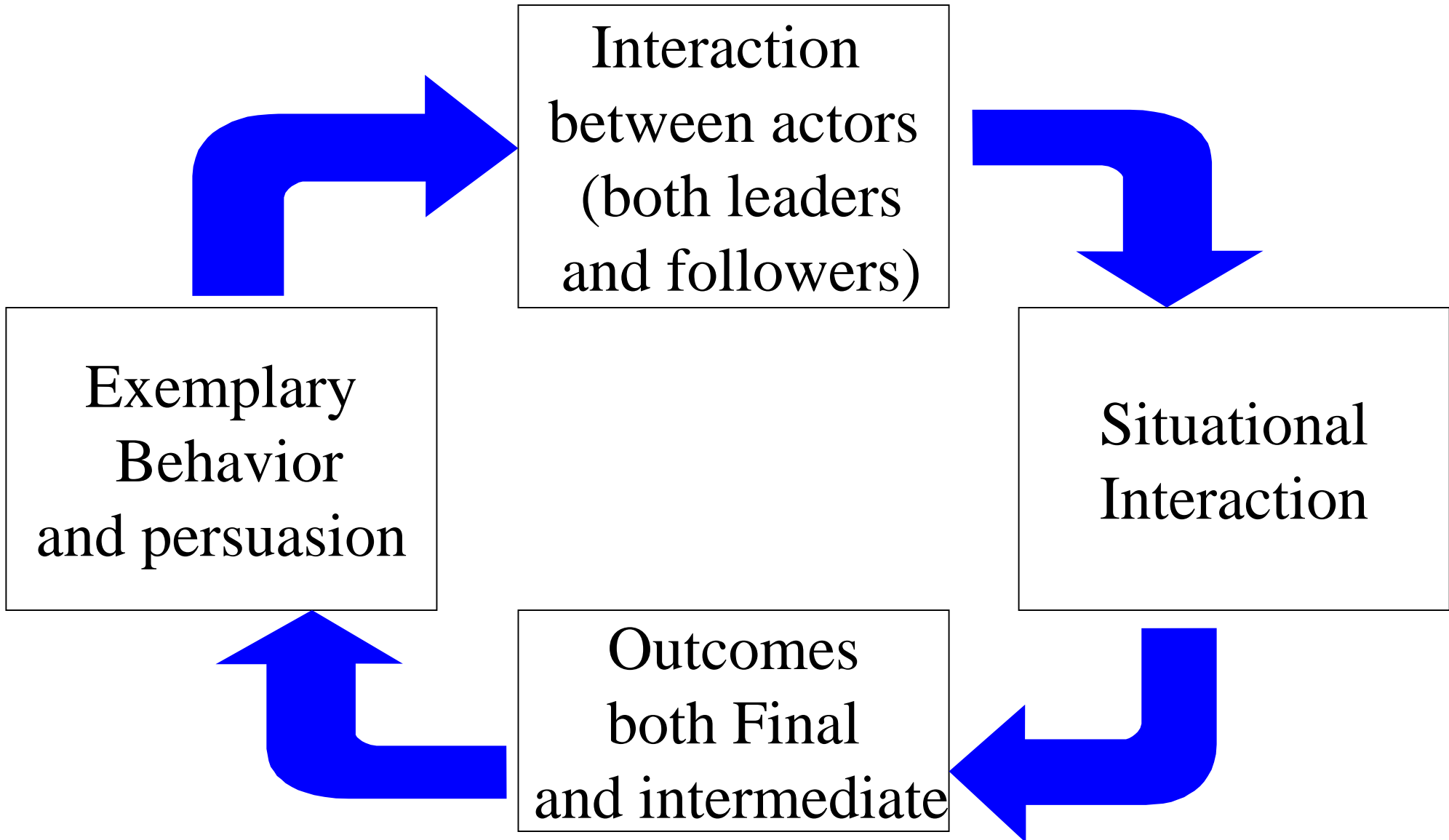
Is this leadership?.....

$$r w g_{(j)} = \frac{\left[1 - \left(\frac{s^2 x_j}{\sigma^2 E U} \right) \right]}{\left[1 - \left(\frac{s^2 x_j}{\sigma^2 E U} \right) \right] + \left(\frac{s^2 x_j}{\sigma^2 E U} \right)}$$

Introduction.....

- Leadership is about *influencing* group members to achieve (common) *goals*.
- Excellent leaders: motivate their employees to achieve more than minimal requirements. They push and chase for excellence.
- Leadership changes across the organization: From interpersonal leadership to institutional leadership (Selznick, 1957).
- Leaders have different attributes and characteristics.

Is Leadership a Process or a Quality?



The Magic Words of Leadership.....

Excellence
Honest
Paternalistic
Perseverance
Authority
Responsible
Patient
Authoritative
Convincing
Loner
Visionary
Strong minded
Action
Challenger
Charismatic
Belief
Representative
Resilient
Achiever
Willing
Dedicated
Diplomat
Decisive
Clear-cut
Open minded
Understanding
Listener

Excellence	Honest
Paternalistic	Perseverance
Authority	Authoritative
Patient	Responsible
Loner	Convincing
Visionary	Strong minded
Action	Representative
Charismatic	Challenger
Belief	Achiever
Resilient	Dedicated
Willing	Diplomat
Decisive	Clear-cut
Carer	Open minded
Listener	Understanding

(Pick a personality e.g. Public figure, parent etc. and select the key qualities)

History of Leadership Studies (Crainer, 1996)

From Great Man Theories (which is still very dominant) to Transformational Theories.

Great Men
Traits

Power and Influence

Behaviourist

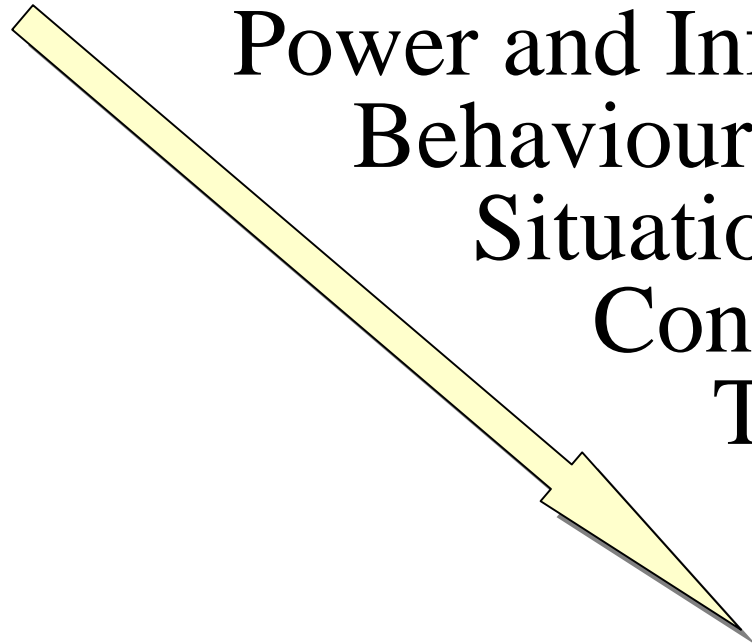
Situational

Contingency

Transactional

Attribution

Transformational



Leadership Categories

Great Men: Assumes leaders are exceptional

Traits: Leader qualities or traits.

Power and Influence: Passive role of subordinates

Behaviourist: What leaders do to lead.

Situational: Exercise of leadership in situations.

Contingency: Similar to situation but more refined

Transactional: Leader and followers relationships.

Attribution: Factors of attribution between followers and leader.

Transformational: The role of leaders and leadership during change.

Leadership and Management

Leadership

Management

Cunningham (1986)

Management

Zaleznik (1992)

Leadership

Management

Leadership

Bennis and Naus (1985)

Two Worlds

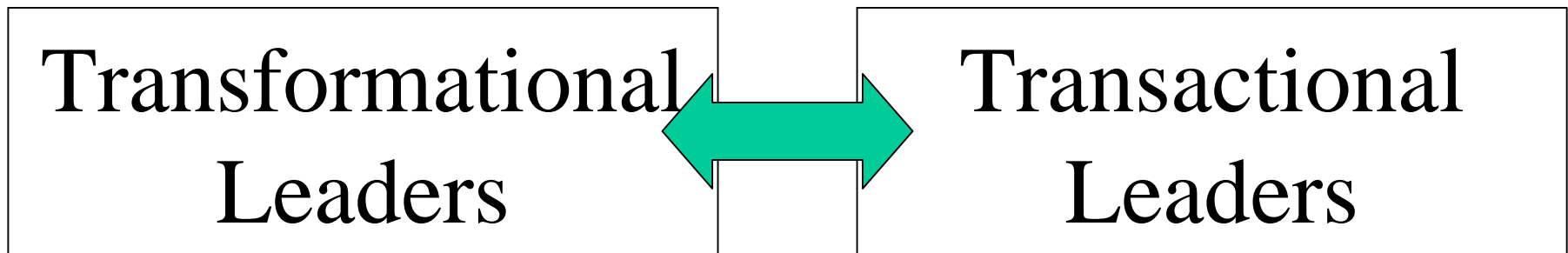
The Manager's World

- Exploits
- Contractual relationships
- Plans, Organises, Directs and Controls
- Legitimacy is conferred by position

The Leader's World

- Empowers
- Mutual trust Relationships
- Defines purpose, creates vision and values
- Legitimacy is conferred by perceived competency

Types of Leader



Transformational Leaders

(Tichy and Devanna, 1986)

- They see themselves as *change agents*.
- They are Courageous.
- They believe in people.
- They are driven by a strong set of values.
- They are life-long learners.
- They can cope with complexity, uncertainty and ambiguity.
- They are visionaries.

Can you think of a transformational leader?

Transactional Leaders

(Burns, 1978)

- They see themselves as bargainers/negotiators.
- They take the initiative in the actions plan.
- They set clear goals and expectations
- They believe in people but with goal setting.
- They are driven by a strong set of company values.
- They can cope with complexity, uncertainty and ambiguity through goal setting and planning.

Can you think of a transactional leader?

Leadership Styles

The AUTOCRATIC

The leader takes the decisions and announces them.

The PERSUASIVE

The leader takes the decisions and announces them but does this by 'selling' and explaining the choices made.

The CONSULTATIVE

The leader confers first with the group, seeks advice and takes into account feelings and makes the decisions.

The DEMOCRATIC

The leader acts as a chairperson and invites subordinates to discuss: decisions emerge from the group.



Cultural context: High Power Distance and Low Uncertainty Avoidance

Leader Type: "The Master"

Recommended Leadership Styles: Directive & Supportive

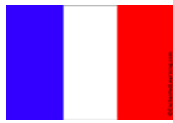
Example Country: China

Cultural Context: High Power Distance and High Uncertainty Avoidance

Leader Type:"The Boss"

Recommended Leadership Style: Directive

Example Country:France



Cultural Context: Low Power Distance and High Uncertainty Avoidance

Leader Type:" The Professional"

Recommended Leadership Styles: Directive, Supportive, and Participative

Example Country:Germany

Cultural Context: Low Power Distance and Low Uncertainty Avoidance

Leader Type:"The Democrat"

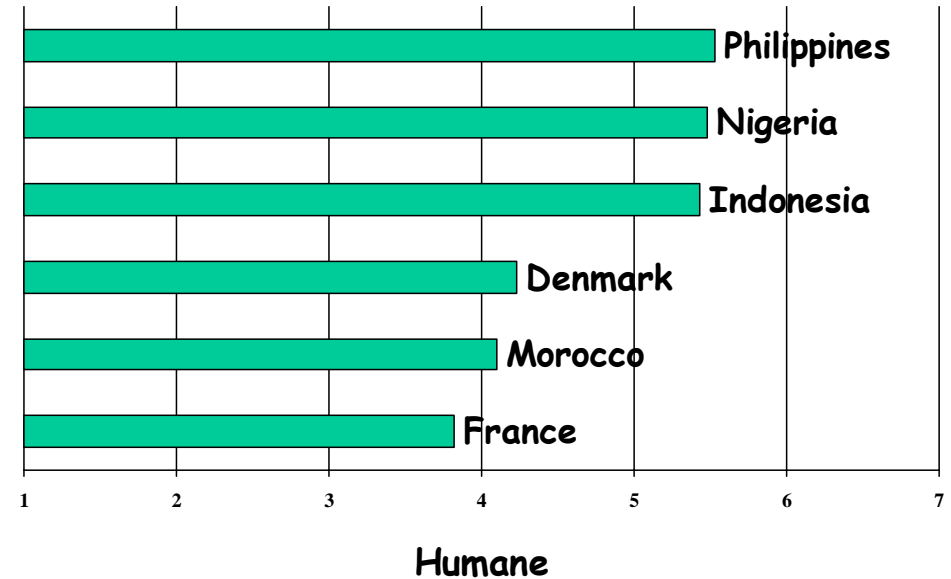
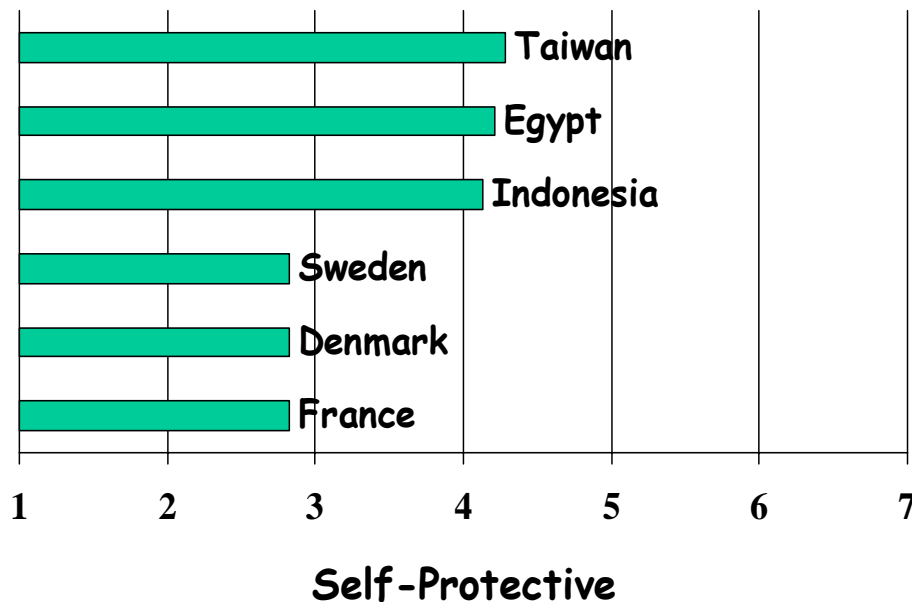
Recommended Leadership Styles: Supportive, Participative, & Achievement

Example Country:Great Britain



Leadership and Culture

- High power distance - autocratic leadership
- Low power-distance - leader be more like them



Higher scores means he/she contributes to outstanding leadership

- Regardless of cultural background, leaders use both person and task-centered behaviors
- Different behaviors communicate leadership style
- Different tactics preferred

Seven Attributes according to Bennis ('99)

- ☺ Technical competence: e.g. business literacy.
- ☺ Conceptual skill: e.g. strategic thinking.
- ☺ Track record: a history of bottom line results.
- ☺ People skills: communicate, motivate and delegate.
- ☺ Taste: ability to spot and cultivate talent.
- ☺ Judgement: difficult decisions in a short time and with imperfect data.
- ☺ Character: Your qualities or attributes

How many of these attributes do you have? ...and which ones do you need improving?

Leadership Myths

- Leadership is a rare skill: Great leaders are rare but everyone has leadership potential.
- Leaders are born: Most leadership competencies can be learned.
- Leaders are charismatic: Some are but MOST are not.
- Leadership is only at the top of the organisation:
- The leader controls and directs: It is not about the exercise of power rather empowerment

Global Leaders

Have the skills and abilities to manage people from diverse backgrounds:

- Cosmopolitan
- Skilled at intercultural communication
- Culturally sensitive
- Rapid acculturators
- Know local cultures/social institutions
- Facilitate subordinates' intercultural performance
- Use cultural synergy
- Promote and use the growing world culture

The Sources of Ideas about Leadership

Academic
Research

e.g. surveys

Popularising
Academics

e.g. prof.
(academic)
opinions

Consultants

e.g. prof.
(non-academic)
opinions

Practitioners

e.g. accounts
by real life
leaders

Biographical
Studies

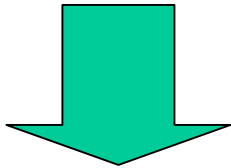
e.g. real life
accounts by
thirds

Summarisers

e.g. major
lessons from
all sources

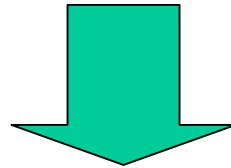
Three Classic Models : *A Vocabulary Of Leadership*

Leadership
Traits



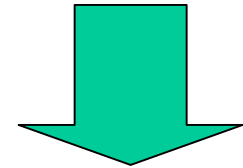
The Great Person
Theory

Leader
Behavior



The Habits Survey
Approach

Contingency
Leadership
Models



The Hands-on
Approach

Are leaders born or made?

Female Leadership

- Communication and cooperation - resolves conflict and reconciles.
- Affiliation and attachment: Relationship over self-advancement.
- Power:At the service of the community.
- Physicality: Women's physical make-up.
- Emotionality:Expression of emotions.
- Intimacy and nursing:Great capacity for empathy and able to get closer to subordinates.

Can a relationship between a male and female do just friendship centred?

Leadership Style and Subordinates Attitudes

	Autocratic (n=320) %	Persuasive (n=352) %	Consultative (n=367) %	Democratic (n=379) %
High Job Satisfaction	72	81	84	81
High Satisfaction with Organisation	86	90	93	87
High confidence in management	76	87	89	70
High rating of manager's efficiency	38	30	35	27

Selection and Assessment

In large companies such as Motorola, AMOCO, Whirlpool etc. the 360° feedback system is used:

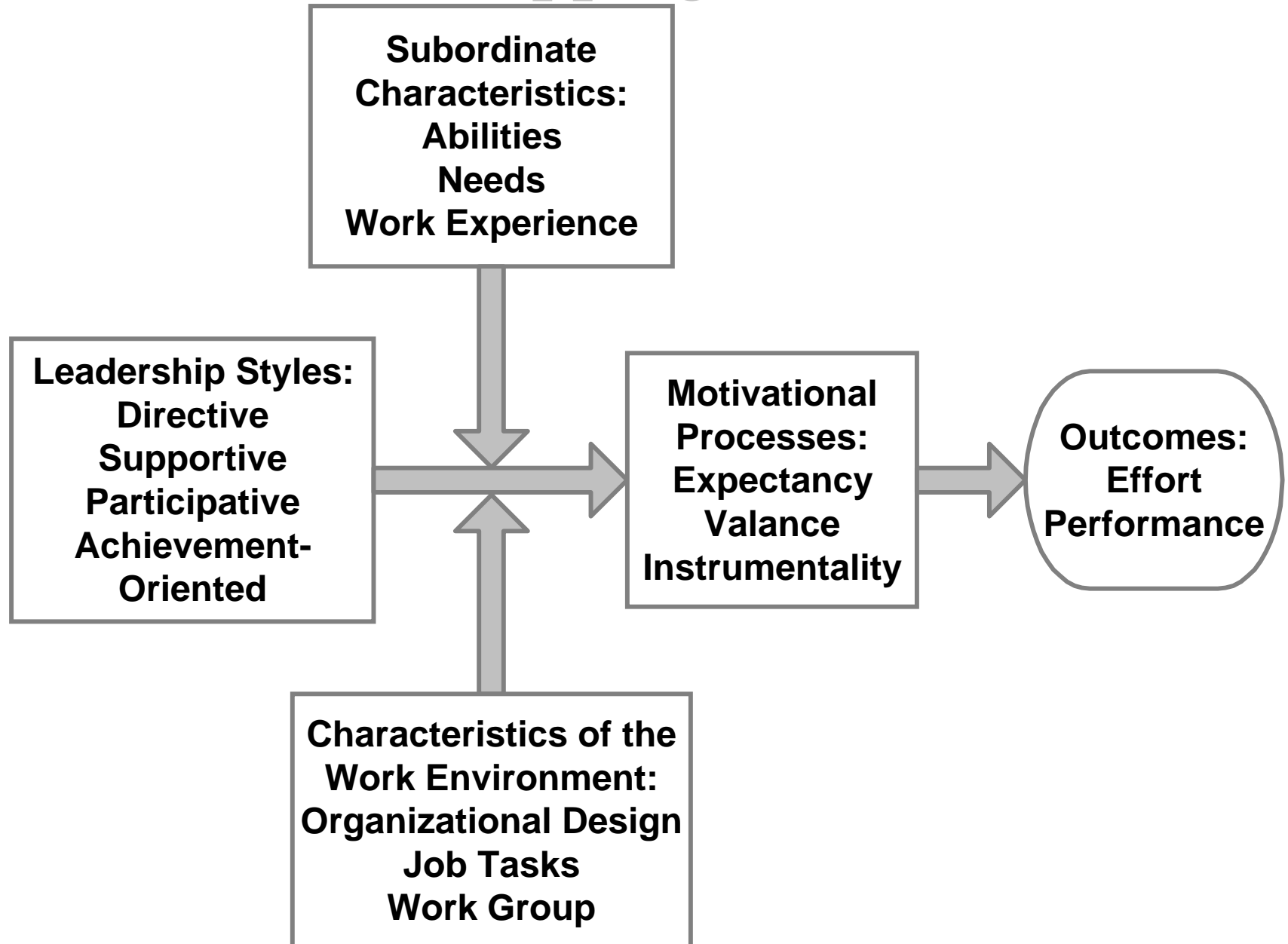
- By superiors
- By peers (rarely)
- By subordinates (even more rarely)
- By all three groups

Marketing-Service Dept. Preferences (n=19383, 55 countries, 1976)

△ 'Tells' (autocratic)	3%
△ 'Sells' (persuasive)	25%
△ 'Consults' (consultative)	56%
△ 'Joins' (democratic)	16%
△ No reply	5%

This scenario will change across the organisation and is situational dependent.

Performance Mapping - A Schematic



Derailment - Demotion

- ⊗ Personal relationship problems
- ⊗ Difficulty in moulding staff
- ⊗ Difficulty in making the transition to a strategic level
- ⊗ Lack of follow through
- ⊗ Over-dependence on a particular boss
- ⊗ Inability to handle difference with higher management

Remember that organisations are becoming flatter and the number of levels of hierarchy is reducing:

HIGH FLYERS LOW CEILINGS!

Dealing with Leadership Stress

- 💣 Take time out to reflect, look at the wider picture, try to see events as a spectator, not a participant.
- 💣 Distinguish from role (it's not you but the job you do).
- 💣 Concentrate on the issues
- 💣 Use allies - leadership also means gain support.
- 💣 Listen to yourself and become self-aware.
- 💣 Find a sanctuary
- 💣 Keep your sense of purpose - stick to your vision.

How do you deal with stress?

The Future Leader

Organisations usually take two different ways to fill leader roles:

Personal Qualities

Skills and Knowledge

According to Ashridge Management College the qualities

- Independence
- Openness to change
- Assertiveness
- Being respected

- Being a good motivator
- Having drive
- Loyalty
- Having tact

What year was this said???

Q1. Define leadership and the term derailment. Describe (in your opinion) the ideal traits of leadership in three different organisations of yr. Choice e.g. functional organisation. How does culture and leadership combine.

Recommended Readings:

- Sadler P. (2002), *Leadership*, MBA Masterclass, Kogan Page, London, UK
- Heller R. and Hindle T. (1998), *The Essential Managers Guide*, DK Publishers, 1st Edition, UK.
- Bodega D. (2002), *Le Forme della Leadership*, ETAS libri, Italy.
- Pagin A., (2004), *Leader...Si Diventa?*, ESE undergraduate thesis.