

ΟΙΚΟΝΟΜΙΚΟ
ΠΑΝΕΠΙΣΤΗΜΙΟ
ΑΘΗΝΩΝ



ATHENS UNIVERSITY
OF ECONOMICS
AND BUSINESS

Leadership and change management

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References

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Educational goals

- What are the characteristics of a leader
- Theories of Leadership
- Leadership skills
- Leader vs Manager
- Power, influence & persuasion
- The role of the leader in managing change
- Different leadership for different phases of change
- Adaptive (vs technical) changes

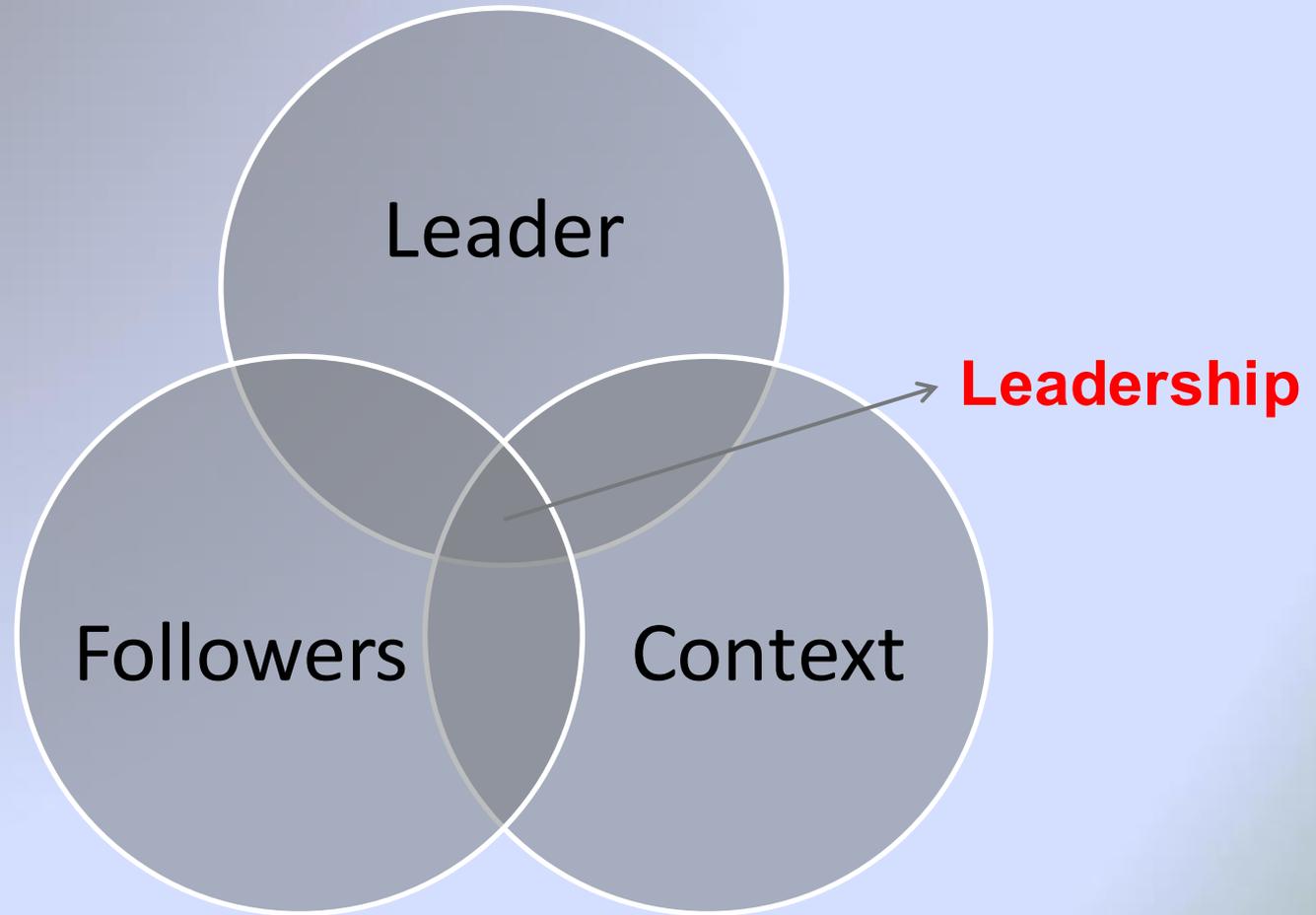
They've said ...

- A leader is best when people barely know he exists, when his work is done, his aim fulfilled, they will say: we did it ourselves (Lao-Tze)
- I am not afraid of an army of lions led by a sheep; I am afraid of an army of sheep led by a lion (Alexander the Great)
- Leadership is the capacity to translate vision into reality (Warren Bennis)
- Management is doing things right; leadership is doing the right things (Peter Drucker)

Leadership is...

... the process by which **the actions of an organized group are influenced** and thus, they are created high expectations for problem solving or specific goals achievement (Bass, 1990).

How do we study leadership?



Case Study - The Vision of Steve Jobs



- When Mac entered the market in 1984, it changed everything. It was the first computer with graphical interface.
- The idea was not his one, he stole it from Xerox !!
- He did not know how to do it himself, but he knew clearly what a computer would be in the future.
- **He convinced everyone about his vision and made his people do it.**

Leadership theories



Great Man Theory

... the belief that leadership is hereditary.

- This belief persisted for several years through the 20th century, because it offered a direct interpretation of the origins of leadership.
- It collapsed in time with the storm of World War I ...
- Genetic theory failed **because the world changed !!**



Theories of Leaders' Characteristics

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

In this context, we investigated:

- **leaders' personal characteristics:** e.g. gender, height, physical strength, energy, appearance.
- **the psychological characteristics and motivates of leaders:** e.g. need for achievements, need for strength.

Participative-Democratic Leadership

... improves understanding of the issues for which decisions are about to be made.

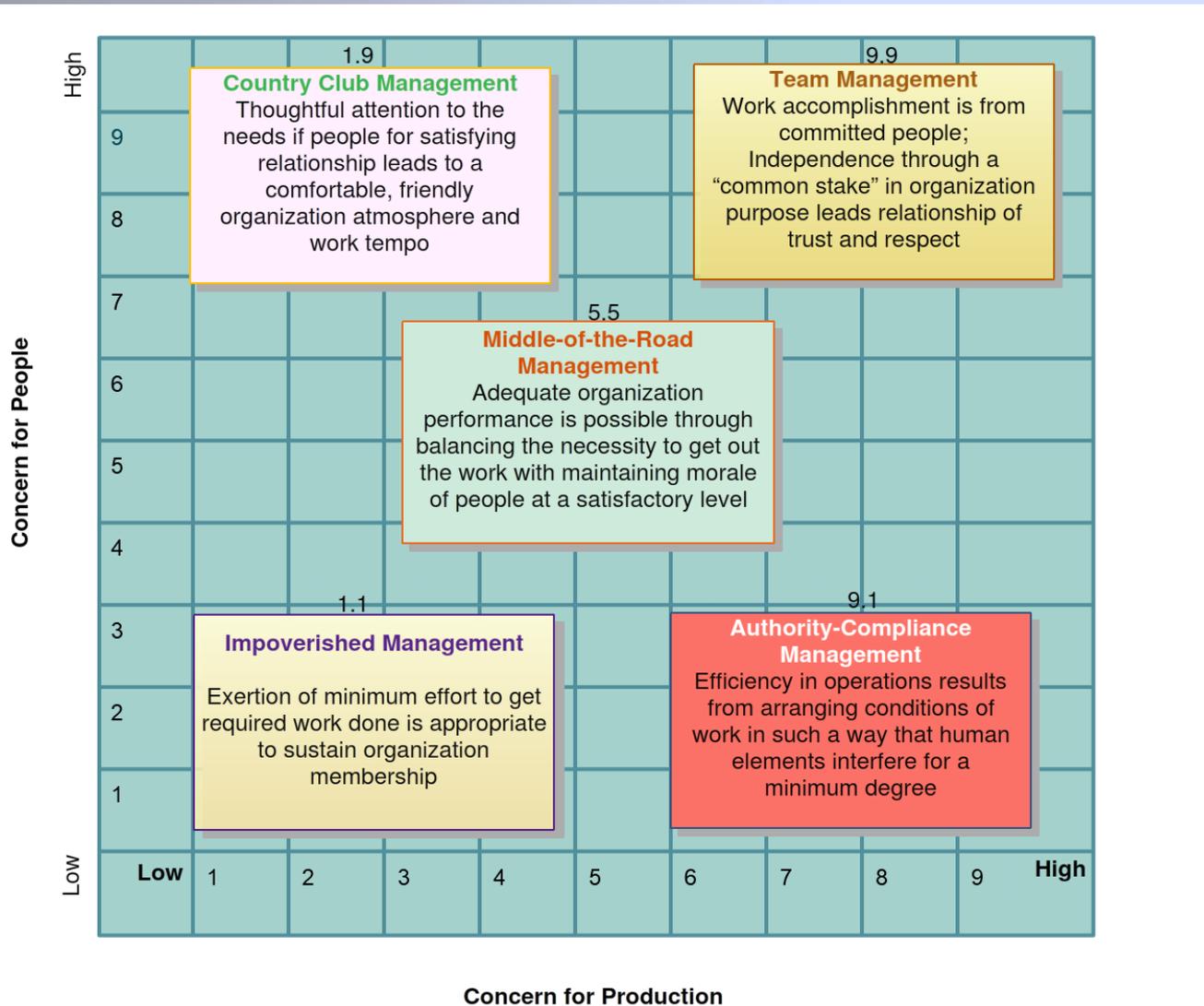
People:

- are more **committed** to actions for which they have co-decided.
- are less competitive and more **cooperative** when working on common goals.

Behavioral Theories

- ... focus on **leaders' behaviors** rather than on their mental, physical or social characteristics.
- **Leaders are made**, they are not born.
 - Successful leadership is based on a defined behavior **that can be learned**.
 - focus on identifying and analyzing two leadership behaviors, **task-oriented behaviors** and **person-oriented behaviors**.

Managerial grid (1964)

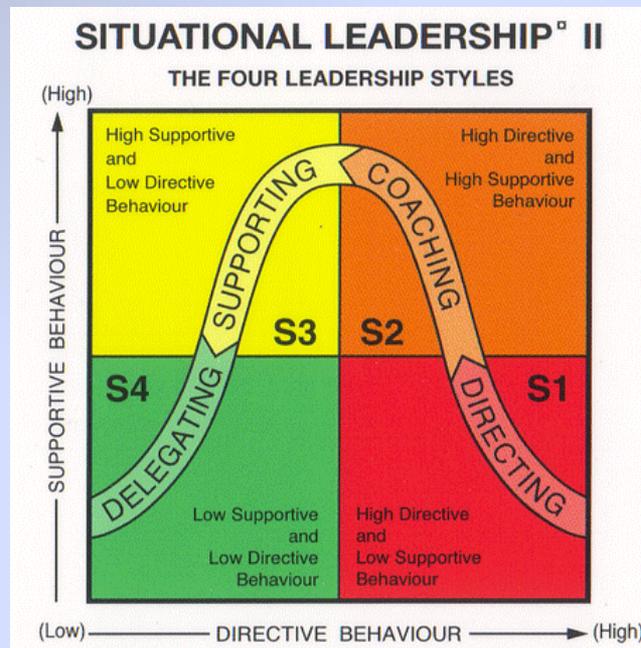


Situational Theories

- **there is not a single leadership style** but the style chosen must depend on a multitude factors that have to do with the current situation.
- In other words, **leaders' perceptions** of their followers and the prevailing situation will determine what they will ultimately choose to do and not the actual situation itself.

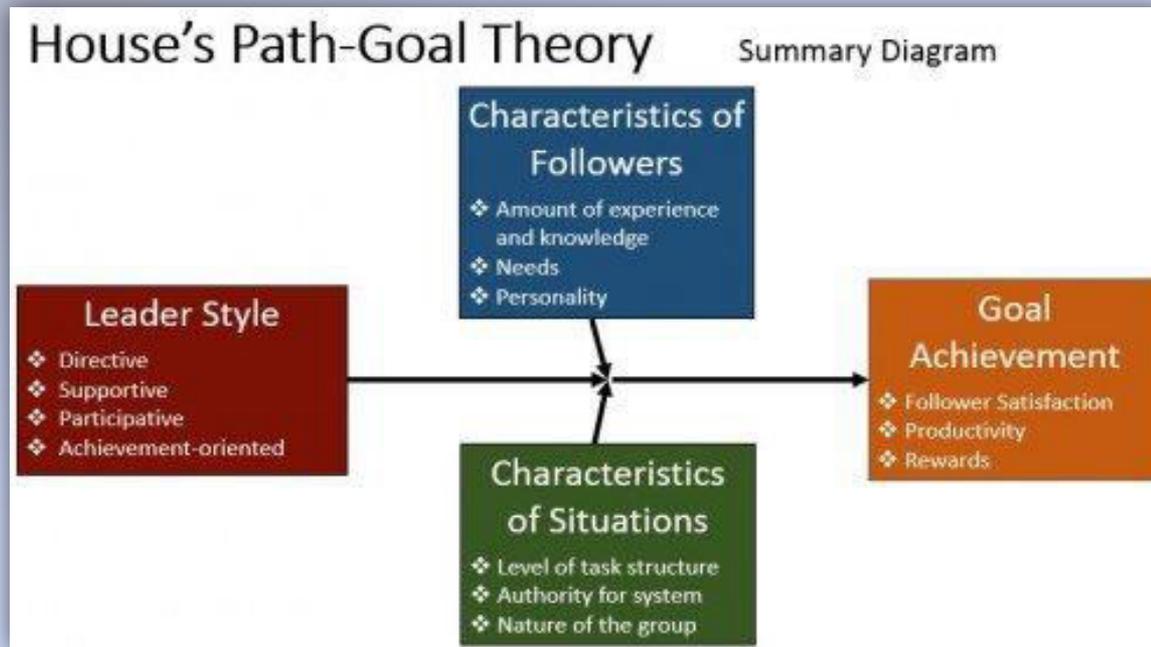
Life cycle theory (1982)

- 4 leadership styles (**telling, selling, participating, delegating**).
- as the **maturity** of employees increases, the leader gradually gives more control to employees.



Path-Goal Theory (1971)

- environmental variables and followers' characteristics influence the adopted leadership (project-oriented and / or human-oriented).



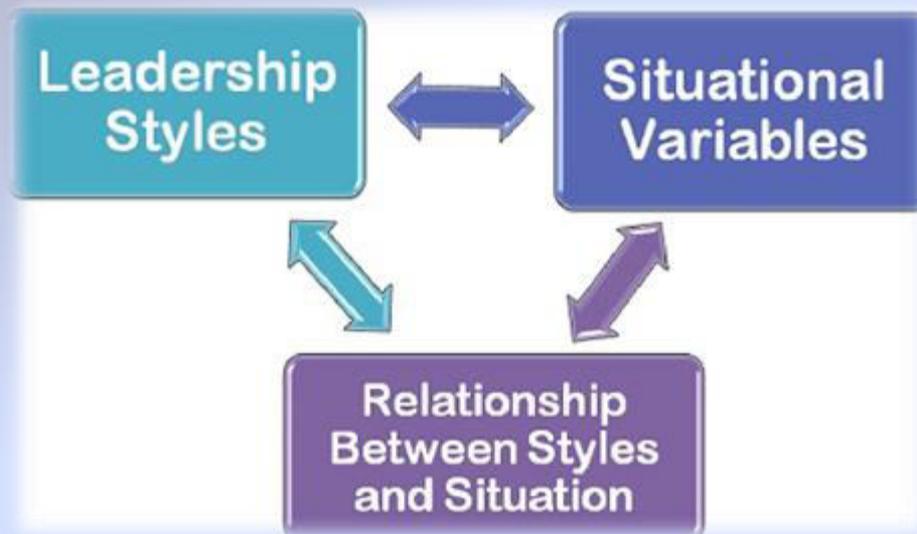
Contingency Theory

- a study of historical cases, where "leaders" were the product of particular situations and circumstances, where leadership appeared to be strongly influenced by the situation from which the leader emerged.
- Eg. the situation prevailing in Germany in 1930 and facilitated Hitler's rise, Mussolini's previous rise in Italy, Roosevelt's appearance in the USA during the economic crisis of 1930, Mao TseTung's dominance in China after World War II etc.



Fiedler (1974)

- Employee performance and productivity depend on **how these conditions interact with their guidance** (Fiedler, 1967)



Least-preferred coworker questionnaire

Pleasant	8	7	6	5	4	3	2	1	Unpleasant
Friendly	8	7	6	5	4	3	2	1	Hostile
Rejecting	1	2	3	4	5	6	7	8	Accepting
Tensed	1	2	3	4	5	6	7	8	Relaxed
Distant	1	2	3	4	5	6	7	8	Accessible
Cooperative	8	7	6	5	4	3	2	1	Not cooperative
Boring	1	2	3	4	5	6	7	8	Interesting

Think of a colleague you recently worked with and **your collaboration was ineffective**.
Describe him/her by marking the appropriate answer...

Achievement Motivation Theory (McClelland, 1961)

...> 1000 researches support it (House & Aditya,1997).

Leaders motivated by achievements:

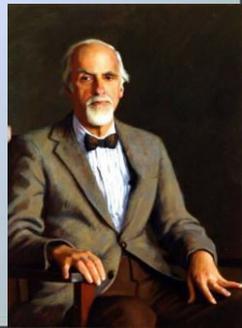
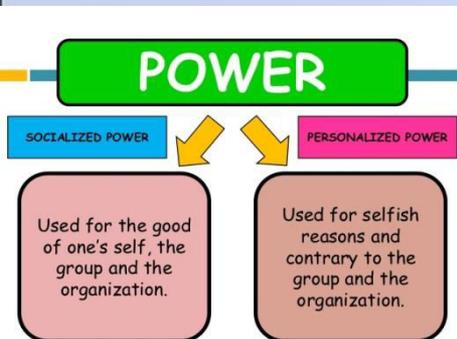
- They set **challenging goals** for themselves
- They **take personal responsibility** for goals achievement
- They **insist** very much on achieving the goals
- They take a deliberate **risk**
- Actively collect and use **feedback** information



Leader Motive Profile Theory (McClelland, 1975)

... a leader is made up of a combination of unconscious motives, which are general and capable of predicting his effectiveness.

- **Power motivation**, unconscious interest in gaining status and influencing others.
- High interest in the **moral** exercise of power.
- Motivation for power stronger than motivation for creating, maintaining and restoring close personal relationships with others (**affiliation**).



Have you ever thought what motivates you?

Achievement, Power & Affiliation?

Let's find out...

Transactional Leadership

Transactional leader:

- explores the needs of its subordinates and seeks to satisfy them with a work or service **in return of sth.**
- clarifies the role and duties of each employee and **fulfills** his/her commitments to those who have achieved their goals and **reprimands** them in various ways for failing to deliver them.
- **focuses on processes** rather than ideas or visions.

Leadership Theories

That try to explain new and different aspects of leadership like **change management**...

Charismatic Leadership

... is defined as the guidance given to an organization **by one or more individuals who are considered "heroes" or "inspirers"**

- they have the organizational power to **make dramatic changes** to produce exceptional levels of performance.
- they are able to communicate with their followers on a deep, **emotional level**
- they are capable of articulating **a fascinating and enchanting vision** and they are capable of arousing **intense emotions**.
- behave in unusual ways
- they are recognized as change agents
- they are not limited to rules
- they are radical/ unconventional



Transformational Leadership: beyond charisma

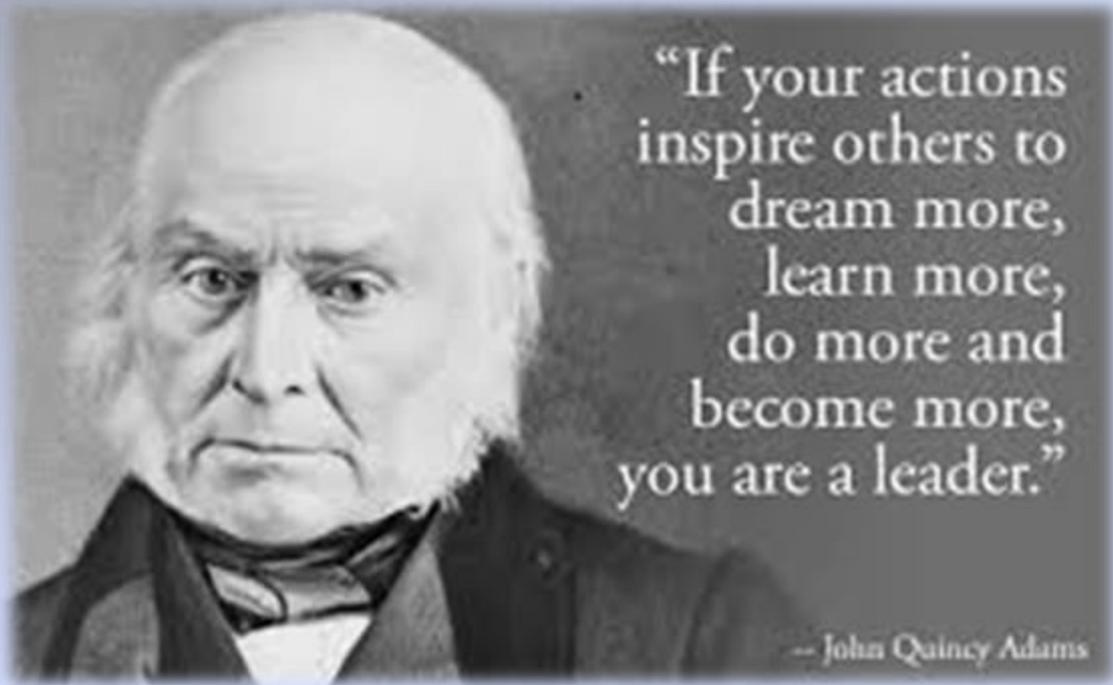
... while charisma is important, the most successful leaders also do things that **refresh and transform their organizations**.

... they are not limited by the perceptions of their subordinates; they transform them,



Characteristics of a Transformational Leader

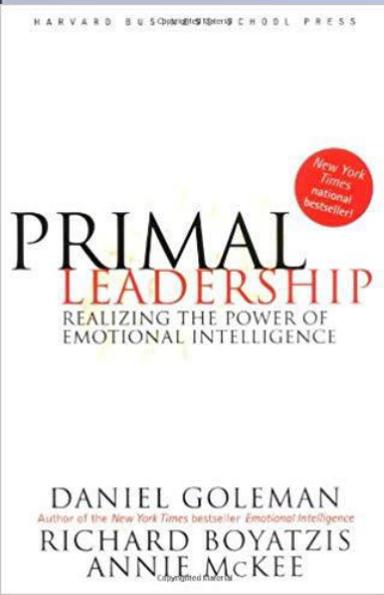
- **Communicates** a vision that inspires and motivates people to achieve something "extraordinary".
- Has the ability to **inspire** people to embody higher values.
- **Encourages** people to achieve major challenges.
- **Changes** people, helping them see old problems in new ways.
- **Pays attention** to people's concerns and their development needs.
- **Encourages** and transmits enthusiasm to people to make the extra effort to achieve the goals of the team.



“If your actions
inspire others to
dream more,
learn more,
do more and
become more,
you are a leader.”

— John Quincy Adams

Leadership styles...



Authoritative-Visionary

... can motivate individuals towards a common **vision** / goal, is distinguished for showing **empathy** and is characterized by the phrase "**Come with me!**"

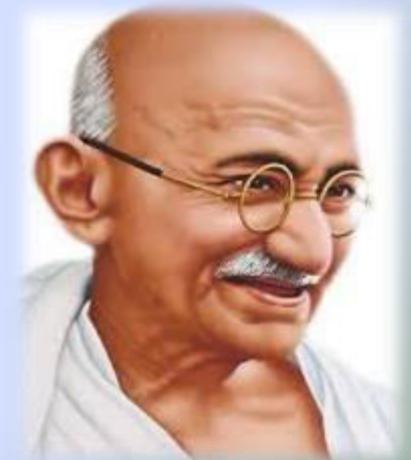
1. positive impact on the organizational climate
2. ability to **introduce** new ideas and lead individuals in a new direction
3. tendency to **understand** the feelings and concerns of organizational members
4. focus on experimentation and **innovation**



Coaching

... focus on the employees' **improvement**, it distinguishes for the **developmental abilities** of others and is characterized by the phrase "**Try this!**".

1. helps others **discover their strengths** and weaknesses and links them to their personal ambitions
2. helps individuals set **long-term development goals**
3. Cultivates **dedication and confidence**.



Affiliative

- ... creates harmony and emotional bonds between individuals in the group, promotes integration and conflict resolution, and is characterized by the phrase “**People above all!**”
1. creates **relationships** and promotes fruitful communication in the workplace
 2. **allows** employees to work in a way that they consider more effective and support them.



Democratic

- .. leads to consensus through participatory processes, focus on cooperation, and it is characterized by the phrase "**What do you think?**"
- 1. seeks the opinion and contribution of others
- 2. relies more on listening than on guidance.



Pacesetting

... focuses on performance and goals, orientation to excellence and low performance intolerance, and is characterized by the phrase "**Do it as I do!**"

1. Suggests that everyone should maintain a **high level of performance.**
2. can have a negative impact on the team, leading its members to exhaustion and withdrawal.



Coercive - Commanding

... uses an authoritarian approach, threat of punishment and strict control, and is characterized by the phrase "Do what I say!".

1. refuses to delegate responsibilities, discourages initiative, impedes creativity,
2. can have a significant negative impact on a team.



Which leadership style?

... it depends on the situation and those involved...

Managers and Leaders

- Conflicting concepts;
- It is more useful to regard leadership and management **as discrete but complementary processes** rather than jobs.



Focusing on leaders in the changing business environment

- Leaders Characteristics
- What a leader should know
- No recipe!



Why is trust the quintessence of leadership?

- **Solvency**
 - The degree to which a person is considered honorable, capable and able to inspire.
- **Trust**
 - The belief in the integrity, character and abilities of the leader



Leader Characteristics

What values do you look for and admire in your leaders?
(% of respondents citing character)

	2002	1995	1987
Honest	88	88	83
Forward looking	71	75	62
Competent	66	63	67
Inspiring	65	68	58

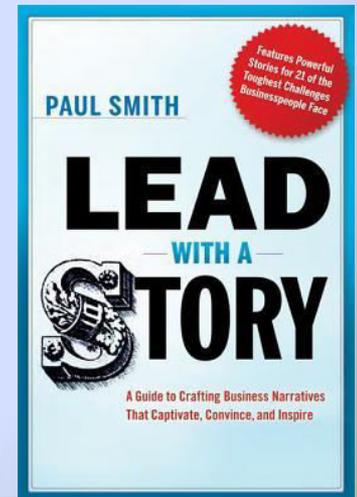
Power, Influence, and Persuasion: The Leadership Techniques



Lead with a Story

“Every great leader is a great storyteller”
(Howard Gardner)

- Why are stories important?
- What's your story? (narration)

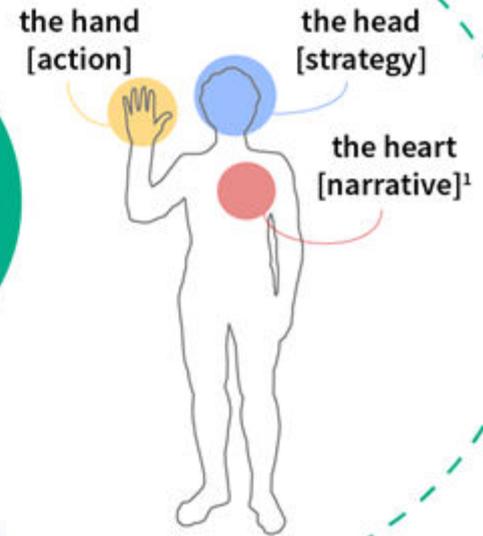


WHY STORY-TELLING?



Public narrative is a way of
translating values
into
the motivation for action.

It is one of a
triad of
leadership
skills
engaging



¹ Quote from Marshall Ganz, cited on «Story telling & Social Change»(2013), by Paul VanDeCarr, Working Narratives.org
Graphic by María Cruz, Learning & Evaluation team, Wikimedia Foundation.

The power of words

[Click here](#)



Change your words.
Change your world.

Obama 'storyteller'

[Click Here](#)



Persuasion

- contains framing, documentation and emotional identification with.

Reasons to Activate Persuasion:

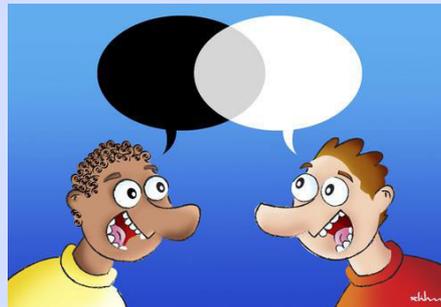
- As a way of **manipulation**
- For sales and **closing deals**
- As a way of solving problems, **learning** and sharing ideas
- **As a way of introducing a change**



Dialogue

... is part of the **persuasion process**.

- Before, to comprehend the views of your audience
- As you listen the **reactions of your audience**



Aristotle

... 3 Types of Persuasion Arguments (Oratory)

- argument of the **speaker's morality** (morality, reputation)
- listener's **passion** argument (emotional appeal, emotionally charged words, humor, irony)
- argument of **reason - logic**

“I have a Dream”

[Click Here](#)



What are the similarities?



The first iPhone

[Click Here](#)



Queen Live Aid

[Click Here](#)



The role leader in managing change

Leadership style

Reardon, K.K. & Rowe, 1998

Leader style	Focuses on	Persuades by	Makes changes	Learns by
Commanding	Results	Directing	Rapidly	Doing
Logical	Innovation	Explaining	Carefully	Studying
Inspirational	Opportunities	Creating trust	Radically	Questioning
Supportive	Facilitating work	Involvement	Slowly	Listening

Leadership style and phases of change

Reardon, K.K. & Rowe, 1998

Phases of change	Main focus	Leadership style
Planning phase	Acquireing information Creative ideas Strategy formulation	Inspirational/ Logical Inspirational Logical
Enabling phase	Convincing employees Empowering Assisting employees Explaining the plans	Logical Inspirational / Supportive Supportive Logical
Launching phase	Implementation in steps Meeting goals Getting results Assessing the progress	Logical Commanding Commanding Logical
Catalyzing phase	Inspiring Energizing Assisting	Inspirational Inspirational Supportive
Maintaining phase	Overseeing the progress Guiding others Energizing Assisting	Logical Inspirational Inspirational Supportive

Adaptive (vs technical) changes

[Click Here](#)

Adaptive Challenge



An adaptive challenge is a problem for which we have to develop new learning or knowledge in order to solve.

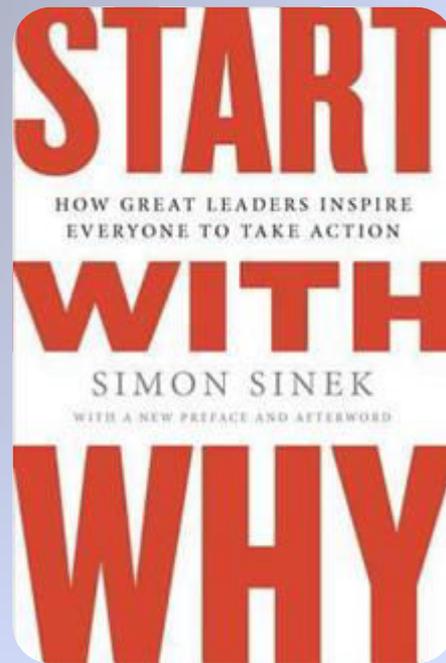
What is adaptive leadership



... helps individuals and organizations adapt to **changing environments** and effectively tackle **emerging problems**.

- Navigating business environments
- Empathy Leadership
- Self-correction and reflection learning
- Creating win-win solutions

Start with WHY (Simon Sinek)



[ΚΛΙΚ ΕΔΩ](#)

The Golden Circle

WHAT

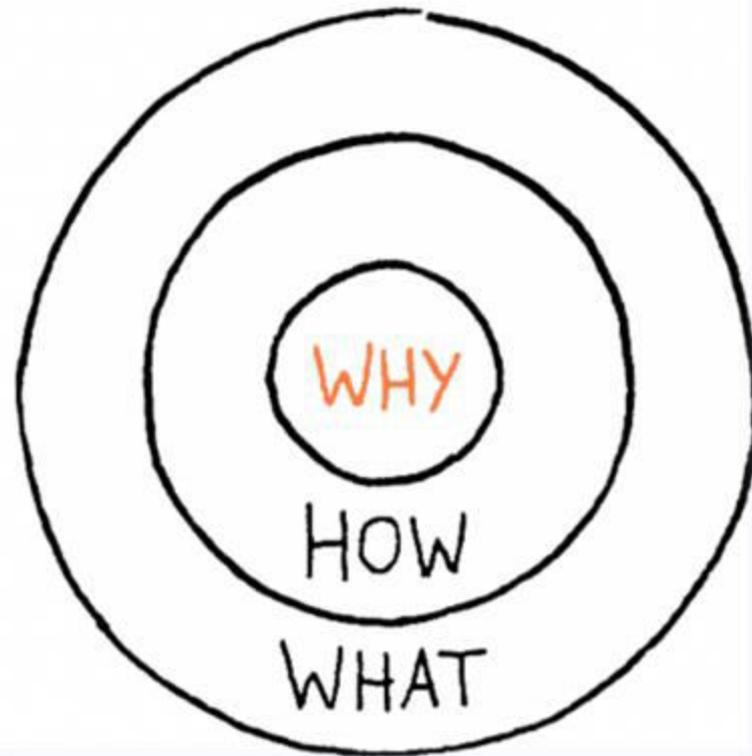
Every organization on the planet knows WHAT they do. These are products they sell or the services

HOW

Some organizations know HOW they do it. These are the things that make them special or set them apart from their competition.

WHY

Very few organizations know WHY they do what they do. WHY is not about making money. That's a result. WHY is a purpose, cause or belief. It's the very reason your organization exists.



Challenges for modern organizations

- Constant environmental changes
- Diversity management
- Requirements of “millenials” and “Gen Z”
- Digital transformation
- Need for innovation
- Security (and cyber security) issues



The world upside down



- FROM trying to **make individuals more important for the organizations** - through "motivation" and "participation".
- To trying to make organizations more important to individuals - which are already "important"...



The future leaders...

According to Ron Heifetz:

- ASK



- SEE



- LISTEN

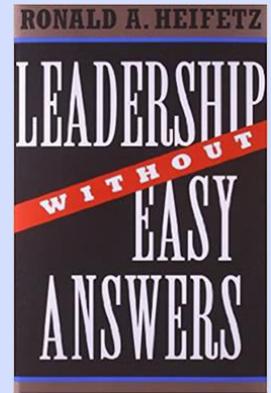


- DEAL WITH THEIR MISTAKES



- HELP OTHERS TO SEE THE REALITY

- SURVIVE!



Why should leaders empower their employees;

- **Empowerment** - enhancing employees' ability to make decisions
- One reason why more and more firms are empowering employees lies in the **need for quicker decisions from those who know more about specific issues** - often at the lower levels of the organization.



The Importance of Vulnerability in Leadership

- Howard Shultz, Starbucks CEO, suggests that “The most difficult thing for a leader is to show weakness ... Though, **when he shows tenderness and weakness, he unites people and the team wins.**”



- Almost **no one now believes that being vulnerable is bad** or implying that you are weak or defenseless.

HBR.ORG

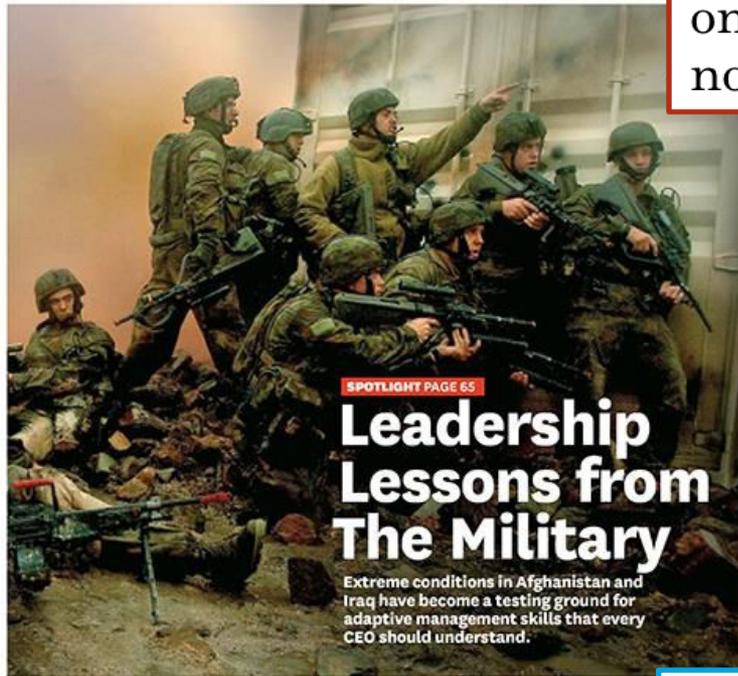
Harvard Business Review

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“unity of effort not command”

“If you are not visible to your people out on the boats in 45 degree heat, you are not a credible leader”

“adapt, manage or suffer”

“there is always a teachable moment”

“You have to lead from everywhere”



The 'Nelson touch': "something must be left to chance... individual commanders are better able to master changing conditions when they are empowered", Battle of Trafalgar, 1805

Hard power and soft power are inseparable:
Cheerfulness and storytelling

"Organizations that lack a strong collective memory wind up ignoring their own wisdom in uncertain times. They are also more likely to follow the latest fashion in leadership without digging into their past, thereby deskilling themselves. One antidote is making time for storytelling. It is important for the ethos of the organization."



Thank you for your attendance