

Learning Module C

Additional Leadership Models

Leadership is one of the most frequently investigated topics within the field of OB. As you may recall from Chapter 16, there have been five major approaches to studying leadership: trait approaches, behavioral approaches, contingency approaches, transformational approach, and emerging approaches (see Table 16–1 on page 468 of the text). We were unable to discuss all of the specific leadership models relating to each of these approaches in your text due to space limitations. Therefore, the purpose of this module is to explore four additional models of leadership. The first, Blake and Mouton’s managerial/leadership grid is a behavioral style theory. The second model by Paul Hersey and Kenneth Blanchard, referred to as situational leadership theory (SLT), is a situational model of leadership. The last two models, substitutes for leadership and Level 5 leadership, are classified as additional perspectives on leadership. Let us now consider each of these leadership models.

Blake and Mouton’s Managerial/Leadership Grid

Perhaps the most widely known behavioral styles model of leadership is the Managerial Grid. Behavioral scientists Robert Blake and Jane Srygley Mouton developed and trademarked the grid. They use it to demonstrate that there is one best style of leadership. Blake and Mouton’s Managerial Grid (renamed the **Leadership Grid** in 1991) is a matrix formed by the intersection of two dimensions of leader behavior (see Figure C–1). On the horizontal axis is “concern for production.” “Concern for people” is on the vertical axis.

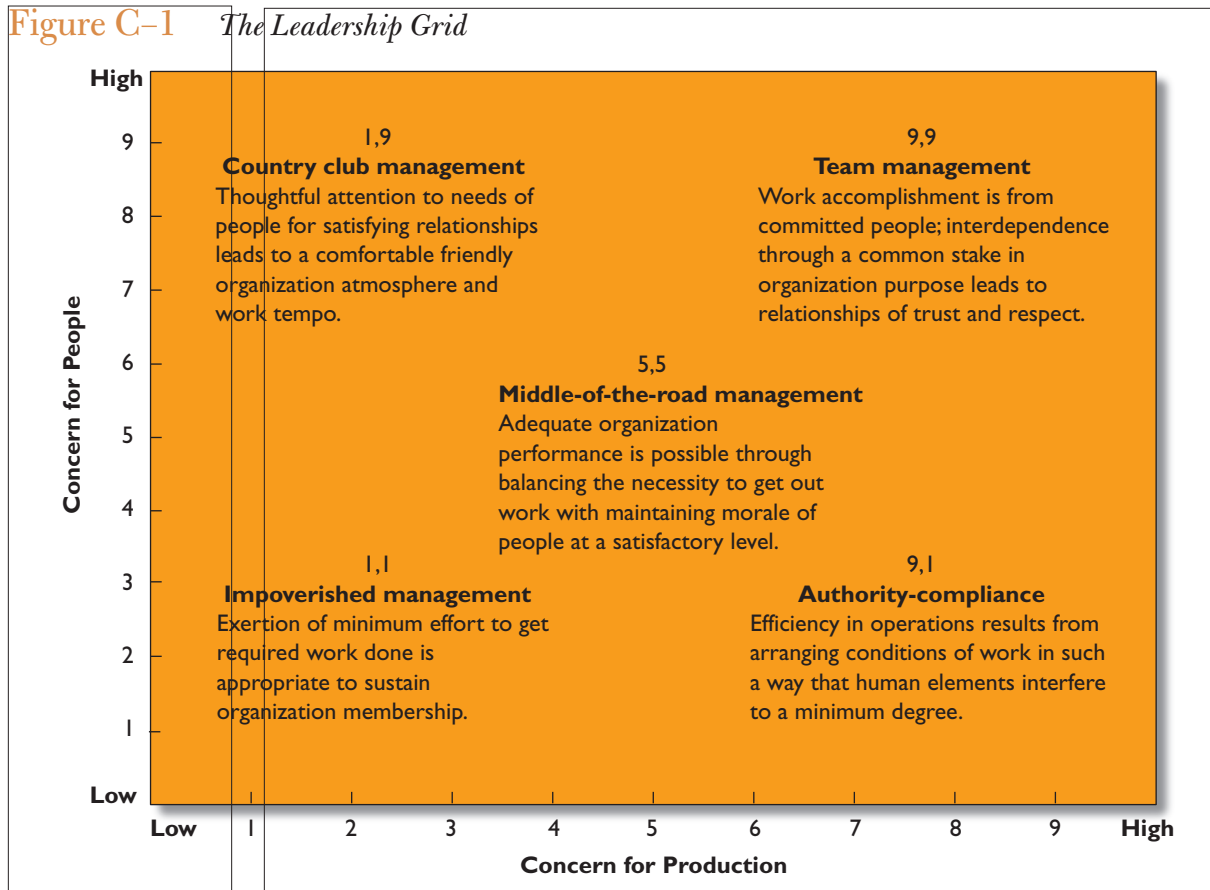
Blake and Mouton point out that “the variables of the Managerial Grid are *attitudinal and conceptual*, with *behavior* descriptions derived from and connected with the thinking that lies behind action.”¹ In other words, concern for production and concern for people involve attitudes and patterns of thinking, as well as specific behaviors. By scaling each axis of the grid from 1 to 9, Blake and Mouton were able to plot five leadership styles. Because it emphasizes teamwork and interdependence, the 9,9 style is considered by Blake and Mouton to be the best, regardless of the situation.

In support of the 9,9 style, Blake and Mouton cite the results of a study in which 100 experienced managers were asked to select the best way of handling 12 managerial situations. Between 72 and 90% of the managers selected the 9,9 style for each of the 12 situations.² Moreover, Blake and Mouton report, “The 9,9, orientation . . . leads to productivity, satisfaction, creativity, and health.”³ In contrast, studies done by other academics revealed that mixed or negative at best.⁴ Critics point out that Blake and Mouton’s research may be self-serving. At issue is the grid’s extensive use as a training and consulting tool for diagnosing and correcting organizational problems.

Leadership Grid

Represents five leadership styles found by crossing concern for production and concern for people.

Figure C-1 The Leadership Grid



SOURCE: From R Blake and A Adams McCause, *Leadership Dilemmas—Grid Solutions*, p 29. Copyright © 1991 by Robert R Blake and the estate of Jane S Mouton. Used by permission of Grid International.

Hersey and Blanchard's Situational Leadership Theory

Readiness
Follower's ability and willingness to complete a task.

Situational leadership theory (SLT) was developed by management writers Paul Hersey and Kenneth Blanchard.⁵ According to the theory, effective leader behavior depends on the readiness level of a leader's followers. **Readiness** is defined as the extent to which a follower possesses the ability and willingness to complete a task. Willingness is a combination of confidence, commitment, and motivation.

In the Situational Leadership® Model the appropriate leadership style is found by cross-referencing follower readiness, which varies from low to high, with one of four leadership styles. The four leadership styles represent combinations of task- and relationship-oriented leader behaviors.⁶ Leaders are encouraged to use a "telling style" for followers with low readiness. This style combines high task-oriented leader behaviors, such as providing instructions, with low relationship-oriented behaviors, such as friendly supervision. As follower readiness increases and/or performance improves, leaders are advised to gradually move from a telling, to a selling, to a participating, and, ultimately, to a delegating style.⁷

Although SLT is widely used as a training tool, it is not strongly supported by scientific research. For instance, leadership effectiveness was only partially explained by the interaction between follower readiness and leadership style in a study of 1,137 employees from three different organizations.⁸ Moreover, a study of 303 teachers indicated that SLT was accurate only for employees with low readiness. This finding is consistent with a survey of 57 chief nurse executives in California. These executives did not delegate in accordance with SLT.⁹ Finally, researchers have concluded that the self-assessment instrument used to measure leadership style and follower readiness is inaccurate and should be used with caution.¹⁰ In summary, managers should exercise discretion when using prescriptions from SLT.

Substitutes for Leadership

Virtually all leadership theories assume that some sort of formal leadership is necessary, whatever the circumstances. But that basic assumption is questioned by this model of leadership. Specifically, some OB scholars propose that there are a variety of situational variables that can substitute for, neutralize, or enhance the effects of leadership. These situational variables are referred to as **substitutes for leadership**.¹¹ Substitutes for leadership can thus increase or diminish a leader's ability to influence the work group. For example, leader behavior that initiates structure would tend to be resisted by independent-minded employees with high ability and vast experience. Consequently, such employees would be guided more by their own initiative than by managerial directives.

Substitutes for leadership

Situational variables that can substitute for, neutralize, or enhance the effects of leadership.

Kerr and Jermier's Substitutes for Leadership Model

According to Steven Kerr and John Jermier, the OB researchers who developed this model, the key to improving leadership effectiveness is to identify the situational characteristics that can either substitute for, neutralize, or improve the impact of a leader's behavior. Consider the case of using computer-aided decision making systems (recall our discussion in Chapter 12) for evaluating solutions to a problem. Such systems can serve as a substitute for leadership because they can collect large amounts of information and evaluations from people in an organized and participative manner. The technology itself, in this example, performs some of the tasks that might normally be exhibited by a leader in a group setting.

Table C-1 lists the various substitutes for leadership. Characteristics of the subordinate, the task, and the organization can act as substitutes for traditional hierarchical leadership. Further, different characteristics are predicted to negate different types of leader behavior. For example, tasks that provide feedback concerning accomplishment, such as taking a test, tend to negate task-oriented but not relationship-oriented leader behavior (see Table C-1). Although the list in Table C-1 is not all-inclusive, it shows that there are more substitutes for task-oriented leadership than for relationship-oriented leadership.¹²

Research and Managerial Implications

Two different approaches have been used to test this model. The first is based on the idea that substitutes for leadership are contingency variables that moderate the relationship between leader behavior and employee attitudes and behavior. Recent studies have revealed that contingency relationships did not support the model.¹³ This demonstrates that substitutes for leadership do not moderate the effect of a

Table C-1 *Substitutes for Leadership*

| CHARACTERISTIC | RELATIONSHIP-ORIENTED OR CONSIDERATE LEADER BEHAVIOR IS UNNECESSARY | TASK-ORIENTED OR INITIATING STRUCTURE LEADER BEHAVIOR IS UNNECESSARY |
|---|---|--|
| Of the Subordinate | | |
| 1. Ability, experience, training, knowledge | | X |
| 2. Need for independence | X | X |
| 3. “Professional” orientation | X | X |
| 4. Indifference toward organizational rewards | X | X |
| Of the Task | | |
| 5. Unambiguous and routine | | X |
| 6. Methodologically invariant | | X |
| 7. Provides its own feedback concerning accomplishment | | X |
| 8. Intrinsically satisfying | X | |
| Of the Organization | | |
| 9. Formalization (explicit plans, goals, and areas of responsibility) | | X |
| 10. Inflexibility (rigid, unbending rules and procedures) | | X |
| 11. Highly specified and active advisory and staff functions | | X |
| 12. Closely knit, cohesive work groups | X | X |
| 13. Organizational rewards not within the leader’s control | X | X |
| 14. Spatial distance between superior and subordinates | X | X |

SOURCE: Adapted from S Kerr and J M Jermier, “Substitutes for Leadership: Their Meaning and Measurement,” *Organizational Behavior and Human Performance*, December 1978, pp 375–403. Copyright © 1990 Sage Publications. Reprinted by permission of Sage Publications.

leader’s behavior as suggested by Kerr and Jermier. The second approach to test the substitutes model examined whether substitutes for leadership have a direct effect on employee attitudes and behaviors. A meta-analysis of 36 different samples revealed that the combination of substitute variables and leader behaviors significantly explained a variety of employee attitudes and behaviors. Interestingly, the substitutes for leadership were more important than leader behaviors in accounting for employee attitudes and behaviors.¹⁴

The key implication is that managers should be attentive to the substitutes listed in Table C-1 because they directly influence employee attitudes and performance. Managers can positively influence the substitutes through employee selection, job design, work group assignments, and the design of organizational processes and systems.¹⁵

Level 5 Leadership

This model of leadership was not derived from any particular theory or model of leadership. Rather, it was developed from a longitudinal research study attempting to answer the following question: Can a good company become a great company, and if so, how? The study was conducted by a research team headed by Jim Collins, a former university professor who started his own research-based consulting company. He summarized his work in the best seller *Good to Great*.¹⁶

To answer the research question, Collins identified a set of companies that shifted from good performance to great performance. Great performance was defined as “cumulative stock returns at or below the general stock market for 15 years, punctuated by a transition point, then cumulative returns at least three times the market over the next 15 years.”¹⁷ Beginning with a sample of 1,435 companies on the Fortune 500 from 1965 to 1995, he identified 11 good-to-great companies: Abbot, Circuit City, Fannie Mae, Gillette, Kimberly-Clark, Kroger, Nucor, Phillip Morris, Pitney Bowes, Walgreens, and Wells Fargo. His next step was to compare these 11 companies with a targeted set of direct-comparison companies. This comparison enabled him to uncover the drivers of good-to-great transformations. His results uncovered a hierarchy of leadership with five levels. The five levels are described as follows:

Level 1: Highly Capable Individual. The leader must possess the skills and abilities needed for success.

Level 2: Contributing Team Member. The leader must be able to effectively work with others in a group setting.

Level 3: Competent Manager. The leader possesses the managerial skills needed to help people accomplish organizational goals.

Level 4: Effective Leader. The leader creates and leads people toward a compelling organizational vision.

Level 5: Executive. The leader possesses humility and a will to succeed.

Collins proposes that the most effective leaders are those that display level 5 leadership. American president Abraham Lincoln is an example of such an individual. Although he was soft-spoken and shy, he possessed great will to accomplish his goal of uniting his country. Being humble and determined, however, was not enough for Lincoln to succeed at his quest. Rather, a level 5 leader must also possess the capabilities associated with the other levels in the hierarchy. Although an individual does not move up the hierarchy in a stair-step fashion, a level 5 leader must possess the capabilities contained in levels 1–4 before he or she can use the level 5 characteristics to transform an organization.

It is important to note the overlap between the capabilities represented in this model and the previous leadership theories discussed in Chapter 16. For example, levels 1 and 2 are consistent with research on trait theory. Trait research tells us that leaders are intelligent, self-confident, determined, honest, sociable, extroverted, and conscientious. Levels 3 and 4 also seem to contain behaviors associated with transactional and transformational leadership. Level 5 leadership thus appears to integrate components of trait theory and the full-range theory of leadership. The novel and unexpected component of this theory revolves around the conclusion that good-to-great leaders are not only transactional and transformational, but most important, they possess the traits of humility and

determination. Robert Iger, CEO of Walt Disney Co., is a good example of someone who is driven and humble.

Iger. . . is a guy who says things like, “The story shouldn’t be about me. It’s about the team.” Sounds like the false modesty of a media-trained CEO, no? But Iger really does prefer to hover in the background, letting the limelight stream over his lieutenants. He rules by consensus, not by fiat. Colleagues say they don’t know much about Iger’s personal life except that he’s a basketball nut. And while Iger isn’t without the vision thing, no one would call him a big strategic thinker. But by surrounding himself with smart people, including (Steve) Jobs and the Pixar crew, and letting them get on with it, Iger has recreated a can-do culture at Disney.¹⁸

There are three points to keep in mind about Level 5 leadership. First, Collins notes that there are additional drivers for taking a company from good-to-great other than being a level 5 leader. Level 5 leadership enables the implementation of these additional drivers. Second, to date there has not been any additional research testing Collins’s conclusions. Future research is clearly needed to confirm the level 5 hierarchy. Finally, Collins believes that some people will never become level 5 leaders because their narcissistic and boastful tendencies do not allow them to subdue their own ego and needs for the greater good of others.

LEARNING MODULE C Endnotes

¹ R R Blake and J S Mouton, “A Comparative Analysis of Situationalism and 9,9 Management by Principle,” *Organizational Dynamics*, Spring 1982, p 23.

² *Ibid.*, pp 28–29. Also see R R Blake and J S Mouton, “Management by Grid Principles or Situationalism: Which?” *Group & Organization Studies*, December 1981, pp 439–55.

³ *Ibid.*, p 21.

⁴ See B M Bass and R Bass, *The Bass Handbook of Leadership* (New York: Free Press, 2008), pp 497–538.

⁵ A thorough discussion of this theory is provided by P Hersey and K H Blanchard, *Management of Organizational Behavior: Utilizing Human Resources*, 5th ed (Englewood Cliffs, NJ: Prentice Hall, 1988).

⁶ See P Hersey, “Situational Leaders,” *Leadership Excellence*, February 2009, p 12.

⁷ See K Blanchard, “Situational Leadership,” *Leadership Excellence*, May 2008, p 19.

⁸ Results can be found in R P Vecchio and K J Boatwright, “Preferences for Idealized Styles of Supervision,” *Leadership Quarterly*, August 2002, pp 327–42.

⁹ The first study was conducted by R P Vecchio, “Situational Leadership Theory: An Examination of a Prescriptive Theory,” *Journal of Applied Psychology*, August 1987, pp 444–51. Results from the study of nurse executives can be found in C Adams, “Leadership Behavior of Chief Nurse Executives,” *Nursing Management*, August 1990, pp 36–39.

¹⁰ See Bass and Bass, *The Bass Handbook of Leadership*; and D C Lueder, “Don’t Be Misled by LEAD,” *Journal of Applied Behavioral Science*, May 1985, pp 143–54.

¹¹ For an expanded discussion of this model, see S Kerr and J Jermier, “Substitutes for Leadership: Their Meaning and Measurement,” *Organizational Behavior and Human Performance*, December 1978, pp 375–403.

¹² See J P Howell, D E Bowen, P W Dorfman, S Kerr, and P M Podsakoff, “Substitutes for Leadership: Effective Alternatives to Ineffective Leadership,” in *Leadership: Understanding the Dynamics of Power and Influence in Organizations*, 2nd ed., R P Vecchio ed. (Chicago: University of Chicago Press, 2007), pp 363–76.

¹³ See B J Avolio, F R Walumbwa, and T J Weber, “Leadership: Current Theories, Research, and Future Directions,” in *Annual Review of Psychology*, 2009, S T Fiske, D L Schacter, and C Zahn-Waxler eds., pp 421–49.

¹⁴ For details of this study, see P M Podsakoff, S B MacKenzie, and W H Bommer, "Meta-Analysis of the Relationship between Kerr and Jermier's Substitutes for Leadership and Employee Job Attitudes, Role Perceptions, and Performance," *Journal of Applied Psychology*, August 1996, pp 380-99. Also see R T Keller, "Transformational Leadership, Initiating Structure, and Substitutes for Leadership: A Longitudinal Study of Research and Development Project Team Performance," *Journal of Applied Psychology*, January 2006, pp 202-10.

¹⁵ See the related discussion in S D Dionne, F J Yammarino, J P Howell, and J Villa, "Substitutes for Leadership, Or Not," *Leadership Quarterly*, February 2005, pp 169-93.

¹⁶ See J Collins, *Good to Great: Why Some Companies Make the Leap and Others Don't* (New York: Harper Business 2001).

¹⁷ J Collins, "Level 5 Leadership: The Truth of Humility and Fierce Resolve," *Harvard Business Review*, January 2001, p 68.

¹⁸ R Grover, "How Bob Iger Unchained Disney," *BusinessWeek*, February 5, 2007, p 75.