Report on leadership concepts and applications

Business, Company

ASSIGN BUSTER

Abstract

The paper deals with four main sections of leadership. These include leadership styles, dependency theory of power, expectancy theory of motivation, and performance appraisal in a company. Each section is discussed in details and examples of relevant scenarios given. Mainly, the paper identifies leadership styles in given scenarios, gives an explanation of the dependency and expectancy theories of motivation. Moreover, performance appraisal process in a company has also been discussed.

Key words: leadership styles, power, dependency, expectancy, performance appraisal.

Task 1: leadership styles

Identifying Leadership Styles

Leader A can be categorized as a level 5 leader. This is because he/she has transformed the company to a high performing company. This leader has great capabilities to transcend the company from a poorly performing to a great company. At his/her leadership, the company realized profits at the second quarter of his/her leadership. This marks a transition point in the management of the company (Collins, 2001). Moreover, this leader has great professional will for the success of the company. In addition, his/her personal humility drives the success of the company. Leader A possesses several qualities which can be attributed to level 5 category of leaders. Firstly, he/she shuns public adulation and has put a clear transition point from poor to good leadership. Secondly, he/she channels the success to the company's work force and not to the self. Thirdly, he/she remains accountable for ones mistakes and never blames others for mistakes committed. Lastly, this leader sets standards for developing an enduring company.

Leader B is a transactional leader. This is because he links the efforts done by subordinates to the rewards presented. He/she gives punishments for fault work as well as rewards for work completed in time. This leader believes that every work should be rewarded based on the results obtained. Moreover, leader B depends on power to control its followers as he believes in guiding them towards the realization of goals. In addition, he/she admires to have a clear chain of command to enable delegation of roles and setting of goals for its subordinates. This ensures that those responsible for certain good or fault work are rewarded accordingly. The leader overlies on power to motivate its followers to completion of tasks (Collins, 2001). This is some of the characteristics of transactional leader possessed by leader B.

Leader C displays qualities of a transformational leadership and therefore, he/she can be categorized as a transformational leader. Leader C motivates its followers by appealing to their emotions and calls upon them to put the goals of the company a head of individual self interests. Leader C highly inspires its followers and considers their personal life as essential for the success of the organization. In this regard, leader C remembers birthdays of its followers and gives them special attention. In addition, he/she believes working towards a common goal enables the company to realize its vision (Collins, 2001).

Effect of Leader B on Employees and Company under Succession of Leader A

Leader B employs transaction leadership style which upon its effect in the company will affect the employees and the performance of the company. The transactional leadership style has its merits and demerits over the company. Firstly, the leader would work on the assumption that the employees are motivated by the rewards and punishments. However, this may not be true and may have a negative impact on the employee morale. The transactional leader would have a good time in running the company, if a clear chain of command exists. However, if this does not exist he/she will attempt to restructure the company to have a clear chain of command (Bass & Riggio, 2006). In this kind of leadership, the leader is not accountable for its weakness and hence blame is passed to its subordinates. As a result, there exists a high inefficiency where duties are delegated through the hierarchy of power as blame is passed over and over. On the other hand, transactional leadership enables the management to have an easy control of the company the through a clear chain of command. In addition, workers good efforts are recognized thus serving as a motivation (Winkler, 2009).

Effect of Leader C on Employees And Company under Succession of Leader A

Leader C employs transformational leadership, and therefore, on succession form leader A its leadership would have various impacts on the organization and the employees. This would mean that a collaborative approach between the employees and the management would be applied. In this regard, employees would be involved in setting up of goals, problem solving and in giving suggestions to the company (Bass & Riggio, 2006). This leadership empowers employees to be self guided and motivated towards the achievement of the organizational goals, consequently, a high success of the company. Furthermore, the leader develops new leaders within the company whose interest for the success of the organization are beyond individual interest, and thus, the company is likely to achieve its long term objectives even when the leader is gone. Everybody in this model of leadership is accountable for faulty tasks and the cause of the fault is well understood, rather than passing blame to others. Transformational leadership brings hope of the company success.

Task 2: Performance Evaluation

Performance Appraisal

There are three points of concern in the current evaluation process. Firstly, the process concerns so much on employee’s personality, rather than, work results. For example, the engineer’s personality is given more emphasis during evaluation than the safety measures he has introduced in the company. Secondly, the process does not measure skills with uniformity and accuracy. For example, the engineer was poorly rated despite of his expertise. Thirdly, the process does not enhance professional growth and performance. For example, the engineer is highly discouraged despite of his exemplary performance and innovativeness.

The company mainly uses achievement of results, trait and intuitive evaluation criterion. Firstly, achievement of results criterion measures how an employee has realized goals set during company planning i. e. it aims at measuring employee’s level of achievement against the level set by a company (Stephan & Mehrdad, 2002). The manager considers that the engineer has been delivering quality work and has proposed safety measures which have reduced health hazards. Secondly, intuitive appraisal method makes use of perception to evaluate workers, for example, the manager thinks on how better engineers should be evaluated. Lastly, trait criteria emphasizes on evaluating a worker against certain traits, for example, the trait which the engineer portrays when interacting with other staff members is considered during the evaluation.

The three approaches have several similarities and differences. To start with, achievement appraisal criteria is concerned with how well a worker has achieved the set goal of the organization, but, does not concern itself on other job aspects unlike trait criteria which examines traits exhibited by a worker in the job. Despite this difference both methods aim at ensuring that a worker realizes some set goals. For example, trait approach identifies worker’s traits which can make one to achieve the organization goals. This is to some extend similar to achievement of goals criteria (Lepsinger & Lucia, 1998). Intuitive criteria is related to trait criteria, this is because the supervisor evaluates workers behavior based on what he/she perceives as important for the job, though, there are no standard set traits for evaluating the employee.

The main advantage of achievement appraisal is that it identifies the efforts put by a worker to achieve the set objective. This means that the process of evaluating the worker is objective but not subjective. However, the process suffers difficulties in accessing the results obtained by the employee, but, not the process used to achieve the stated goals. The trait approach has the advantage of checking the traits of the work over stated period, meaning that it considers both the process and goal attainment. Lastly, intuitive criteria have the advantage of involving the supervisor in thinking how well the workers traits fits with what he/she perceives important for the job.

The data collected in performance evaluation is usually analyzed though several methods. The main methods include graphical rating scales, check list and critical incident techniques. In the Critical incident method, manager prepares a list of statements to indicate the most effective trait of employee as well as the ineffective behavior. Moreover, the manager prepares these records over a considerable period of time. At the end of the period, the manager's entire records are compiled and decisions made on effectiveness of the workers traits in attaining the organizational goals. Checklist and weighted checklist the list provides several statements regarding employee's behavior. The manager uses the collected data on employee's traits and compares those traits with the ones provided on the checklist. This method suffers from time consuming as well as biasness in distinguishing positive and negative questions. In graphical rating scale, workers performance is done by rating them as fair, unsatisfactory, satisfactory, good or even outstanding. The rating scale may sometimes include traits which are considered important for a particular job (Stephan & mehrdad, 2002).

There are several biases and errors which negate accuracy of performance evaluation like halo effect, recency bias and leniency bias. Recency bias results from tendency to evaluate employees only on their recently exhibited behavior and failure to consider behavior exhibited several months back. On the other hand, halo effect is the tendency to rate an employee to have high or low category just because he/she has high performance in one area or low performance in another behavior (Lepsinger & Lucia, 1998). These compromises the results obtained in the evaluation of two inaccurate and unrelated events. Finally, lenience bias is tendency to rate an employee high due to evaluators rationalization as to how appropriate this leniency is accurate. To minimize the effect of the biasness in evaluation, it is important to include several stakeholders in evaluation process

Use of subordinates, supervisors and peers in the evaluation process is thus of paramount importance in eliminating evaluation biasness. Therefore, the inclusion of subordinates, supervisors and peers in evaluation process has several advantages apart from the one mentioned above. The use of peers makes sure that some invisible qualities are evaluated such as the relationship between the employee being evaluated and all stakeholders is put into consideration. The peers are allowed to evaluate the engineer to enable them give their own opinion. Therefore, employees will be satisfied that the performance evaluation has undisputable validity and reliability because they have been involved. In addition, peers tend to focus on the results from work of a given employee, rather than efforts put efforts especially in group task. However, use of peers is disadvantageous in that they are lenient to friends and tend to give high ratings to them. Although, they give low ratings to those they do not like, for example, the engineer is not popular among his/her co-workers, and therefore, they rate him/her poorly. Furthermore, the inclusion of peers may suffer from time consuming as well as a peers poorly evaluating the employee with an aim of contradicting the supervisor without any reason. This makes the performance ineffective.

The use of subordinates in the evaluation process is mainly useful in evaluating management performance. It helps to determine the quality of the management provided by the supervisors. However, this evaluation may not provide accurate results for fear of reprisal. This is because subordinates may not be honest when they give feedback. This provides a tool of evaluation for the manager in the plant. The plant manager thinks on how to evaluate other employees and yet he/she is no evaluated.

Supervisors are very objective in their evaluation of employee’s performance, for example, the plant manager evaluates the engineer in various perspectives. In this regard, he/she considers the engineers quality of work, interpersonal relationships and takes into account engineer’s complaints. Performance evaluation serves as a motivation when a positive compliment is given by the supervisor to an employee. However, the use of supervisors in evaluation posses a great danger in that they possess a lot power and influence which will force employees to behave well whenever they are being evaluated or at the presence of the supervisor. This may give wrong impression in the performance of employees.

There are several techniques and tools which the firm can use to improve its evaluation techniques. First and foremost, the evaluation process should include aspect of self appraisal. This can avoid problem of a worker feeling that other stake holders have sinister motive in the evaluation. Secondly, several stake holders should be involved in deciding which method of evaluation is appropriate to gauge employees in the organization.

Task3: Expectancy theory

Expectancy Theory of Motivation

The expectancy theory of motivation lies under the assumption that expectations serve as a motivating factor. Therefore, individuals set goals depending on the expected outcome. The expectancy theory lays emphasis on the outcomes. The theory asserts that out of motivation, an effort arises which drives the performance towards the expected outcome. However, these three factors must be interlinked (Koontz & Weihrich, 2006).

The theory outlines three key components; valence, expectancy and instrumentality. Firstly, the valence is the outcomes expected for doing a certain task. Therefore, people hold some emotional orientations towards the expected rewards. This determines how much the people or employee value extrinsic or intrinsic rewards. Therefore, discovering what employee value becomes essential in order to have a positive valence. Some rewards are associated with each level of performance. Therefore, this prompts the employee to choose the performance level associated with the greatest rewards (Green, 1992). For example, the valence in this organization is the expected salaries and bonuses which the employees receive. They have a perception that there must be differentiation in the amount of salary they receive between those who meet the expected outcomes and those who do not. Moreover, they have a poor perception regarding the bonuses they receive, since, they are insignificant. These poor mental orientations towards the job must be handled to ensure positive valence.

Secondly, expectancy refers to strength of one's belief in being capable of completing a given task. Therefore, different employees have different levels of confidence on their ability to complete a given task. Moreover, expectancy concerns the evaluation whether a given level of performance can be achieved. In addition, it is also concerned with what potentials, abilities and resources that the employees have or need to undertake a given task. Improving the level of expectancy is necessary for enhancing the expectancy. This is done through training and provision of the necessary resources such as supervision (Koontz & Weihrich, 2006). In the organization, some workers of supervisor A have the ability to meet the set targets, while, others do not have. This reflects the expectancy component of the theory. Moreover, supervisor B provides a better approach towards management of workers that supervisor A. The nature of workers and management resources potential that exist in this company reflects the expectancy component of the expectancy theory. These are the resources the company has to meet its goals.

Lastly, instrumentality is a perception towards receiving the expected reward. This is the employee’s belief that when the task is done to the required standards, they will obtain the promised rewards. Therefore, employees should be certain of the rewards if excellent worker performance has been attained (Green, 1992). In this company, employees are sure salaries and bonuses brought forth shall be received. This perception towards the expected rewards reflects the instrumentality factor in the expectancy theory.

The product of the above three mentioned variables makes the motivation required. Therefore, a good understanding of the interrelationship among the three is essential. Therefore, performance must be highly tied to outcomes or rewards. In this respect, those involved must be familiar with the rules of the reward process. Moreover, there must be trust in those who entitled with the rewarding decisions and the rewarding process should be transparent.

The expectancy theory explains and predicts various phenomena such as job satisfaction level, choice of occupation, job maintenance, and the effort expended on a task.

Expectancy Theory in Improving Performance

The company does not have a clear connection between performance and the rewards. This is because the salary level is the same for those employees who meet the company’s goals and those who do not. Therefore, to improve performance a clear, rewarding system with distinction in salary levels for those who meet the set goals and those who fail to do so should be established. Moreover, the bonus system is quite insignificant as it is not being appreciated by the employees; hence the valence is not positive. Therefore, the bonus system should be reviewed to make it significant so that effort is recognized (Green, 1992).

Secondly, some employees do not understand the new process; therefore, providing extra training to improve their belief in the ability to carry out the task is increased. Thus, their performance effort tie increases in the new production process. Moreover, individualized training should be given to ensure everybody can do the task (Koontz & Weihrich, 2006).

The supervisors of this company should have close ties with the employees. Like supervisor B, manages to get information from the workers with ease, and thus there exist trust between them and employees of supervisor A.

Building trust between employees and supervisors increases their assurance that the rewards brought forth are likely to be given.

Task4: Power

Types of Power

There are five types of leadership power which can be exploited by the management for the success of an organization. This includes referent, reward, legitimate, expert, and coercive power. One person usually has power and applies it to a target person with a certain objective to achieve. Firstly, reward power, a leader has this type of power by the fact that he/she is able to manipulate the available resources (Dubrin, 2011). Therefore, it is used with the aim of making the target person to comply in order to obtain rewards from the person in control of the resources or rewards. In corporation A, the marketing manager uses the yearly bonus scheme to encourage workers to work hard. Therefore, he has rewarding power. It is this kind of power which drives employee 1 towards completing work accurately and in time so that he/she can be rewarded at the end of the year.

Secondly, expert power is based on skills and knowledge possessed by an employee whom others do not have. Therefore, this type of power aims at making the target person to give in because they do not have alternative or to comply because they believe the person knows the best way to do the obligation (Dubrin, 2011). In corporation A, employee 2 uses this type of power to compromise the accounting manager to give in to his /her request to work for few hours.

Thirdly, legitimate power, this is power possessed by an individual by the virtual of his/her authoritative position (Dubrin, 2011). The person with this power makes important decision or has authority over the others. For example in corporation A, the accounting manger authorizes employee 2 to work for fewer hours in a week. He possesses this kind of power because he/she is in charge of the accounting department and is he legitimate power over his/her subordinate accountants.

Fourthly, referent power, individuals with attractive personalities influences others and is therefore, the target persons admires, identifies or wants to get approval from them (Dubrin, 2011). In corporation A, employee 3 is highly liked by other employees and the management decided to make him the team leader to tap his/her influence over the other employees. Therefore, employee 3 has referent power which he/she can use to control others in a sales team.

Lastly, coercive power is exercised by individuals who have the responsibility of demotion or punishments. Mostly, is used to induce fear of punishment to subordinates and they comply for fear of being punished (Dubrin, 2011).

Dependency and Power

The exercise of power only exists when there is a relationship between two or more parties. In this regard, people do not resist to attempts of influence by others because of the fact that there is a dependency relationship between them. For example a person A will exercise power over person B, only if B dependents on A. The dependency relationship that exists can be attributed to resources which may be very important, scarce or non-substitutable (Scott, 2001). For example, in corporation A, employee 1 cannot have a good vacation unless he/she works towards the bonus, however, the marketing manager has control over the scheme and can use it to influence employee 1. Moreover, employee 2 has the supply of the required skills and he/she is able to influence the accounting manager to agree to his/her demands. Therefore, has power over the accounting manager.

The exercise of power is not only restricted to unilateral act, but also, both parties in the relationship may also have power over each other. For example, in corporation A, the management has the right to manage the corporation and has control over resources such as job, while the employees in the corporation control the labor resource. Since each of the party control some useful resource needed by the other, there exist a dependency for both parties. This signifies the reciprocal use of power (Scott, 2001).

The degree of dependency of one partner to the other determines extend at which one partner exercise power to the other. For example, employee 2 has much influence over the accounting manager because he/she is highly needed in the organization since no one else can perform the obligations at hand. However, where there is power balance both parties may have a greater bargaining power over the other. As a result, the two parties tend to cooperate (Scott, 2001).

References

Bass, B. M. & Riggio, R. E. (2006). Transformational leadership. New Jersey: Lawrence Erlbaum Associates inc.

Collins, J. (2001). Level 5 leadership. Harvard business review. Retrieved from http://www. eruuf. org/images/stories/min_search_comm/MSC_final/level5. pdf.

Dubrin, A. J. (2011). Essentials of management. USA: Cengage learning.

Green, B. T. (1992). Performance and motivation strategies for today's workforce:

A guide to expectancy theory applications. Green hood publishing group inc.

Koontz, H. &Weihrich, H. (2006). Essentials of management. New Delhi : Tata

McGraw.

Lepsinger, R. & Lucia, A. L. (1998). Creating champions for 360 degree feedback.

Training and Development, 49-52.

Scott, J. (2001). Power: Critical concepts. New York: Routledge.

Stephan, B. & Mehrdad, D. (2002). Multisource assessment programs in organizations:

an insider perspective.

Winkler, I. (2009). Contemporary leadership theories: enhancing the understanding of

the complexity, subjectivity and dynamic of leadership. Springer.