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# Man Up Your Leadership: The European management perspective

Reviews

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Lifelong education is of great importance in Europe. By encouraging and financially supporting innovative projects that contribute to this objective, Europe is on its way to becoming the global benchmark for quality training systems. An essential competent of learning that is too often ignored is leadership training.

Recently the European Commission Education, Audiovisual and Culture Executive Agency (EACEA) has provided support to develop a serious game to exercise and improve personal leadership skills. The goal is to design, implement, and test a novel, online game for team leadership training. In Learn to Lead (L2L) participants manage a simulated team of employees (e.g. a team of workers in a bank agency, a post-office or a local government office), who compete against other teams to maximize objectives (e.g. profit, volume of services delivered, customer satisfaction). The system allows the user to experiment with different leadership approaches. L2L can be adapted for use in different professional settings, including self-learning and learning in a blended learning environment with the support of a tutor.

The development of L2L has required an analysis of the needs of its future users in Italy, Spain, and France—the countries where L2L will be tested. During a preparatory meeting a debate ensued surrounding the different approaches in leadership training, which varied by country, and brought into question the need to distinguish between management and leadership.

The aim of this article is to emphasize the difference between management and leadership through the notion of power, and to distinguish personal leadership skills specific to different conceptual approaches.

# Power and Leadership

Power is constitutive for organizations—illustrated in Amitai Etzioni's Modern Organizations—and can be defined as the potential to influence others or resist their influence. Therefore power is connected to the notion of influence.

Some authors have tried to identify the basics of social power. Among them, we should consider French and Raven's Five Forms of Power, which suggests the following typology:

- 1. the power of reward
- 2. the power of coercion
- 3. the power of legitimacy
- 4. the power of reference
- **5**. the power of expertise

The power of reward is based upon the capacity of the source of influence to reward the target group, and the target group's perception that the source of influence can provide reward for them if they satisfy the influence attempt.

The power of coercion is based upon the capacity of the source to punish the target group, and the target group's perception that the source is capable of punishment if the influence attempt is not satisfied

The power of legitimacy results from authority based upon the rights or the values associated with a position in an organization.

The power of reference is based upon the identification of the target group in relation to the source of influence.

The power of expertise is based upon the degree of competence held by the source of influence.

The first three form the power of position that can be alternately referred to as "formal power." For example, the manager holds formal power because of the simple fact that he has been nominated for this position by the higher managers or administrators. This power is justified yet also supervised by the law —for instance, the labor law or the social right, as well as company rules that cannot contradict the legislation. This power can also be delegated. It allows for dictating behavior to subordinates and evaluating this behavior.

"Personal power" is formed by the two last types. It is informal power; at issue is the capacity of those who exert personal power to influence others. The leader has this capacity of influence and thereby possesses informal power.

Therefore leadership consists of the capacity of a person to exert personal power proceeding from the capacity to influence others and allowing him to





animate, manage and coordinate the activities of a group.

The leader is different from a simple chief, who exerts power due to the hierarchic position they hold in the organization. However a chief who possesses know-how can also be a leader by adding personal power to their power of position, due to personal skills.

When the difference between a leader and a chief is clear, the personal skills that are typical for a leader need to be defined to understand which skills should be developed in the leadership training.

To do this, let's examine the different theoretical models of leadership that have inspired the most common training practices. Leadership theories and respective models can be divided into:

- identification of the leader's personality characteristics
- power practice, behavior type, style or conduct typical for the leader
- contextual and relational elements or circumstances that make a leader

# The Personality of Leaders

Developed in the past century, but reanimated during the last decade, the first theory reflects the concerns of researchers who asked themselves if there are predispositions for leadership. By asking the members of a group to choose a leader and describe their characteristics, and identifying a chief and asking subordinates to again describe characteristics, researchers have been able to study the personality characteristics of a leader.

Stogdill's work in 1974 and later Lord, DeVader and Alliger revealed the following three recurrent skills of the leader: intelligence, masculinity and assertivity.

As well as the simultaneous presence of nine criteria during the comparison of winning and losing leaders:

- 1. the will for responsibility
- 2. perseverance in obtaining the goals
- 3. creativity /risk taking
- 4. social initiatives
- 5. self-confidence
- 6. acceptance of the consequences of one's actions
- 7. stress-resistance
- 8. capacity to resist the frustration
- 9. capacity to structure the environment for obtaining their goals

However these studies were much criticized because of the heterogeneity of its results—the increasingly long list of personal leadership skills and the confusion in defining a leader and a chief. Besides, the descriptive method of the personal characteristics, which was not always well-measured, didn't seem very reliable.

McClelland's studies of motivation underlined the following leadership qualities:

- a strong need for power
- ▶ a week need for affiliation
- a strong need for control

By 1982 McClelland and Boyatis had shown the strong predictive value of this motivational syndrome of power for the accession to managerial positions. However, in 1984 the studies carried out by Cornelius and Lane proved that this validity is limited to relational positions and cannot be used for technical positions.

Newer studies were able to establish more stable links between personality and leadership. The progress made in the studies of personality allowed for the creation of a "Big Five" model, which created clearer definitions and better measures personality characteristics.

Thus, in 2002 Judge, Bono, Ilies and Gerhardt defined the personality characteristics associated with leader efficiency at industrial companies as: emotional stability, extroversion and openness.

And the characteristics of a personality associated with the leader efficiency in the army and state-owned organizations are: stability, extroversion and conscientiousness.

It is important to note that in the analyses concerning students the five factors were associated with efficiency.

Despite this progress in the identification of the leader's personality features, the difficulty (actually the impossibility) of the leaders' training in accordance with their characteristics has led to the elaboration of the theories based upon leader behavior.

### Leadership Behavior

Leadership behavior theory, which emphasizes the leader's actions (recently this theory has been reanimated), first emerged in the 1945 at Ohio State University with the work of John K. Hemphill and later synthesized by Edwin A. Fleishman. These researchers helped create the Leader Behavior Description Questionnaire (LBDQ), the purpose of which was to identify the observable behaviors of leaders instead of personality traits. The LBDQ allowed researchers

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to highlight two important factors predominant for the exertion of the leadership:

# 1. The stimulating factor

This factor is related to the way the leader organizes relations with their subordinates (cf. warm relations, mutual confidence, taking part in the decision-making process... see the table below).

### 2. The structuring factor

This factor is related to the way the leader defines and organizes the work of colleagues/the group such as work planning, job assignment, monitoring, performance, etc. (See the table below).

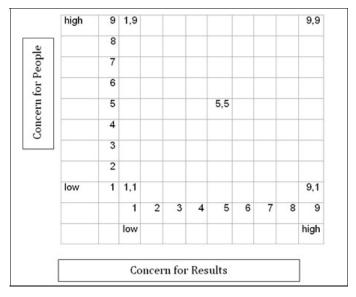
It is worth mentioning that the two factors are independent, that is to say not necessarily correlated. The questionnaire was developed according to the qualitative scale—from "never" to "always"—for the conception of the ideal leader.

Leadership Behavior Classification, according to the LBDQ

Stimulating	Structuring
<ul> <li>makes the presence in the group enjoyable</li> <li>favors some members of the group personally</li> <li>is easy to understand; takes time to listen to the members of the group</li> </ul>	<ul> <li>makes their attitude and principles clear for the group</li> <li>tries to introduce new ideas with the group</li> <li>rules with an iron hand</li> <li>criticizes the work that is poorly done</li> </ul>

Usually results show that the leader can compensate the structure burden using stimulating behavior models. On the other hand, the lack of stimulating behavior models can not be compensated by the reduction of structuring behavior models. Therefore it seems that to be an efficient leader one should, at minimum, emphasize behavior models.

These results were confirmed by Blake and Mouton's research (*The Managerial Grid: The Key to Leadership Excellence*, 1964), which inspired Peter Guy Northouse (*Leadership: Theory and Practice*). For Northouse, specific individuals explain leadership qualities. Leadership originates from behaviors of interacting people (see the figure below). Even if leadership and management have a lot of common points, differences are also significant according to the circumstances and management style.



### Managerial (Leadership) Grid by Blake and Mouton

The leader whose behavior is described by the score 9,1 is the authoritative type. It is the leadership focused upon the task that should be accomplished.

On the contrary, the leader whose behavior is described by the score 1,9 is the social type (or country club). Leadership is focused on relationship quality where performance depends on the state of relations.

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The leader whose behavior is described by the score 5,5 is of the intermediate type. It is a type of leadership focused on compromise.

The leader whose behavior is described by the score 1,1 is the **weak type**. This type of leadership reflects a lack of interest for the task that should be accomplished and relations are also poorly developed.

The leader whose behavior is described by the score **9,9** is the **efficient type**. Leadership is focused on teamwork based upon mutual confidence and respect. This type of leadership is ideal, but rather difficult to implement because there are situations where the company and the employees have different goals, which prevent the convergence of maximum effort and maximal performance.

A Hay Consulting study published in 2000. which involved the random sampling of 3,871 employees, has lead to the identification of six types of leadership behavior that seem to have a direct impact upon the results of a group, organization, and company (see below).

Leadership Behavior Models according to the study by Hay Consulting

Styles	Characteristics	Typical phrases	Impact upon the work
Galvanizing	Visionary leader	"Ich bin ein Berliner"	Very positive
Social	Empathy and harmony	"We are a winning team"	Positive
Democratic	Consensus and participation	"What do you think about it?	Positive
Lively	Development	"I know you can do that"	Positive
Winning	Criteria of high performance	"Do what I do, without waiting"	Negative
Authoritative	Immediate demand	"Do what I tell you"	Negative

Galvanizing behavior is particularly useful when a group needs clear instructions.

Social behavior reinforces the emotional links between people. However, a leader of this type may be likely to avoid confrontations.

Democratic behavior implies asking your colleagues' opinion. It takes a lot of time and can provoke a sort of immobility.

Lively behavior is rarer, except within the new, digital economy. It lets colleagues identify their strong points and weaknesses in regards to their personal aspirations and goals of the company.

The behavior of a winner requires excellence from the leader and can often provoke conflicts, but can be efficient at launching or emerging companies.

Authoritative behavior is characterized by a lack of communication and focuses upon the mistakes, but it is well adapted for critical and urgent situations when taking control is necessary.

Recent developments in leadership effectiveness by Daniel Goleman, Richard Boyatsis and Annie McKee, among others, have linked the six types of behavior described above with emotional intelligence. Consequently, four aspects have been extrapolated:

- 1. self-consciousness
- 2. self-control
- 3. interpersonal intelligence
- 4. relations control

It is worth mentioning that the Hay study has shown that the leaders adapt to circumstances by adopting different attitudes.

### The Circumstances That Make a Leader

The theory that different situations have an impact upon leadership results from a number of models (see Hersey and Blanchard, 1977; House's model, 1971; and Vroom and Yetton's model, 1973). Better known is Fiedler's contingency model, which underlines a simple principle that the correspondence between the leadership style and the situation type makes for an efficient leader. The leadership style is contingent on two variables: task orientation and people orientation.

Fiedler's model defines leadership by using an LPC (least-preferred coworker) scale, which measures leadership orientation. The leader evaluates everyone they have worked with and identifies the person with whom they found to be the most difficult. The leader is asked a series of bipolar scales ranging from 1 to 8 (agreeable/disagreeable), the answers are averaged. A high LPC score of mostly positive answers means the leader is person oriented; a low LPC score is an indication of task orientation.

To analyze the circumstances, Fiedler defined the three following elements:

1. the relationships between the leader and the working group (they are good when the group trusts its leader)

- 2. task structure (poorly structured tasks such as creativity are better for the leader)
- 3. power position (presence or absence of formal power such as hierarchy)

In addressing criticisms of Fiedler's work, it is important to mention that leadership style should be altered according to the circumstances. However the nature of the task performed by employees or the group, who need the style adaptation, is equally as important. A leader's presence should be felt during the structured task and less intense for less structured tasks; sometimes even staying in the background especially if it's a creative task performed by competent employees/group.

Results of a 2001 Gallup study, which surveyed two million employees at 700 American companies, revealed that employees spend more time at work increasing their productivity based on the quality of the relationship with their leader.

The importance of the relational aspect between the leader and employees/group led to the creation of "transactional approaches" (based upon the financial or non-financial exchange, promises that have been kept or not), as well as "transformational approaches" (based upon the leader's capacity of changing the employees/group).

The work of social and political scientist J.M. Burns lead to the creation of a new tool for the empirical leadership study—the Multifactor Leadership Questionnaire (MLQ), which proved to be decisive in balancing transactional and transformational elements.

According to more recent studies the facets of transformational leadership most relevant as part of informal power and that form the leadership model leading to the best results are as follows:

- charisma (identification of the leader)
- inspiration (loyalty toward the leader)
- ▶ listening (the leader takes the opinion of others into consideration) <
- intellectual stimulation (risk taking and creativity, or the everyday challenge encouraged by the "intelligent" leader)

Even considering that the emergence of leaders also depends on the image of leadership identified by employees/group and on cultural factors, it is important to have a list of personal skills resulting from different theoretic models to be able to better identify the suggested leadership trainings for instance, when it comes to serious games such as L2L. In fact, serious games are most often not elaborated by training producers because of the origin and nature of gaming (cf. video games); however, this situation is currently rapidly changing.

Taking into consideration that our goal is to create a serious game, it is important to consider the personal skills that we'd like to develop and, hence, identify existing serious games that can develop leadership and create scenarios adapted for our serious game, L2L.

In this respect, the list drawn up by McKinsey & Company successfully sums up the main criteria typical for the leaders:

- 1. trustworthiness, which introduces the notion of ethics an often absent concept in existing leadership training
- 2. fairness in the sense of equity and impartiality toward colleagues/the group
- 3. unassuming behavior, a self-confidence demonstrated with easiness
- 4. leader listen, which is undoubtedly the most unanimous criterion but not the most used because it should be adapted to different cultures
- 5. open-mindedness to take into consideration suggestions and sometimes revise the leader's own ideas
- 6. sensitivity to people that creates understanding others well and sometimes even predicts their reactions
- 7. sensitivity to the situation in the sense of understanding the context in which the evolution takes place
- 8. initiative
- 9. good judgment to distinguish the priorities and properly identify the difference between reason and intuition
- 10. flexibility and adaptability in the sense of a quick reaction to a new situation or correcting mistakes
- 11. the capacity to make sound and timely decisions
- 12. the capacity to motivate including a sense of communication and persuasion
- 13. a sense of urgency corresponding to the priorities defined by the leader and giving them the importance for colleagues/the group

### Conclusions

Studying leadership is complex and some models can complicate the process unnecessarily. The difference between leadership and management is useful when it allows for distinguishing between an organization based mostly upon the hierarchy (vertical type) and an organization using the necessary hierarchy as well as the hierarchic horizontal mode, which is adaptable to economic globalization and, hence, the tasks that should be accomplished. In short, whether the power is formal (management) or informal (leadership), the main point is to exert the authority—whether hierarchic or not—without authoritarianism, to make it accepted by the larger number of people.

Considering the main theories that we have analyzed, it is possible to perform strictly pragmatic tasks using these models according to the context. Thus, leader behavior study seems particularly useful for launching efficient online training programs, though there is much more to do in the domain of leadership in all incarnations.

### **About the Author**

For 13 years Maxime Ferretti held different positions—from a commercial and marketing director in SME to a commercial and marketing director in such groups as Infogrames—working on creating and distributing innovative products and services. Ten years ago he established his own management consultancy MF & Partners Consulting specializing in international management particularly in the sphere of technologies, such as NTIC. Since then Ferretti has taken part in European projects (innovation and innovation transfer projects) for developing e-learning tools such as long distance e-learning platforms and Serious Games. His involvement is fueled by a desire to develop new ways of training and education.

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### About L2L

Learn to Lead is supported by the European Commission Education, Audiovisual and Culture Executive Agency and controlled by the National Research Council, Institute of Cognitive Sciences and Technologies (CNR-ISTC), based in Rome, Italy, and brings together two other Italian partners: the Natural and Artificial Cognition Laboratory at the University of Naples, Federico II and EntropyKn management consultancy in Rome. These three organizations closely work with the Department of Clinical Psychology, Laboratory of Psychology and Technology of the University Jaume I near Valencia, Spain, the Lincoln Social Computing Research Centre at the University of Lincoln in Great Britain, and MF & Partners Consulting in Lyon, France.

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