

Leadership, Change, and Organizational Effectiveness

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What is leadership?

Most organizational theorists agree that effective leadership is one of the most important contributors to overall organizational success. What leadership is and what leaders do to ensure team and organizational success is less well understood.

Leadership as social influence. A common definition of leadership is "a process of social influence by which an individual enlists the aid and support of others in the accomplishment of a task or mission" (Chemers, 1997). Some key points inherent in this definition is that the task or mission cannot be accomplished by a single person acting alone. Second, that leadership is a social and interpersonal process. Finally, that leadership acts in the service of some task or mission that is external to the group. All in all, this definition doesn't tell us much more than that leadership is about leading people.

Leadership and organizational intelligence. A useful metaphor for understanding organizational and leadership effectiveness flows from the construct of intelligence. Psychologists regard intelligence as the ability to function effectively in the world. Intelligent people are those who have a store of knowledge and skills gained from experience that allow them to manage efficiently the tasks of daily life. A crucial aspect of intelligence, however, concerns the fact that the world is a dynamic and changing environment and skills and knowledge gained from past experience may not be sufficient to meet a new challenge. Effective intelligence involves using existing learning systems and sensitivity to the environment to expand, elaborate, and enhance existing knowledge to analyze new situations and develop new solutions that help to routinize the environment again. Organizations must do the same things to

be effective. They must have sound internal systems and data based on past experience, but must also be sensitive to a changing environments and flexible enough to develop new systems and new knowledge to cope with change.

Leadership is the "executive" of organizational intelligence. Leaders must establish and encourage norms, roles, and rules for efficient application to known tasks, but must also be sensitive and responsive to change by employing sensitivity, problem solving, and decision making strategies that allow for adaptation.

A VERY Brief History of Leadership Theory

Leadership has been on people's minds for a long time. Aristotle and Confucius wrote about leadership. The major influences on a contemporary understanding of leadership are rooted in the last 150 years or so.

Great Man Theory and Charisma (19th century). Traditional views held that leaders were special people endowed with unique skills and abilities which helped them to rise above others. Alexander the Great, Napoleon, and George Washington are examples of such persons. Corollary to this idea is the leader who is seen as possessing greatness, not by virtue of his/her own characteristics, but by virtue of being chosen or anointed by a higher power. Because such individuals only come along once or twice a century, this theory provides a desultory basis for empirical research.

Leadership traits (1920s & 30s). With the advent of modern social science, leadership researchers began searching for traits (i.e., permanent personal characteristics) that might be associated with leadership status or effectiveness. Along list of personality and physical traits (i.e., intelligence, extraversion, physical stature) were studied, but none were found to be consistently related to leadership. Investigators eventually concluded that no one trait could be

universally associated with effective leadership, because the situation in which leaders functioned were too diverse and varied for a single solution.

Leadership behaviors and styles (1940s & 50s). The behavioral revolution in psychology led to an attempt to define effective leadership in behavioral terms. A large body of research (including experiments, surveys, and organizational case studies) revealed that leaders engaged in two broad classes of behavior. *Structuring* behaviors focus primarily on task accomplishment. *Consideration* behaviors are concerned with subordinate motivation and morale. These behavioral categories are pervasive across almost all leadership situations, but neither behavior alone is sufficient to ensure leadership success.

Contingency Theories of Leadership (1960s & 70s). The most important breakthrough in leadership research was the recognition that effective leadership involves matching leadership behaviors and strategies to particular situational contexts. Highly routinized and well understood tasks are most efficiently accomplished by structuring and directive leadership, while creative, ambiguous, or fast changing task environments benefit from leadership styles that emphasize follower input and decentralized authority.

Transformational Leadership (1980's & 90s). Recent research has found that individuals who are seen as outstanding leaders, across many contexts, are described as extremely knowledgeable and trustworthy, as well as sensitive to follower needs and encouraging of follower growth and development. This concept of leadership almost represents a return to the charismatic theories of the 19 century, but incorporates what we learned about leadership behavior during the 20th century. What is less clear are the factors that contribute to leaders developing a transformational style.

Individual and Collective Efficacy (2000s). A promising new direction in leadership theorizing is based on the discovery of the role of leader confidence and group collective

confidence in team performance. Long recognized in sport and military contexts, leadership self-confidence has been found to be associated with collective confidence among team members. This confidence or efficacy is associated with higher goals, greater perseverance, and higher performance.

Effective Leadership: Getting Down to the Basics

Over 100 years of empirical research on leadership has made clear some of the basic building blocks of effective leadership. Chemers Integrative Leadership Theory (1997) marks three critical elements of effective leadership.

Image Management: Establishing credibility. Leadership is a process of social influence. For leaders to exert influence, followers must accept and respond to the leader's persuasion. Followers make the decision about whether an individual should be accorded leadership status by comparing a leader's presented characteristics or image against deeply held assumptions about what constitutes a credible leader. The two characteristics that are most central to these expectations are *task-relevant competence* and *trustworthiness*.

In the early stages of a leader-follower relationship, judgments of these characteristics are based on image and impression, but as time goes by, they are based on experience and evaluation. Without credibility, there is no leadership.

Relationship Development: Building capacity. A central leadership function is building a motivated and capable team through coaching and guidance. Three elements of the leadership relationship are relevant. The leader must understand *follower needs and goals*. Effective coaching is different for each individual and must meet subordinates where they are. Understanding can only be achieved if the leader is able to overcome *ego-defensiveness*, i.e., avoid distorted judgments and perceptions that protect the leader's own self-esteem. Finally, effective leadership must exist in an atmosphere of *justice and fairness*. When leaders listen to

followers and explain the bases for their decisions, a foundation is laid for mutual trust and respect.

Resource Deployment: Mobilizing capacity for mission accomplishment. Once a leader has built a motivated and skilled team, capacity must be coordinated and applied to achieve success. Two processes are involved. First, high levels of leadership and collective efficacy help to maintain energy and attention through difficult stages of mission accomplishment. Second, the strategies chosen for deployment (e.g., status and authority structures, decision-making processes, etc.) must be matched to the nature of the organizational environment (i.e., pace of technological change; accuracy and availability of information; competition, etc.).

Projections: Factors Affecting Leadership (Three Examples)

Enhanced electronic forms of communication. The greater use of email, teleconferencing, and distributed workforces will affect the development of leadership relationships. It will be more difficult for leaders both to establish initial credibility and to judge and respond to follower needs and expectations.

Globalization and workforce diversity. Interpersonal communication depends in large degree on understanding the viewpoints and expectations of others. Cultural differences within globalized companies create impediments to understanding and judgment (exacerbated by the previous point made above).

Pace of change. The accelerated pace of change, both technological and political/economic with the attendant increase in information equivocality, places tremendous pressure on organizations and their leadership to deploy the appropriate organizational designs and strategies to achieve mission success.