

Leadership + economics of regulation + ethics and organizational structure (2)

[Business](#)



s 5th Aug Discussion question Ingredients of effective leadership: Leadership can be defined as the ability to influence people towards accomplishment of organizational targets and goals.

Researchers of Ohio State University identified two major behaviors of effective leaders after study of several dimensions of leader behavior. These behaviors were:

1. Consideration: “ The point to which the leader respects the feelings and ideas of subordinates, establishes mutual trust and is sensitive to their needs and wants (Daft 521)
2. Initiating structure: “ The point to which the leader directs the activities of subordinates towards goal attainment and the point to which he is task oriented (Daft 521)

Apart from these another important ingredient of effective leadership is democracy. Democracy refers to delegation of authority to subordinates, encouraging them to participate and relying on referent and expert power to manage them.

Discussion question 2: According to Charles J. Fombrun, chairman of a New York based private research and consulting firm called Reputation Institute, consumers attach importance to seven important indicators of a firm’s performance as indicators of reputation. These indicators are as follows:

1. Product Quality
2. Innovation
3. Financial results
4. Citizenship

5. Leadership

6. Workplace

7. Governance

Being weak in any area/areas despite being strong in others leaves a company vulnerable because it means that the interests of some of very important stakeholders are being neglected. Therefore, it is not good enough that companies be strong in one area and be weak in another because “competing interests cancel each other out”. (Fombrun)

Works Cited

Daft, Richard L. Management. South Western College, 2006.

Fombrun, Charles J. How to restore your companys reputation. 05 June 2009.

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