

Leadership and Change Management

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Learning Objectives

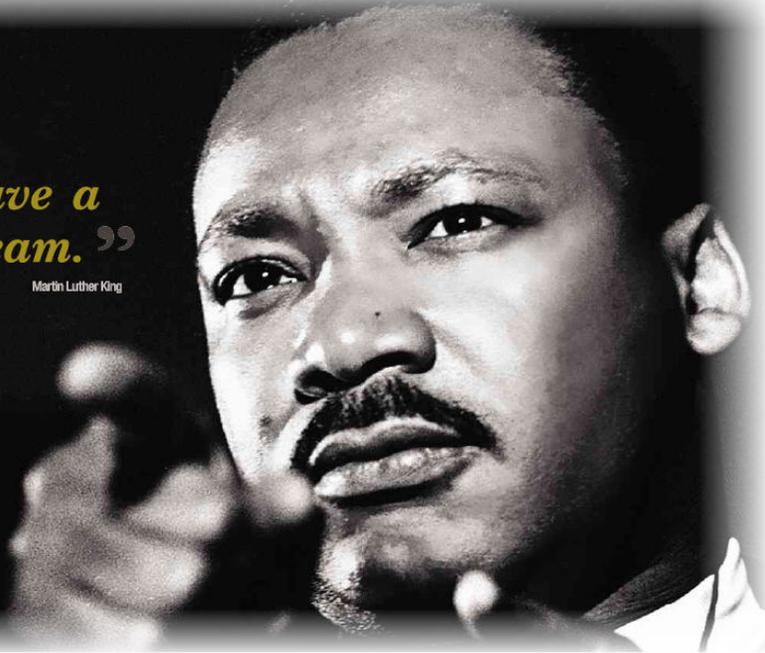
- ▶ What are the characteristics of a leader?
- ▶ Types of leadership and skills required
- ▶ Leader vs Manager
- ▶ Power, influence & persuasion
- ▶ The role of the leader in change management
- ▶ Different leadership for different phases of change
- ▶ Adaptive (vs technical) changes

What is Leader?



“I have a dream.”

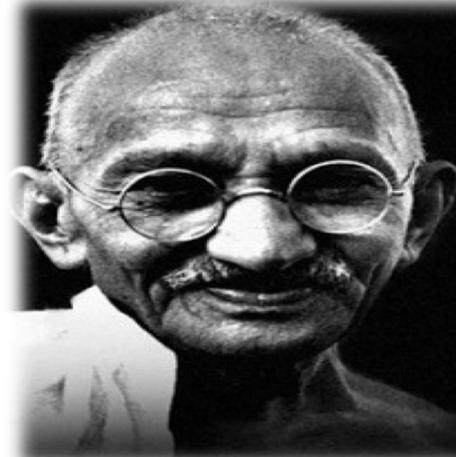
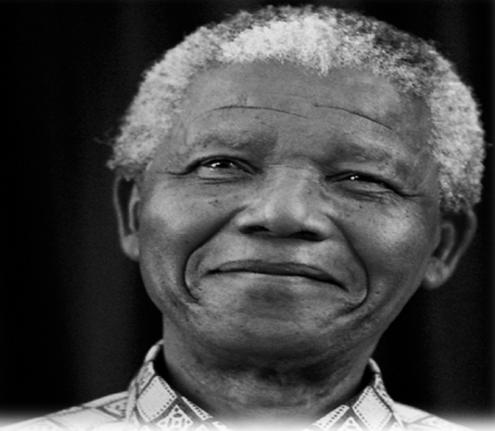
Martin Luther King



Think different.

**A winner is a dreamer
who never gives up.**

- Nelson Mandela



Be the change you want to see in the World

-Mahatma Gandhi

Leadership is...

- ▶ ... the process through which **the actions of an organized group are affected** resulting in high expectations about the **solving problems or fulfilling specific purposes** (Bass, 1990).
- ▶ ... the **influencing process** of actions, behavior of a small/large formal/informal group of people by a person (leader) in such a way **so that they voluntarily, willingly and with appropriate cooperation try to realize goals** deriving from the team's mission, with the greatest possible efficiency (Bouradas, 2005).

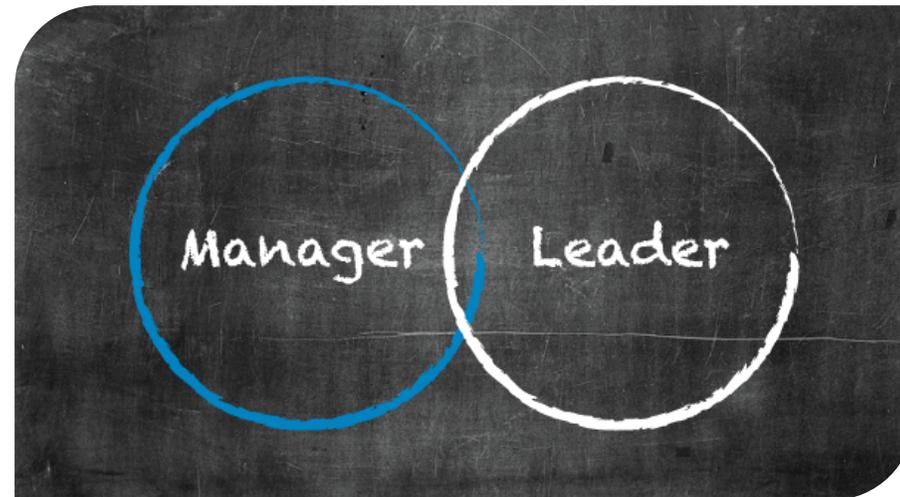
Leadership

The ability to influence a team to achieve goals.



Exercise

Which are the differences between Manager and Leader?



A lush tropical forest scene with sunlight filtering through the dense canopy of palm trees and other tropical plants. The image is split horizontally, with a black rectangular box in the center containing white text.

Who is the leader and who is the manager?

Managers and leaders

- Conflicting concepts?

It is more useful to think of leadership and management as **discretionary and supplementary procedures** and not as jobs.

THE Manager

- He makes them happen **things right:**
- He organizes
- He plans
- It checks
- It coordinates
- It staffs



The Leader

- ▶ He makes them happen **the right things**:
- ▶ Inspire
- ▶ Vision passes
- ▶ Enthusiasm
- ▶ It has influence



Leadership Considerations



Genetic consideration

... the belief that **leadership is hereditary**, "mercy of god".

- This belief persisted well into the 20th century because it offered a direct interpretation of the origins of leadership.
- In time it collapsed with the storm of the First World War...
- The genetic theory **failed, because the world changed!!**



Trait theories of the Leaders

- Finding the general/universal characteristics that differentiate leaders from non-leaders (circa 1930 to 1950).

In the context of these studies, the following were investigated:

- **the personal characteristics of leaders:** e.g. gender, height, physical strength, energy, appearance.
- **the psychological characteristics and motivations of leaders:** e.g. need for achievement, need for power.

Main Characteristics of Leaders(Stogdill, 1948)

- High intelligence
- Self confidence
- Energy



Results

- ▶ Modern related studies find that there is no specific pattern to be followed, as well **they have not arrived at specific and unique personal characteristics that distinguish a leader.**
- ▶ Nevertheless, the general finding is that **specific characteristics can influence both the emergence of a leader and his performance** (Lord, DeVader & Alliger, 1986; Mumford, et al., 2000).
- ▶ **E.g.** intelligence/ intelligence, Emotional intelligence, Knowledge/ erudition., Integrity, Belief in values, Humility, Courage, Endurance, Perseverance, Enthusiasm etc.

Accomplishments Motivation Theory (McClelland, 1961)

...> 1000 studies supporting it (House& Aditya, 1997).

Achievement-driven leaders:

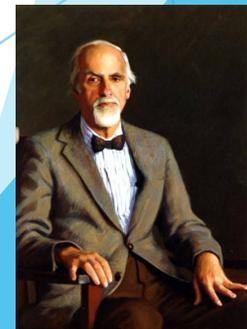
- They set **challenging goals** for themselves
- They take over **personal responsibility** to achieve the objectives
- **They persist** very much in achieving the goals
- They take **considered risk** to achieve the objectives
- Actively collect and use information about **feedback**



Leader Motive Profile Theory (McClelland, 1975)

... a leader is possessed by a combination of unconscious **motivation**, which are general and capable of predicting its effectiveness:

- **High motivation for strength** (power motivation), i.e. unconscious interest in acquisition status and exerting influence over others
- High interest in her **moral exercise of power**
- Motivation for strength **stronger** from the motivation to create, **maintaining and restoring close personal relationships** with the others (affiliate motivation)



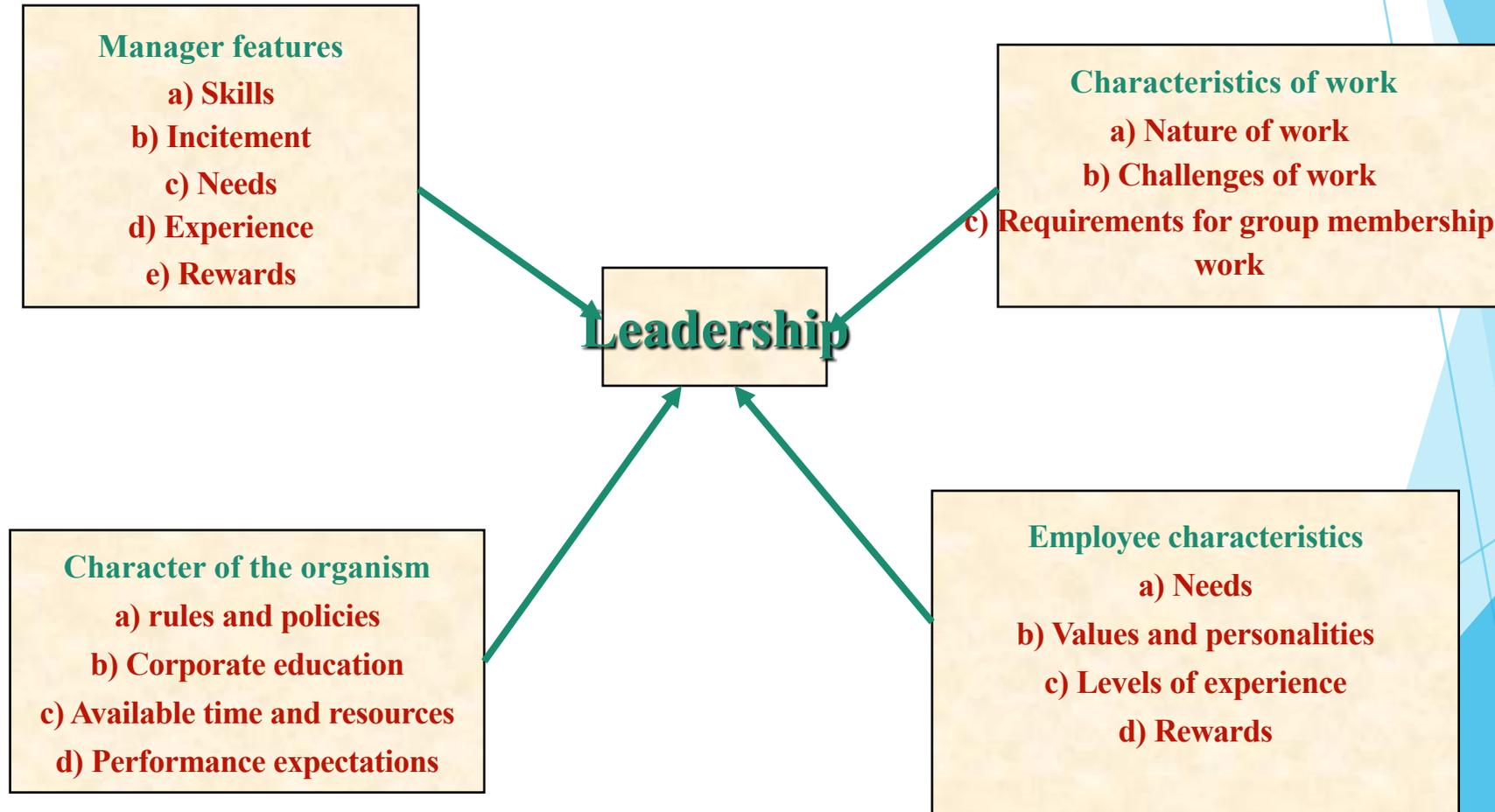
As the case may be, consideration of leadership or consideration of dependence

- historical case studies, where "leaders" were the product of specific situations and circumstances, so it appeared that leadership is strongly influenced by the situation from which the leader emerges and in which he operates.



OCCASIONAL APPROACHES or THEORIES OF DEPENDENCE

The various factors that affect leadership effectiveness

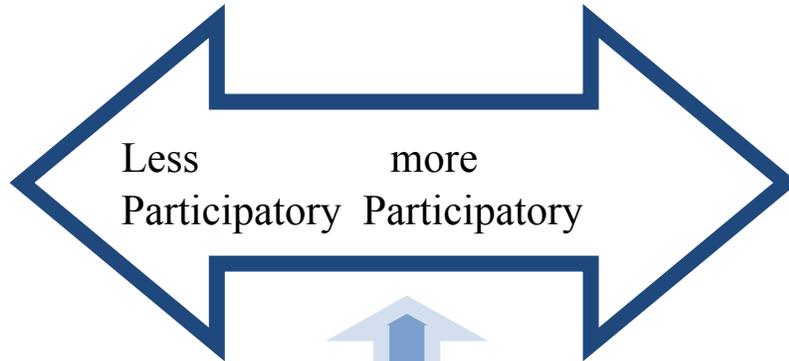


Theories about Behaviors of Leaders

...identification and analysis of the two broad categories of leadership behaviors, namely the **task-oriented behaviors** (task-oriented behaviors) and of **person-oriented behaviors** (person-oriented behaviors).

Authoritarian style and Distinctive style of Management

Authoritarian style



Distinctive style

Consultative style

The studies of Ohio University

- ▶ **Orientation to start structure**

- ▶ Increased goal orientation

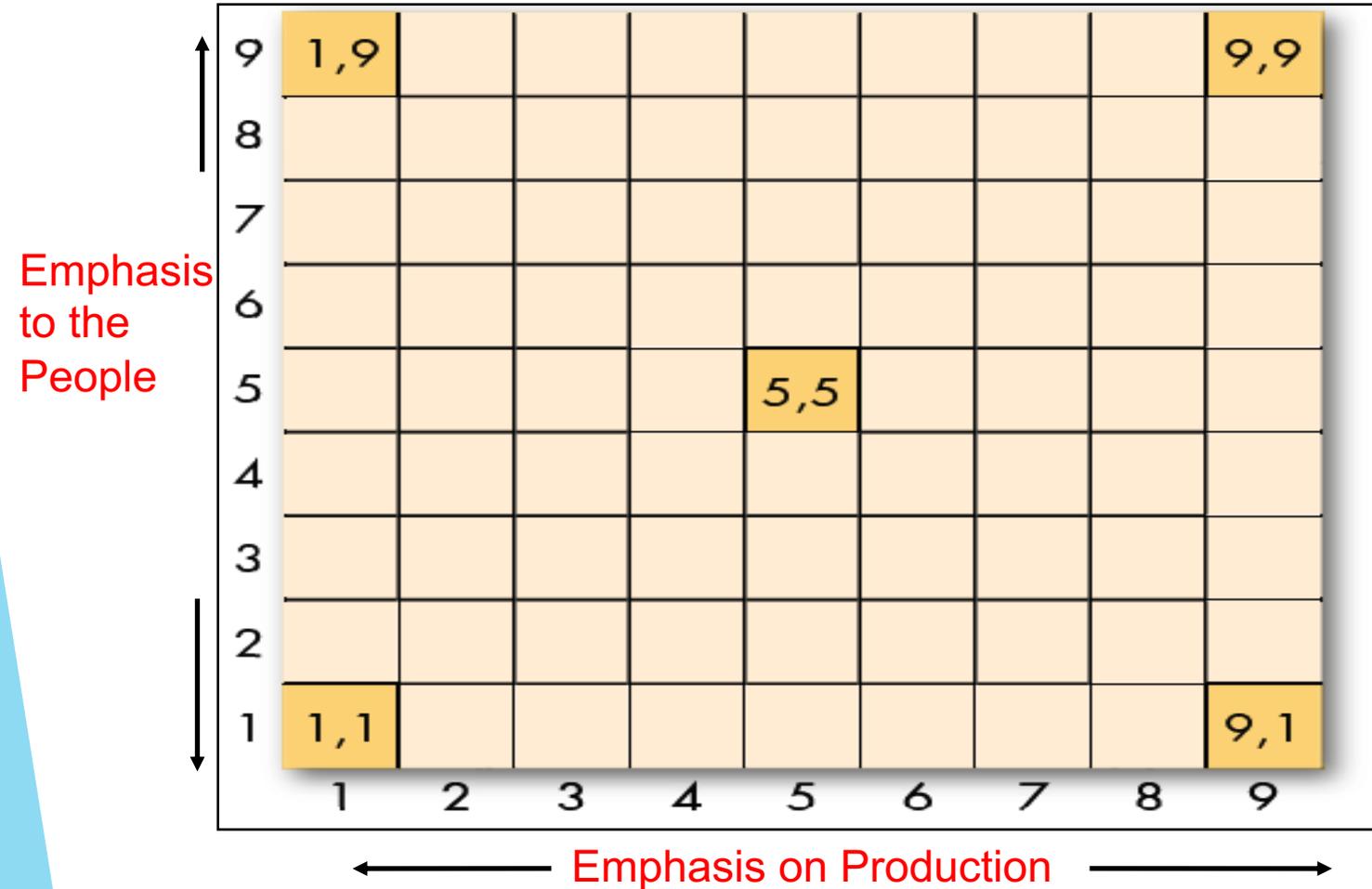
- ▶ **Care orientation**

- ▶ Increased focus on the mental and emotional well-being of their subordinates

The studies of Michigan University

- ▶ **Production orientation** (production oriented)
 - ▶ Increased orientation towards production achievement
- ▶ **Human orientation** (employee oriented)
 - ▶ Increased orientation towards human relationships

Administrative Grid (1964)



(1,9): Prudent attention to needs of the people who leads to healthy and friendly climate and pace of work.

(9,9): The task is completed through personally committed of people and with a common approach and vision. Relationships of mutual trust and respect develop.

(5,5): Adequate organizational performance is achieved through balancing the need to complete work with keeping people's morale high.

(9,1): Efficiency results from creating working conditions that are minimally influenced by humans factor.

(1,1): Emphasis on minimizing effort to complete work.

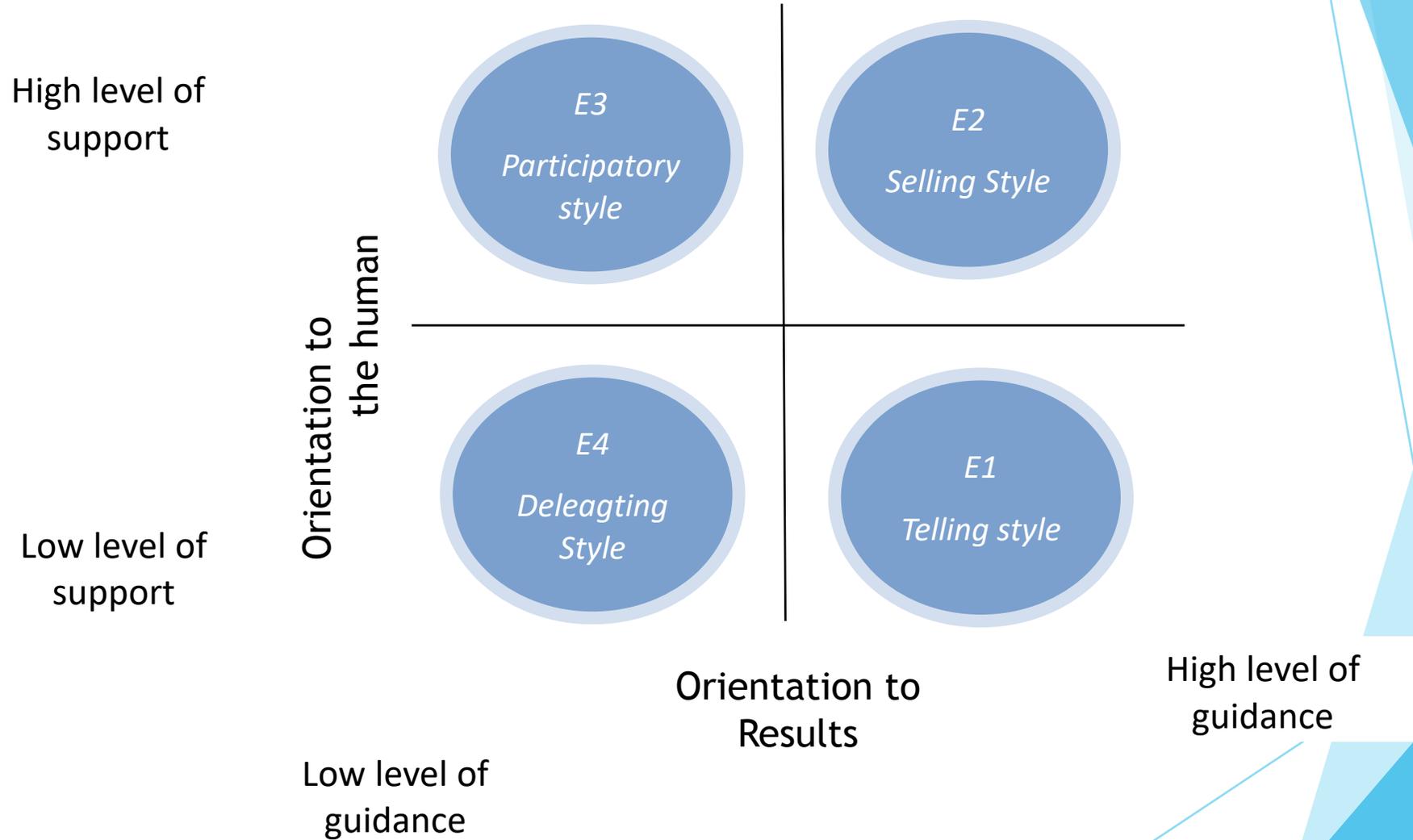
Video!

https://www.ted.com/talks/derek_sivers_how_to_start_a_movement#t-156183

Situational Leadership

- ▶ Emphasis on maturity-readiness of followers
- ▶ The effective leader should adjust his leadership style according to the maturity/readiness level of his followers.

The model Situational Leadership of Hersey and Blanchard



3. Modern Leadership theories

... they try to explain new and different aspects of the phenomenon of leadership as well as the **change management**...

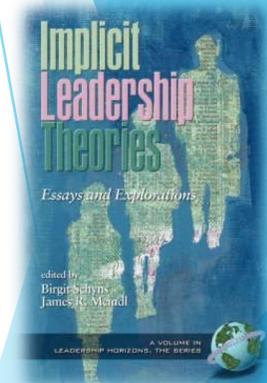
Leader Member Exchange Theory (LMX)

- ▶ Examines the development and effects of distinct dyadic **relationships between superiors and subordinates**.
- ▶ the binaries **relationships and work roles develop over time**, through a series of exchanges or interactions between the leader and the subordinate (Bauer & Green, 1996).
- ▶ Some of these relationships will develop into **relationships with high levels of mutual trust and respect**, while some others will not develop beyond the limits of a simple employment contract.



Implicit Leadership Theory (ILT)

- ▶ all the behaviors that should distinguish a leader are not enough to make someone a leader, **if that person is not perceived as a leader by his people.**
- ▶ perceptions of leadership are formed **through cognitive processes** either intentionally or in an automatic and spontaneous manner.
- ▶ employee perceptions are formed of leaders who operate **both at lower and higher hierarchical levels** of an organization.



Charismatic Leadership

... is defined as the direction given to an organization by one or more people who are considered **"heroes" or "inspirers"** and who have therefore been granted the organizational power to make dramatic changes and elicit an extraordinary level of performance.

- ▶ they are very good communicators but they are also **able to communicate with their followers on a deep, emotional level.**
- ▶ are able to articulate an **exciting and enchanting vision** and are capable of arousing strong emotions.
- behave in unusual ways, are recognized as **agents of change** and **they are not limited to the rules**, but they are radical/unconventional.



Transformational Leadership: beyond charisma

... although charisma is important, the most successful leaders also do things that **they revitalize and transform** their organizations.

... they are not limited by the perceptions of their subordinates but by them **transform**



The transformational leader has the key
to unlock "what is" in order to discover
"what can be!"

Dimensions of Transformational Leadership (Bass, 1985)

- ▶ **Charisma** (charisma): act as a role model, create a sense of identification with a common vision, convey pride and loyalty to people.
- ▶ **Inspiration** (inspiration): they inspire and empower people to accept and enthusiastically pursue challenging goals.
- ▶ **Personalized interest** (individual consideration): personal respect for their people, showing special attention, treating them as separate individuals and recognizing the unique needs of each one.
- ▶ **Mental boost** (intellectual stimulation): they tackle old problems in new ways, generate new ideas, encourage their people to think in new ways.

Moral Leadership

- ▶ Why has research on this particular form of leadership only recently begun?
 - Increased interest in ethics in general in management
 - Recent big business scandals (Enron)
- ▶ Leaders who behave fairly by providing honest, frequent and accurate information are considered more effective

Why leaders have to be moral?

- Because "this is the right thing"
- To rein in power and influence within the organization
- To make business activity reliable
- Because it contributes positively to organizational mode
 - *Increase in clients*
 - *Increase in potential workers*
 - *It avoids lawsuits/lawsuits and the general law applies*

▶ Otherwise there are the following negative results:

- ▶ Failure to attract potential (quality) candidates
- ▶ Declining employee morale, engagement and performance
- ▶ Decrease in customers
- ▶ Lack of investor confidence



Authentic leadership

- ▶ Authentic leaders are self-aware, know their beliefs and values, and act on them with integrity
- ▶ Authentic leaders share information, encourage open communication, and stay true to their ideals
- ▶ Many contemporary studies show a high correlation of authentic leadership with important outcomes (job satisfaction, performance, etc.)

What makes a great leader today?

- ▶ https://www.ted.com/talks/roselinde_torres_what_it_takes_to_be_a_great_leader/transcript?language=el

Focusing on leaders in today's changing business environment

- ▶ Characteristics of leaders
- ▶ What a leader needs to know
- ▶ No recipe!



Why trust is very important?

- ▶ **Solvency**

- ▶ The degree to which a person is seen as honest, competent and able to inspire

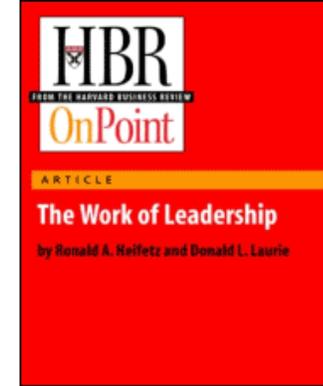
- ▶ **Confidence**

- ▶ The belief in the integrity, character and abilities of the leader



What a leader needs to know

(Heifetz and Laurie, 1997)



What is the leader's job?

1. To ask difficult questions, instead of giving answers.
2. To let the sting of reality sting to adapt, rather than protect.
3. Disorient to find new relationships, rather than orient to current roles.
4. To bring controversies to the fore, instead of mitigating them.
5. **To challenge "the way we work"**, instead of following the rules.



Case study discussion

▶ Employee Personality Traits

- ▶ **Low Conscientiousness:** Employees characterized by low conscientiousness tend to lack diligence, reliability, and a sense of duty, which directly impacts their performance, commitment, and propensity to engage in voluntary work behaviors. This trait can lead to negative behaviors such as underperformance and even workplace theft.
- ▶ **Low Commitment:** The lack of commitment indicates a weak emotional attachment to the organization. Employees with low commitment are more likely to exhibit job dissatisfaction, high turnover intentions, and negative behaviors towards the organization and colleagues.

Case study discussion

▶ Organizational Factors

- ▶ **Authoritarian Management Style:** Leadership that is more authoritarian and less participative fails to inspire or engage employees. It often leads to a lack of motivation, resentment, and a feeling of being undervalued, contributing to negative work behaviors and a toxic work environment.
- ▶ **Bureaucratic Culture:** A culture that emphasizes hierarchy, rules, and internal competition over collaboration and innovation can stifle employee creativity and initiative. This environment discourages taking extra responsibilities or making innovative suggestions.
- ▶ **Lack of HR Development:** By not focusing on the growth and development of its human resources, ABC fails to tap into the potential of its employees, leading to stagnation, low job satisfaction, and poor performance.
- ▶ **Competition Over Collaboration:** Promoting a climate of competition among employees and between employees and managers can lead to conflict, distrust, and counterproductive work behaviors, undermining teamwork and organizational cohesion.

Case study discussion

▶ Social Factors

- ▶ **Economic and Labor Market Conditions:** In a tough economic climate with a challenging labor market, employees might feel trapped in their current roles despite job dissatisfaction. This can exacerbate feelings of resentment and helplessness, contributing to negative behaviors.
- ▶ **Social Influence and Group Dynamics:** Negative behaviors can be contagious, especially in a highly competitive or toxic work environment. Employees might engage in negative behaviors if they see others doing the same or if such behaviors are not adequately addressed by management.
- ▶ **External Perception of the Company:** A negative image of the company in the external environment can further demoralize employees, impacting their pride in their work and loyalty to the organization. This external perception can influence internal morale and exacerbate existing issues.

Thank you!!!