LEADERSHIP AND MANAGEMENT

Diploma stage examination

11 December 2007

MARKING SCHEME

The examiner recognises that leadership and management is not an exact science and that there are many valid theoretical and practical approaches to the subject. The assessment guide outlines the types of area each candidate would normally be expected to consider, based on the open learning material.

Alternative views and approaches may be offered and provided they are logical, rational, valid and relevant to the context of the question and serve to meet the requirements of the question, appropriate credit will be given.

Throughout this paper students are expected to demonstrate knowledge of leadership and management as a subject, the public service environment, and a current working knowledge of relevant key issues.

The marking scheme 'suggested solutions' are taken from the open learning material and supplemented with examples from the public service organisations.

Question 1 (OLM 4.1, 4.2, 8.3, 9.1, 9.2, 11.3, 15.1)

(a)   Importance of delegation

Properly handled, delegation offers many potential benefits to both the organisation and staff. Delegation should lead to the optimum use of human resources and improved organisational performance. Studies of successful organisations lend support to the advantages to be gained from effective delegation. Time is one of the most valuable, but limited, resources and it is important that the manager utilises time to the maximum advantage. By delegating those activities which can be done just as well by subordinate staff the manager is using to advantage the human resources of the organisation. Managers are also giving themselves more time in which to manage.

Delegation leaves the manager free to make profitable use of time, to concentrate on the more important tasks and to spend more time in managing and less in doing. This should lead to a more even flow of work and a reduction of bottlenecks. It should make the manager more accessible for consultation with subordinates, superiors or other managers. This should also improve the process of communications.

(Reproduced from Mullins (2002) Management and Organisational Behaviour, 6th Edition (OLM page 130))

Process of delegation

The process of delegation can be summarised as:

1. **Decide what you can delegate**. Which of the tasks that you do not need to do yourself can other people do? These may be routine, perhaps time-consuming, tasks or they may be specialist tasks that could be delegated to a team member with particular skills.
    Note that you will gain time by not doing the job yourself, but you will also find that you need to allocate considerable time to guide and develop the team member, and to monitor progress.

2. **Choose who you will delegate the task to**. It may be that the person you delegate to will have all the knowledge and skills needed; it is more likely that you will have to give them some training and guidance. You will certainly want to choose someone who can work with the minimum of supervision.

These two comments highlight the benefits of delegating regularly to your team. If you start by delegating relatively minor tasks to each team member, you will quickly ascertain to whom you can allocate more major tasks.

3. **Giving out the work**. You must ensure that both parties have a very clear view of exactly what is involved, what the timescales are, who is responsible for what aspects and decisions, how progress will be reported and monitored, and what procedures to follow if problems arise.

4. **Monitoring performance**. Unless the task is very small, it will usually be possible to break it up into sub-tasks, making it easier to monitor progress. The frequency of meetings to discuss progress must be balanced to allow the team member to feel that they are working independently, yet not allow time for the project to go too far wrong.

(Learning Objective 4.1, OLM Page 104)

Benefits of delegation

The benefits of delegation can be summarised as follows:

•   Making the best use of the manager's time. Although we have emphasised the time that a manager must spend on delegation, that time is creating benefits for team members and the organisation, particularly in the medium and long term.

•   Providing training and development. Perhaps most important, that training and development will be directly related to the work that the team member does, and also to their future progress in the organisation.

•   Encouraging the development of specialist knowledge and skills. This factor is of particular importance in a rapidly changing environment.

•   Allowing team members in distant locations to take responsibility for at least some aspects of their work.

•   Sound economic and organisational sense. If decisions are taken at the lowest appropriate level, managers can spend their time making more major decisions.

•   Strength of the workforce. Team members can develop their aptitudes and abilities, and as a result will gain a greater sense of involvement and motivation.

(Learning Objective 4.1, OLM page 104)

Up to 3 marks for each part, that is, importance, process and benefits, up to an overall maximum of (9)

(b) Why a learning organisation?

Organisations need to ensure that not only are their current strategies being met by a competent workforce, but that they have laid contingency plans for ensuring continuous learning for future development. An understanding of how people learn provides insight into vital aspects of our humanity – the process of growth, development and deterioration.

Mayo suggested that five processes are necessary for an effective knowledge management system:

- managing the generation of new knowledge through learning;
- capturing knowledge and experience;
- sharing, collaborating and communicating;
- organising information for easy access;
- using and building on what is known.

The success of many of these processes would depend on the culture of the organisation and its priority in sharing learning and knowledge. Many of the ideas and concepts now being used in the new term 'knowledge management' have their roots in the learning organisation.

Pedler, Boydell and Burgoyne (in Mullins, see page 365) define the learning organisation as:

…an organisation which facilitates the learning of all its members and continuously transforms itself.

Building an environment that encourages creativity

Managers may not themselves be particularly creative; the overall aim is to create a team in which creativity can flourish. Ekvali (in Henry, 1991) suggests a list of 'dimensions' that define a creative environment, that is:

- Challenging, enjoyable and energetic
- Free, independent and allowing initiative
- Lively and excitedly busy
- Open, trusting and accepting of failure
- Allowing of idea-time and off-task play
- Happy and humorous
- Encouraging debate and allowing constructive conflict
- Offering helpful support
- Risk-taking, allowing fast decisions and new ideas.

(Based on Mullins (2002) Management and Organisational Behaviour, 6th Edition (OLM 365-367) and Learning Objectives 9.1 and 9.2, OLM 349-351)

> *Up to 4 marks for each part, that is, why a learning organisation and building a creative environment, up to an overall maximum of (8)*

(c) Styles of managing conflict

The styles of managing conflict can be seen as balancing assertiveness (satisfying the manager's needs) against co-operation (satisfying the other individual or group's needs). Five possible styles are:

- **Competition**. The manager acts very assertively to impose his or her authority. There is no aim to cooperate with the individual or group. The result is a win-lose situation in the manager's favour.

- **Collaboration**. This involves both assertiveness and co-operation. The manager states the issue and what outcome is needed (assertive behaviour). The parties then discuss how the outcome could be achieved (co-operative behaviour). The aim is to find a result with which both sides feel happy: a win-win result.

- **Avoidance**. If the manager states what needs to be done, but never checks whether the group or individual carries it out, there is no conflict. This style involves neither assertiveness nor co-operation, and neither side can be said to win or lose.

- **Accommodation**. This is the opposite of competition: the manager puts the interests of the individual or group above his or her own. The manager's behaviour is unassertive but co-operative. The result is difficult to define in win-lose terms: if the manager felt unable to be assertive it could be thought of as lose-win; however, if the manager felt that co-operating was the best approach, then the result could be judged to be win-win.

- **Compromise**. If both parties show intermediate levels of assertiveness and co-operation, then they may be able to reach a win-win result through discussion.

(Learning Objective 11.3, OLM Page 440)

Up to 2 marks per point, up to an overall maximum of (8)

(d) The most common selection methods

The use of selection methods varies widely according to the type of organisation and the level of the appointment. The following list is intended to represent a typical order when appointing staff, starting with the least frequently-used technique:

- **Graphology** is the study of handwriting and is used by a number of organisations, though many others are sceptical of its value. One benefit is that the analyst is not influenced by any other aspects of the applicant, such as race, disability, social mannerisms, and so on.

- **Work sampling** is organisation and job-specific. The candidate works through parts of the job under supervision. It is most appropriate for jobs where the outcomes and procedures are clearly defined, but designing it is time-consuming and needs high levels of commitment from existing staff.

- **Competence-based approaches** require candidates to demonstrate that they have the competences to carry out the job. This can be assessed by requiring proof of past work or by demonstrating competence during the selection process. This approach is clearly more suitable for posts where the required competences can be easily identified and measured.

- **Psychometric tests** include tests of IQ, attainment, specific cognitive ability and trainability, and personality questionnaires. Many managers are also sceptical of these texts, particularly tests of personality.

- **Group exercises** typically involve asking a group to work through a task that may be typical of those they will encounter at work. The participants are observed throughout the process, but problems arise because the situation cannot be a 'real' one; it tests how people perform in the test rather than how they would perform at work. Further information can be gathered by asking participants to rate their peers.

- The **selection interview** is usually the key element in any selection process. Some key points are that interviewers should:

  o Beware of making an instant judgement within seconds of the start of the interview, or of letting their judgement be clouded by one particularly strong reaction during the interview

  o Have a clear interview plan, for example focusing on certain points (see Mullins page 666 for possible five-point and seven-point plans)

  o Remember that many candidates may be intimidated by an interview: for many posts, the level of stress in the interview does not reflect the stress involved in the job

  o Use a mix of question types, including open, closed and reflective questions (see Mullins page 668)

  o Be aware of how people answer questions and their body language.

  (Learning Objective 15.1, OLM Page 643)

  Up to 2 marks per point, up to an overall maximum of (10)

(e) How addressing the above issues could improve the morale and performance of the staff

Candidates could approach this part of the question in a number of ways, however, the most obvious way is to base the answer on the psychological contract.

The individual's needs are a crucial element in their motivation (and morale). According to Mullins (2002: 908) the psychological contract is:

An unwritten contract between employers and employees which covers a series of mutual expectations and satisfaction of needs arising from the people–organisation relationship.

The **individual** will typically expect the organisation to:

- Provide safe and hygienic working conditions – (managing conflict)

- Try to provide challenging and satisfying jobs – (delegation, learning environment)

- Follow equitable personnel policies and working practices – (selection, managing conflict)

- Allow staff participation on issues that affect them – (delegation, learning environment)

- Provide opportunities for personal development and career progression – (learning organisation)

- Treat individuals with respect and consideration – (selection, delegation, managing conflict)

If the organisation meets their side of the psychological contract (by implementing the key points raised in Parts A – D), then it is likely that staff will be more motivated – or at least not de-motivated – and consequently morale will improve. There is, of course, two sides to the psychological contract, but the question only relates to the organisation's responsibilities.

NOTE
Candidates may consider the above points, but not use the framework above – candidates will not be penalised if the psychological contract is not mentioned, provided the answer addresses the key points above.

(Based on Learning Objective 8.3, OLM page 300)

1 mark per point, up to an overall maximum of (5)

(40)

| Question 2 (Learning Objectives 1.1, 1.2, 1.3) |

(a) Bureaucracy

The term 'bureaucracy' is used in management theory to define an organisation using two concepts: expertise (rules of experts) and administration based on discipline (rules of officials). It defines a system in which:

- Tasks are allocated with a clear-cut division of labour and high degree of specialisation.

- Authority is clearly defined in a hierarchical structure.

- Formally-structured rules ensure co-ordination and uniformity of decisions.

- An impersonal approach is encouraged when dealing with clients or colleagues; this is intended to encourage staff to make rational judgements.

- Employment is based on technical qualifications; employees often see the organisation as offering a lifelong career.

In contrast to the scientific approach, bureaucracy is based on developing structures for which people are then selected.

(Learning Objective 1.1, OLM Page 2)

The four main features of bureaucracy are summarised by *Stewart* as specialisation, hierarchy of authority, system of rules, and impersonality.

- **Specialisation** applies more to the job than to the person undertaking the job. This makes for continuity because the job usually continues if the present jobholder leaves.

- **Hierarchy of authority** makes for a sharp distinction between administrators and the administered, or between management and workers. Within the management ranks there are clearly defined levels of authority. This detailed and precise stratification is particularly marked in the armed forces and in the civil service.

- **System of rules** aims to provide for an efficient and impersonal operation. The system of rules is generally stable, although some rules may be changed or modified with time. Knowledge of the rules is a requisite of holding a job in a bureaucracy.

- **Impersonality** means that allocation of privileges and the exercise of authority should not be arbitrary, but in accordance with the laid-down system of rules. In more highly developed bureaucracies there tend to be carefully defined procedures for appealing against certain types of decisions. Stewart sees the characteristic of impersonality as the feature of bureaucracy which most distinguishes it from other types of organisations. A bureaucracy should not only be impersonal but be seen to be impersonal.

Criticisms

Weber's concept of bureaucracy has a number of disadvantages and has been subject to severe criticism.

- The over-emphasis on rules and procedures, record keeping and paperwork may become more important in its own right than as a means to an end.

- Officials may develop a dependence upon bureaucratic status, symbols and rules.

- Initiative may be stifled and when a situation is not covered by a complete set of rules or procedures there may be a lack of flexibility or adaptation to changing circumstances.

- Position and responsibilities in the organisation can lead to officious bureaucratic behaviour. There may also be a tendency to conceal administrative procedures from outsiders.

- Impersonal relations can lead to stereotyped behaviour and a lack of responsiveness to individual incidents or problems.

One of the strongest critics of bureaucratic organisation, and the demands it makes on the worker, is *Argyris*. He claims that bureaucracies restrict the psychological growth of the individual and cause feelings of failure, frustration and conflict.

A similar criticism is made by *Caulkin* who refers to the impersonal structure of bureaucracy as constructed round the post rather than the person and the ease with which it can be swung behind unsocial or even pathological ends.

Merton refers to the development of 'bureaucratic personality' and fixation on rules and lack of adaptability as an unintended consequence of bureaucracy. There is also a tendency to 'goal displacement' where the means become ends in themselves and more important than the actual goals which the organisation is intended to achieve.

Selznick also draws attention to the vulnerability of bureaucracies to goal displacement. Increased specialisation, and delegation and independence given to experts, can lead to the unintended consequences of the emergence of sub-groups with their own goals at variance with the goals of the organisation.

(Extracts from Mullins (2002) Management and Organisational Behaviour, 6th Edition (OLM Page 17-20))

Example

Many local authorities are run on bureaucratic lines, a useful approach since it emphasises the impersonal nature of decision making and ensures continuity if a member of staff moves from a post.

NOTE:
The question specifically asks for examples – examples are given in the above text. To gain maximum marks candidates must provide examples, although not necessarily the same as those in the answer above.

Up to 6 marks for principles, and up to 6 marks for criticisms,

up to an overall maximum of (12)

up to an overall maximum of (12)

(b) A 'Scientific Value Approach'

The various theories can be seen, to some extent, as a historical sequence from the classical approaches through to contingency theory.

Mullins suggests that there may be a 'Scientific Value Approach', which the earlier approaches are working towards. He summarises one approach, by *London* (in Mullins, see page 35), which has a number of general features:

- Providing individuals with outlets for creativity and self-actualisation.

- Using conflict and tension constructively.

- Allowing individuals' full scope for self-actualisation while, at the same time, facilitating achievement of organisational goals.

- Allowing managers to manage individuals with a range of different levels of skills and ambitions.

- Reducing the level of democracy in the workplace.

However, Mullins also refers to a number of writers who disagree with the idea that there is a single view, or even that a single view on management is possible.

(Learning Objective 1.1, OLM Page 4-5)

The research findings on organisational behaviour are still inconclusive and contradictory but, according to *London*, there are a number of general features which can be identified:

- Modern organisations have failed to provide individuals with adequate outlets for creativity and self-actualisation, thus causing alienation and conflict.

- Conflict and tension, in themselves, are not necessarily undesirable. The nature of conflict needs to be understood so it can be utilised to help improve organisational performance.

- Organisation structures can be designed to allow individuals full scope for self-actualisation, and at the same time facilitate achievement of organisational goals and objectives.

- Different individuals have different levels of skills and ambitions. Managers must be able to manage if the organisation is to achieve its goals and objectives.

- Modern management has become too democratic. Without evoking excesses of Taylorism, there must be a return to more authoritarian attitudes of management.

(Reproduced from Mullins (2002) Management and Organisational Behaviour, 6th Edition (OLM Page 35)

Examples from the public services

- **Defined hierarchy**: each official has clearly defined competence and is answerable to a superior (Most public service organisations)

- **Continuity**: people are offered a full-time salary, with the prospect of regular advancement (Most public service organisations)

- **Impersonality:** decisions are taken according to carefully prescribed rules and are recorded (Most public service organisations)

- **Expertise**: people are selected according to merit, are trained to carry out their function and control access to information held in files. (Most public service organisations)

(Based on Mullins (2002) Management and Organisational Behaviour, 6th Edition (OLM Page 35))

Post-entrepreneurial approach

Kanter (1990) suggests that organisations should change from a bureaucratic to a post-entrepreneurial approach. For example she suggests the following:

- Authority should be based on expertise and relationships rather than on position or rank.

- People should see each task as a challenge to improve efficiency rather than as a repetitive event.

- The focus for all should be on results rather than rules.

- Payment should be for contribution and value added rather than status.

(OLM Page 5)

Examples from the public services

- **Decentralisation –** Budgets delegated closer to the user (NHS)

- **Learning organisation –** always looking to improve the service, have a clear staff development program, manage knowledge (H.E. Sector)

- **CPA –** has shifted the focus from procedures and processes (which are still important) to results (L.A.s)

- **Payment by results –** GP's

NOTE:
The question specifically asks for examples – examples are given in the above text. To gain maximum marks candidates must provide examples, although not necessarily the same as those in the answer above.

Up to 6 marks for Scientific value, and up to 6 marks for Post- entrepreneurial, up to an overall maximum of (12)

(c) Benefits to the manager

Whatever the balance between philosophy and science, a knowledge and understanding of management theory will help with the complexities of management in (public service) organisations. No single approach to organisation and management provides all the answers. It is the comparative study of different approaches which will yield benefits to the manager. There is of course no shortage of new ideas on organisational behaviour and management thinking. To what extent however, do these ideas lead to improved organisational performance? There is undoubtedly much scepticism and criticism of management gurus. For example, according to *Crainer*, the past 30 years have seen management thinking in a state of perpetual flux with a relentless quest for new ideas, such as corporate strategy, the nature of management, culture, quality and excellence, the re-emergence of leadership, competitive advantage, empowerment, and re-engineering. *Crainer* believes that this is what managers have been doing all along, but how well they have succeeded is a matter of debate.

Comparing past and present is diverting, but provides more questions than answers. What can be said is that managers remain open to new lights and that over 30 years the sheer profusion of ideas has, at times, been overwhelming.

Crainer also suggests that as one idea after another fails to translate into sustainable practice, there is a growing disillusionment with the pedlars of managerial wisdom.

Yet, the desire for instant solutions which tackle all managerial problems in one fell swoop remains strong. … Amid the hard sell, the quick fixes and organisational placebos, it is true to say that there is little that's original. But, without gurus, managers would lose a rich source of inspiration, information and controversy.

There are then many aspects to management. There are no simple solutions, no one best way to manage. However, the study of organisations, their structure and management is still important for the manager and remains an indispensable part of the job.

(Reproduced from Mullins (2002) Management and Organisational Behaviour, 6th Edition (OLM Page 37))

1 mark for each point made, up to an overall maximum of (6)

(30)

Question 3 (Learning Objectives 6.2 and 6.3)

(a) **'Ethical management in the public services is firmly on the agenda.'**

The notion of 'the manager' in public services is not always clear-cut and we take it to include different categories of public service employees. Thus, teachers, nurses, doctors and a whole host of professionals in the public services are carrying out managerial responsibilities, particularly in terms of managing people or budgets. Our concern is therefore with:

- the impact on managers of managing in an increasingly complex and ambiguous environment where the management task is no longer a given and involves managing across organisational boundaries;

- the increasing demands for managers to take more responsibility but without necessarily having the appropriate authority;

- reconciling individual values with organisational values;

- the nature of the public service ethos;

- issues concerning the implementation of public policy so that it does not affect in an adverse way those that are charged with implementation and those that are the recipients or users of such services;

- the changing organisational context and the resulting pressures on staff;

- the relationship between politicians and managers and the location of accountability and responsibility;

- the motivation of those working in the public services and their perceptions of their duty to citizens as a whole;

- the ascription of responsibility to public services managers when it is often difficult to isolate the performance of individual managers;

- the pressures that are brought to bear on managers including peer pressure – 'This is the way we do things around here'; pressure from the law; organisational pressures to meet targets; rules and codes of conduct; pressure from an ever-demanding citizenry that is increasingly vocal in pursuit of its rights.

(Reproduced from Rose & Lawton (1999) Public Services Management (OLM Page 217))

Examples

1. A manager in the NHS being asked to amend performance indicators in order to meet targets.

2. An internal auditor not reporting a financial error because it would be 'bad' for the finance section.

3. Whistleblowing – in the public interest?

   1 mark for each valid point concerning 'why ethical management is firmly on the

agenda' and 1 mark for a valid example, up to an overall maximum of (6)

(b)   Deontological theories

Deontological theories maintain that the right action to pursue is independent of the consequences of that action. The ends are less important than the means. The right action is to keep promises, repay debts, abide by contracts irrespective of what the consequences are. This view is most commonly associated with the work of the German philosopher Immanuel Kant whose famous categorical imperative argued that 'I ought never to act in such a way except that I can also will that my maxim should become a universal law'. In other words, do unto others as you would have them do to you. It is about treating people fairly and with respect. We can think of many relationships within the public services that are of this kind. The doctor has a duty of care towards the patient, the teacher towards the student. This is a characteristic of professional roles within the public services.
However, it is often difficult to always keep promises or to always tell the truth irrespective of the consequences. Should the doctor always tell the patient that he or she has a terminal illness? We do consider the consequences.

Teleological theories

Teleological theories provide the second major guide to moral decisions, where actions are evaluated in terms of their consequences. Public policy goals, in terms of a better educated or healthier citizenry, might be examples of such consequences. Utilitarianism is the best known teleological theory. Utilitarianism holds that an action is morally justifiable if it leads to the greatest happiness of the greatest number. The concept of measurement is a key feature of utilitarianism and a variation of utilitarianism can be found in cost–benefit analysis. For example, in the planning of a new airport, the costs and benefits of noise pollution, road congestion, threats to life and wildlife, threats to the quality of life, the benefits of different forms of transport and so on would be calculated in as comprehensive a manner as possible. Utilitarianism is concerned with the maximisation of good and the minimisation of harm.

The virtues approach

A virtues approach looks to the qualities of individuals which allow them to be moral. This approach has a long history going back to Confucius and Aristotle and its modern equivalent can be found in those virtues that are said to characterise public officials. It is thus argued that public policies will be ethical because those managers involved in the formulation and implementation of policy possess integrity and probity, are impartial and honest and so on. This view is one that is shared by professionals in the public services, who see their professional ethos as virtuous.

The justice approach

Justice is concerned with issues of fairness, entitlement and dessert. The formal principle of justice can be stated in terms of treating like cases alike and unlike cases differently. Justice can take two forms, distributive justice and procedural justice. The first is concerned with how goods and services are distributed in society. It is argued that the market is unjust since it discriminates against those who are poor, uneducated and unemployed (NHS free at the point of delivery). Within organisations, criteria for distributive justice might be applied, for example, when paying bonuses.

The rights-based approach

Individuals have rights. These include legal, political, employee and human rights. Rights are often seen as correlatives of duties. That is, employees may have certain rights such as the right to a healthy and safe working environment but at the same time they may have a duty to give 'a fair day's work for a fair day's pay'. At the time of writing the Labour Government is seeking to rewrite the Patient's Charter for the NHS which takes account of the fact that patients do have rights but also have duties, such as keeping appointment times and not abusing staff.

(Extracts from Rose & Lawton (1999) Public Services Management (OLM Page 221-223)

Up to 3 marks for each theory or approach, up to an overall maximum of (15)

(c) Accountability

Professionals employed in public services are generally accountable in three ways:

1.   The professional association, such as CIPFA in accountancy, defines and monitors standards.

2.   Inspectors, for example from the Audit Commission, are used to promote good practice and assess performance.

3.   A moral sense of accountability inculcated during CIPFA training.

Unfortunately a number of difficulties may arise, for example:

- Conflict over the nature of the professional organisation. For example, CIPFA members in education are often members of a trade union. What does a CIPFA tutor do when faced with taking industrial action or managing CIPFA teaching/examinations.

- Managers and professionals may disagree about who they are accountable to. For example there may be a clash between a CIPFA member's duty of care to an individual budget holder and the organisation's goal of balancing the budget.

- The existence of a moral sense of accountability cannot be guaranteed. You have only to think of the case of CIPFA members who have committed fraud.

There is also a question of the transparency of the professional organisation. For example some have suggested that the medical profession ignored research showing the dangers of over-prescribing certain anti-depressant drugs throughout the 1990s. Whatever the truth of the claims, should politicians and the public:

- be given the relevant information and be able to debate it?

- be able to impose sanctions if these are felt to be relevant?

Professional codes of conduct The CIPFA Standards of Professional Practice (SoPP) cover the ethical and technical standards with which all CIPFA members and students are expected to comply. They are available through:
[http://www.cipfa.org.uk/conduct/].
For example the SoPP guidelines on ethical questions suggest that problems may occur when different values compete. These could include:

- client and corporate

- individual and collective

- means and ends.

(Based on Learning Objective 6.2 OLM Page 210)

1 ½ marks for each accountability and 1 ½ marks for each example,
up to an overall maximum of (9)

(30)

Question 4 (Learning Objective 5.1, 5.2 and 5.3)

(a) **The qualities or traits approach**

The first approach assumes that leaders are born and not made. Leadership consists of certain inherited characteristics, or personality traits, which distinguish leaders from their followers: the so-called Great Person theory of leadership. The **qualities approach** focuses attention on the man or woman in the job and not on the job itself. It suggests that attention is given to the selection of leaders rather than to training for leadership.

For example, *Drucker* (writing originally in 1955) makes the point that:

Leadership is of utmost importance. Indeed there is no substitute for it. But leadership cannot be created or promoted. It cannot be taught or learned.

The functional (or group) approach

This approach to leadership focuses attention not on the personality of the leader, nor on the man or woman in the job, *per se*, but on the **functions of leadership**. Leadership is always present in any group engaged in a task. The **functional approach** views leadership in terms of how the leader's behaviour affects, and is affected by, the group of followers. This approach concentrates on the nature of the group, the followers or subordinates. **It focuses on the content of leadership**.

Greater attention can be given to the successful training of leaders and to the means of improving the leaders' performance by concentrating on the functions which will lead to effective performance by the work group. The functional approach believes that the skills of leadership can be learnt, developed and perfected.

In contrast to the view of *Drucker* (referred to above), *Kotter*, for example, makes the point that successful companies do not wait for leaders to come along.

They actively seek out people with leadership potential and expose them to career experiences designed to develop that potential. Indeed, with careful selection, nurturing and encouragement, dozens of people can play important leadership roles in a business organization.

Action-centred leadership

A general theory on the functional approach is associated with the work of *John Adair* and his ideas on **action-centred leadership** which focuses on what leaders actually *do*. The effectiveness of the leader is dependent upon meeting three areas of need within the work group: the need to achieve the common **task**, the need for **team maintenance**, and the **individual needs** of group members. Adair symbolises these needs by three overlapping circles. (See OLM Page 173)

Leadership as a behavioural category

This approach draws attention to the kinds of behaviour of people in leadership situations. One of the most extensive research studies on behavioural categories of leadership was the *Ohio State Leadership Studies* undertaken by the Bureau of Business Research at Ohio State University. The focus was on the effects of leadership styles on group performance.

Styles of leadership

Attention to leadership as a behavioural category has drawn attention to the importance of leadership style. In the work situation it has become increasingly clear that managers can no longer rely solely on the use of their position in the hierarchical structure as a means of exercising the functions of leadership. In order to get the best results from subordinates the manager must also have regard for the need to encourage high morale, a spirit of involvement and co-operation, and a willingness to work. This gives rise to consideration of the style of leadership and provides another heading under which to analyse leadership behaviour. **Leadership style is the way in which the functions of leadership are carried out, the way in which the manager typically behaves towards members of the group.**

There are many dimensions to leadership and many possible ways of describing leadership style, such as, for example, dictatorial, unitary, bureaucratic, benevolent, charismatic, consultative, participative and abdicatorial. The style of managerial leadership towards subordinate staff and the focus of power can however be classified within a broad three-fold heading.

- The **authoritarian (or autocratic) style** is where the focus of power is with the manager, and all interactions within the group move towards the manager. The manager alone exercises decision-making and authority for determining policy, procedures for achieving goals, work tasks and relationships, control of rewards or punishments.

- The **democratic style** is where the focus of power is more with the group as a whole and there is greater interaction within the group. The leadership functions are shared with members of the group and the manager is more part of a team. The group members have a greater say in decision-making, determination of policy, implementation of systems and procedures.

- A *laissez-faire* **(genuine) style** is where the manager observes that members of the group are working well on their own. The manager consciously makes a decision to pass the focus of power to members, to allow them freedom of action 'to do as they think best', and not to interfere; but is readily available if help is needed. There is often confusion over this style of leadership behaviour. The word 'genuine' is emphasised because this is to be contrasted with the manager who could not care, who deliberately keeps away from the trouble spots and does not want to get involved. The manager just lets members of the group get on with the work in hand. Members are left to face decisions which rightly belong with the manager. This is more a non-style of leadership or it could perhaps be labelled as abdication.

(Extracts from Mullins (2002) Management and Organisational Behaviour, 6th Edition (OLM Page 171-176)

NOTE
Answers are likely to vary, depth versus breadth, and so in marking this question a careful balance has to be made with students who go into detail on one or two theories with those who provide a broad outline of all the approaches and styles. Nevertheless, with 15 marks available, candidates are expected to cover more than one or two approaches or styles.

Up to 1 mark per valid point made, but limited to 4 marks for a particular approach or style, up to an overall maximum of (15)

(b)   Candidates could approach this question in several ways:

- Use the 7-S organizational framework (Handy 1993; Watson 1983)
- Use the fundamental differences (Hollingsworth 1999)
- Characteristics of Leaders and Managers (McKenna 1994)

The good candidates will use all three – and maybe others.

7-S framework

The differences between leadership and management have been applied by *Watson* to the 7-S organisational framework of: strategy, structure, systems, style, staff, skills and superordinate (or shared) goals. Watson suggests that whereas Managers tend towards reliance on:

- strategy
- structure
- systems,

Leaders have an inherent inclination for utilisation of the 'soft' Ss of:

- style
- staff
- skills
- shared goals.

Watson also suggests, although cautiously, that 7-S management could be seen as the province of leaders. Managers will not ordinarily be capable of achieving sufficient mastery of all seven factors to attain a consistently high level of organisational performance.

Fundamental differences between management and leadership

Based on experience of management approaches in both commerce and the military, *Hollingsworth* questions how many managers consider themselves first and foremost as leaders, relegating 'manager' to their job title. He argues that commercial managers need to learn from the armed forces if they wish to be viewed as leaders. Having accepted that there are some links between management and leadership, Hollingsworth lists six 'fundamental differences'.

- A manager administers – a leader innovates
- A manager maintains – a leader develops
- A manager focuses on systems and structure – a leader focuses on people
- A manager relies on control – a leader inspires trust
- A manager keeps an eye on the bottom line – a leader has an eye on the horizon
- A manager does things right – a leader does the right thing.

Not everyone would agree with this list. *Robinson*, for example, suggests that if the word 'manager' is replaced by 'administrator', then the lists works.

(Extracts from Mullins (2002) Management and Organisational Behaviour, 6th Edition (OLM Page 165)

Characteristics of leaders and managers

People who emerge as leaders
- Activity
- Dominance
- Self-confidence
- Achievement drive
- Interpersonal skills

Frequently promoted managers
- Tolerance of uncertainty
- Human relationship skills
- Need for advancement
- Resistance to stress
- Effective oral communications

Effective managers
- Intelligence
- Self-assurance
- Supervisory ability
- Decisiveness
- Need for occupational achievement and self-fulfilment

(OLM Page 154)

Up to 1 mark per valid point, up to an overall maximum of (8)

(c) 'Hearts and minds'

The leader may exercise authority as an attribute of position. In this case the manager is seen as a leader because of a stated position in the hierarchy. Leadership, however, is more than just adherence to a formal role prescription. It is more than eliciting mechanical behaviour which results from a superior–subordinate relationship in a hierarchical structure.

Leadership is, therefore, a dynamic form of behaviour and there are a number of variables which affect the leadership relationship. Four major variables are identified by *McGregor* as:

- the characteristics of the leader
- the attitude, needs and other personal characteristics of the followers
- the nature of the organisation, such as its purpose, its structure, the tasks to be performed
- the social, economic and political environment.

McGregor concludes that 'leadership is not a property of the individual, but a complex relationship among these variables'.

According to *Kouzes and Posner*, 'credibility is the foundation of leadership'.

(Extracts from Mullins (2002) Management and Organisational Behaviour, 6th Edition (OLM Page 167))

Up to 1 mark per valid point, up to an overall maximum of (7)

(30)