NEAR EAST UNIVERSITY

Faculty of Economics & Administrative Sciences
Business Administration

MAN 400

Leadership Style in TRNC
Service Sector

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June, 2004

ABSTRACT

We typically identify the person who actually exercises the most influence over the group as its leader. Therefore, leadership is the process whereby one individual influences other group members toward the attainment of defined group or organizational goals. In order to influence other group members person use his behaviours.

There are many leadership theories that try to identify these behaviours. Managerial Grid is one of the leadership theories that is most popular and used extensively today.

The basic objective of this project is to describe various approaches of leadership as well as their implications for managerial practice and to make a study for determine managers' degrees that they like working with people and tasks in T.R.N.C. service sector. And then by looking these degrees managers' stands for concern for people and concern production are going to be identified and finally their leadership styles will determine according to managerial grid training.

Thirty specially designed questionnaires is going to fill by managers for determine their degrees that they like working with people and tasks. And finally managers' leadership styles are going to identified in T.R.N.C. service sector.

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I. INTRODUCTION

If you gathered a group of top executives of a firm and asked them to identify the single most important determinant of organizational success, most would likely reply "effective leadership." Indeed, it is widely believed in the world of business that *leadership* is the key ingredient in the recipe for corporate achievement. And this view is by no means restricted to business organizations. As you know, leadership also is important when it comes to politics, sports, and many other activities. (Yukl, 2002)

Is this view justified? Do leaders really play crucial roles in shaping the fortunes of organizations? A century of research on this topic suggests that they do. Effective leadership is indeed a key determinant of organizational success. Given its importance, you may not be surprised to learn that leadership has been one of the most widely studied concepts in the social sciences. (Bennis and Nanus, 1985)

We typically identify the person who actually exercises the most influence over the group as its leader. Therefore, leadership is the process whereby one individual influences other group members toward the attainment of defined group or organizational goals.

More widely leadership is primarily a process involving influence—one in which a leader changes the actions or attitudes of several group members or subordinates. The definition we just presented also suggests the leadership involves the exercise of influence for a purpose—to attain defined group or organization goals. In other words, leaders focus on changing those actions or attitudes of their subordinates that are related to specific goals. By emphasizing the central role of influence, implies that leadership is really something of two—way street. Although leaders do indeed influence subordinates in various ways, leaders also are influenced by their subordinates.

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In every day speech, the terms *leader* and *manager* tend to be used interchangeably. Although we understand the temptation to do so, the two terms are not identical and need to be clearly distinguished. In essence, the primary function of a *leader* is to establish the fundamental purpose or mission of the organization and the strategy for attaining it. By contrast, the job of a *manager* is to implement that vision.

The difference between establishing a mission and implementing it is often blurred in practice. This so because many leaders, such as top corporate executives, frequently are called on not only to create a vision and to formulate a strategy for implementing it, but also to play a role in increasing people's commitment toward that vision and plan.

A large body of research, much of it conducted in the 1950s at the University of Michigan and at the Ohio State University suggests that leaders differ greatly along these dimensions. Those at the high end of the first dimension, known as initiating structure (or production oriented leadership), are concerned mainly with production and focus primarily on getting the job done. They engage in actions such as organizing work, inducing subordinates to follow rules, setting goals, and making leader and subordinate roles explicit. In contrast, other leaders are lower on this dimension and show fewer tendencies to engage in these actions.

Leaders at the high end of the second dimension, known as consideration (or person oriented leadership), are primarily concerned with establishing good relations with their subordinates and being liked by them. They engage in actions such as doing favours for subordinates, explaining things to them, and taking steps to assure their welfare. Others, in contrast, are low on this dimension and don't really care much about how they get along with their subordinates.

How can one go about developing these two forms of leadership behaviour—demonstrating concern for production and concern of people? A technique known as grid training proposes a multistep process designed to cultivate these two important skills. Each participant's approach on each dimension is scored using a number ranging from 1 (low) to 9 (high). Leaders who score low on both concern for production and concern for people are scored 1, 1 evidence of *impoverished management*. A leader who is highly concerned about production but shows little interest in people, the *task management* style, scores 9,1. In contrast, ones shows the opposite pattern high concern with people but little concern with production are described as having a *country club* style of management; they are scored 1,9. Leaders scoring moderately on both dimensions, the 5,5 patterns, are said to follow a *middle-of-the-road* style. Finally, there are individuals who are highly concern with production and people, those scoring 9,9 and representing the *team management*.

Therefore, leadership is important for every organization with the goal of getting output successfully. These organizations can be divided into manufacturing and service sectors and many other associations, institutions and foundations. In T.R.N.C. all of these organizations are running. In order to these organizations to be successful, leadership is key factor for them too.

The basic objective of this project is to describe various approaches of leadership as well as their implications for managerial practice and to make a study for determine managers' degrees that they like working with people and tasks in T.R.N.C. service sector. And then by looking these degrees managers' stands for concern for people and concern production are going to be identified and finally their leadership styles will determine according to managerial grid training.

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To determine their degrees that they like working with people and tasks is going to determine by using a specially designed questionnaire which allow leaders to reflect how they stand with respect to their *concern for people* and *concern for production.*

II. APPROACHES TO LEADERSHIP

2.1 Leadership Defined

Leadership, or **leading,** involves influencing others to do what the leaders want them to do. It is only one of the many things that a manager does. Highly regarded companies often have history of excellent leadership. For example, for 75 years, IBM has had one extraordinary leader after another. More than any other factor, this leadership is credited with keeping IBM a force in the computer business. Currently, Louis Gerstner is the individual leading IBM into the future. Thanks to the current rage for outsiders, top executives, who are effective leaders, are more and more willing to jump from company to company. "This not unlike star players switching teams" says Jeffrey Heilpern of Delta Consulting Group Inc. "We're starting to have the equivalent of a free –agency system for leaders. People are realizing that their leadership capabilities are portable." (Elizabeth, 1993)

In business circles the term *leader* is often heard. It seems, therefore, that this term should be easy to define. Unfortunately, the term *leader,* like other business terms like *quality* and *team,* defies an easy definition. There are many leaders, but there is no universally accepted definition for the terms *leader* and *leadership.* Sometimes the terms *manager* and *leader* are used interchangeably. There are, however, some important differences between managers and leaders.

2.1.1 Management and Leadership

We can define *management* as the process of getting things done through the efforts of other people. Obviously, this definition overlaps with that of *leadership.* Managers get all sorts of things done through the efforts of other people, so they must lead. The main distinction between the two terms is one of focus. *Leadership* focuses on human interactions—influencing others (John, 1987)

Management is more concerned with procedure and results—the process of getting things done. Also, management suggests more formality. *Manager* often refers to a position in an organization. On the other hand, a leader may no formal title at all, and may rely on personal traits and style to influence followers.

2.1.2 The Trait Approach to Leadership

The leader has always occupied a central role in management theory. Most of the early research on leadership attempted to either compare the traits of people who became leaders with those who did not or identify characteristics and traits possessed by effective leaders. The trait approach to leadership is the evaluation and selection of leaders on the basis of their physical, mental, social, and psychological characteristics. Research studies comparing the traits of leaders and non-leaders have found that leaders tend to be somewhat taller, more outgoing, more self-confident, and more intelligent than non-leaders. Even within an organization, leaders often have far different traits, depending in part on the type of work they supervise. But a specific combination of traits that can differentiate leaders or potential leaders from followers has not been found. Clearly, it is difficult to identify a leader from an initial impression. Still, some leaders seem to be readily identifiable even at a young age. Eminent national consultant Frederick W.Gluck was described by a close long-time personal friend as "one little kid who was obviously running the whole show."(John, 1988)

Aggressiveness, ambition, decisiveness, dominance, initiative, intelligence, physical characteristics (looks, height, and weight), self-assurance, and other factors have been studied to determine if they were related to effective leadership. The major question is: Could traits differentiate effective from ineffective leaders? Perhaps the underlying assumption of some trait research has been that leaders are born, not made. Some people still believe there are certain

inborn or acquired traits that make a person a good leader. Clearly, physical traits have not been shown to distinguish effective from ineffective leaders. (Dorwin and Alvin, 1968)

The trait approach to the study of leadership is not dead, however. Edwin Ghiselli has tried to identify personality and motivational traits related to effective leadership. Ghiselli has identified 13 traits, the six most significant of which are as follows:

1. *Supervisory ability*—the performance of the basic functions of management, including planning, organizing, influencing, and controlling the work of others.
2. *Need for occupational achievement*—the seeking of responsibility and the desire for success.
3. *Intelligence*—creative and verbal ability, including judgement, reasoning, and thinking capacity.
4. *Decisiveness*—the ability to make decisions and solve problems capably and competently.
5. *Self-assurance*—the extent to which the individual views himself or herself as capable of coping with problems.
6. *Initiative*—the ability to act independently and to develop courses of action not readily apparent to other people; to self-start and find new, innovative ways of doing things. (Edwin, 1971)

Most of the "traits" Ghiselli has defined are subsets of a broader trait we might call "leadership ability" and are, of course, related to it. For example, supervisory ability, intelligence, and decisiveness surely make one a better leader.

In this same vein, through with the use of the word *trait, Warren Bennis* offers the following "protocol" for effective leadership:

1. Leaders must develop the vision and strength to call the shots.

2. Leaders must be conceptualists (not just tinkering with the nuts and bolts).

3. Leaders must have a sense of continuity and significance an order to see the present in the past and the future in the present.

4. Leaders must get their heads above the grass and risk the possibility of getting hit by a rock.

5. Leaders must get at the truth and learn how to filter the unwieldy flow of information into coherent patterns.

6. Leaders must be social architects who study and shape what is called "the culture of work."

7. To lead others, leaders must first know themselves. (W.Bennis, 1976)

Individuals can cultivate these qualities as the basis for building leadership effectiveness. And, of course people differ from birth in their capacity for learning, including learning related to leading. Still, there are few shortcomings that cannot be overcome through effort—and there are little strengths that cannot be frittered away or misdirected.

A recent revival of trait theory emphasizes the importance of charisma. Robert House has proposed a "theory of charismatic leadership" that suggests great leaders employ four personal characteristics—dominance, self-confidence, a need for influence, and conviction of moral righteousness—to increase their effectiveness. The terms House has used imply that leaders with these traits are more charismatic than others. (R.J.House, 1977)

Leadership is never more vital than during periods of sweeping organizational change. A person who has the special ability to lead an organization through major strategic change is a **transformational leader.** Such a leader can modify the mission, structure, and human resource management system and continue to guide the organization toward its objectives. Often marked by charisma, this type of leader must inspire followers. Followers are told how essential their performance is, how confident the leader is in them, how exceptional they are, and how the leader expects their group's performance to break records. (B.M. Bass, 1985)

2.1.3 Leadership and Ethical Purity

True leadership must be *pure* leadership. This is not to say that leaders must be sinless and perfect to be true leaders. Even some of the most God fearing leaders of Scripture were flawed in many ways. Yet leaders must be sincerely and totally ethical, striving for perfection even amidst their shortcomings. True leadership is committed to ethical motives, actions and results.

Leadership is all about ethics. True leadership can only be held by those who are of a moral and ethical excellence. Those who are best equipped morally and ethically, are those who have the most perfect standard of ethics and morally. That standard must, therefore, be the Law-Word of God.

Many people in so-called leadership positions aren't leaders. They're managers, bureaucrats, technocrats, bosses, administrators, department heads, and the like; but they aren't leaders. On the other hand, some people in individual contributor roles are powerful leaders. Leadership is an action, not a position. That action comes from creating energy through excitement (the pull or gain of what could be), urgency (the push to avoid the pain of poor performance), or some combination of both.

This creates focus and harnesses the deep urge we all have to be part of something meaningful to make a difference.

"High-performing teams and organizations balance the discipline of systems, processes, and technology management on a base of effective people leadership."

"A leader may or may not be appointed to head a group or organization — to be put in charge. Whether formally in the role or not, a leader makes things happen. A leader takes action. A leader doesn't say something must be done about this; a leader does something about it. Leadership is a verb, not a noun. Leadership is action, not a position.

2.2 Behavioural Leadership Theories

2.2.1 Ohio State Leadership Studies

Ohio State University has long been a leading-edge authority on management and leadership; The Ohio State studies were begun in 1945 to identify the dimensions of leadership behaviour. The staff of Ohio State created a Leadership Behaviour Description Questionnaire (LBDQ) which was designed to discover how leaders carry out their activities. Questions focused on two elements of leadership.

The first element was tagged *Initiating Structure* and deals with *Task Behaviour,* focusing on product issues.

Example: measuring production output.

The second element, *Consideration for Workers,* focused on the human side of the business and was also called *Relationship Behaviour.*

Example: orientation of new employees

An important finding of the Ohio State studies was that these two dimensions are independent. This means that *consideration of workers* and *initiating structure* exists simultaneously and in different amounts. A matrix was created that showed the various combinations and quantities of the elements.

Figure 1: Ohio State Leadership Model

High Consideration	HIGH CONSIDERATION AND LOW STRUCTURE	HIGH STRUCTURE AND HIGH CONSIDERATION
Low Consideration	LOW STRUCTURE AND LOW CONSIDERATION	HIGH STRUCTURE AND LOW CONSIDERATION
	Low Initiating Structure	**High Initiating Structure**

2.2.2 Principle-Cantered Leadership

A new paradigm emerged in the '80s and '90s in management leadership. This paradigm called *principled leadership* or *principle cantered leadership,* says that managers should not rely on the latest management theory to determine how they manage. The manager and leader should concentrate on basic principles or values to determine how they will lead the organization. Principle cantered leadership says that there are underlying values that a leader as an individual should follow, and these values, if shared with leaders as well as followers, can be foundation upon which success can be anchored.

Leaders need to be steadfast in their principles and values. The principles and values themselves can be consulted when making decisions. The job of the leader is seen as managing the principles and values. The principles and values can, in turn, be managing force for the individual contributors.

2.2.3 Results-Based Leadership

Results-based leadership says that the best leaders are those that get the best results, and concentrate on measurement. After all, says this theory, leadership is a scarce resource and should be maximized in ways that help employees, customers, and the business. In fact, is asserted that leadership is the scarcest of all resources.

2.2.4 Cartwright and Zander

This leadership study, which took in the late 1950s and early 1960s, dealt with groups of workers. Dorwin Cartwright and Alvin Zander studied the objectives of groups, finding that group objectives fall into one of two categories. The first objective was the achievement of the group's goals. This aligns with the task orientation. The second objective was the maintenance or strengthening of the group. This aligns with the human or worker orientation seen in past studies.

Cartwright and Zander found that both types of group objectives were effective. They also found that leadership styles vary considerably from manager to manager.

The first objective, the achievement of goals, is **authoritarian**. This means that someone of authority, usually a manager, makes the decisions. The second objective, group maintenance, is **democratic.** Employees are included in the democratic decision making process.

2.2.5 Tannenbaum-Schmidt

How can a manager tell what management style to use? In 1957, Robert Tannenbaum and Warren Schmidt wrote one of the most revolutionary articles ever to appear in *The Harvard Business Review.* This article, titled *"How to Choose a Leadership Pattern,"* was significant in that it showed that the leadership style is the choice of the manager.

Seven "leadership patterns" were identified by Tannenbaum and Schmidt. The leadership patterns are indicated by numbers at the bottom of the diagram. These are similar to leadership styles, but the definition of each relates to decision making processes.

The democratic (relationship oriented) leadership patterns are characterized by the use of authority by the subordinate. **The authoritarian** (task oriented) leadership patterns are characterized by use of authority by the leader. Note that as the use of authority by the subordinates increases (democratic style) the use of authority by the leader is decreased proportionately.

Leadership Pattern 1: "The leader permits subordinates to function within limits defined by the superior."

Example: The leader allows the team members to decide when and how often to meet.

Leadership Pattern 2: "The leader defines limits, and asks the group to make the decisions."

Example: The leader says that the team members must meet at least once a week, but the team can decide which day is best.

Leadership Pattern 3: "The leader presents problems, gets the group's suggests, and then the leader makes the decision."

Example: The leader asks the team to suggest good days to meet, and then the leader decides what day the team will meet.

Leadership Pattern 4: "The leader presents tentative decision to the group. The decision is subject to change by the group."

Example: The leader asks the group if Wednesdays would be a good day to meet. The team suggest other days that might be better.

Leadership Pattern 5: "The leader presents ideas and invites questions."

Example: The leader tells the team that he or she is considering making Wednesday the day for team meetings. The leader then asks the group if they have any questions.

Leadership Pattern 6: "The leader makes the decision then convinces the group that the decision is right."

Examples: The leader tells the team members that they will be meeting on Wednesdays. The leader then convinces the team members that Wednesdays are the best days to meet.

Leadership Pattern 7: "The leader makes the decision and announces it to the group."

Example: The leader decides that the team will meet on Wednesdays whether they like it or not, and tells that news to the team.

2.2.6 University of Michigan Leadership Studies

During studies at the Survey Research Center at the University of Michigan, researchers studied which dynamics effected *leadership effectiveness*. These studies strived to find ways to measure what made leaders effective. The two elements that were identified and measured were called *employee orientation* and *production orientation.*

The most noteworthy findings of the study were that there are many kinds of effective leaders: Some effective leaders were more *production oriented*, emphasizing production and technical elements of the job. Some effective leaders were more *employee oriented*, stressing relationships and the importance of people.

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To this moment, then, leadership studies had demonstrated different ways of looking at of the *same basic concepts*. There was a continuation of studies as theories built one upon the other and *evolved*.

2.2.7 Rensis Likert

Rensis Likert expanded on the Michigan leadership studies with extensive research into what differentiates effective managers from ineffective managers. In *New Patterns of Management* (1961) he wrote that "supervisors with the best records of performance focus their primary attention on the *human* aspects of their subordinates" problems and on endeavouring to build effective *work groups* with high performance *goals*. Likert defined two styles of managers.

Job centered managers were found to be the least productive. Employee centered managers, were found to be the most effective. Likert also found that effective managers set specific goals, but gave employees freedom in the way they achieved those goals. This has been called *general* supervision, as opposed to *close* supervision. In modern business jargon is called *empowerment*. (www.odportal.com)

2.2.8 The Managerial Grid

Robert R. Blake and Jane S. Mouton published the book **The Managerial Grid** in 1964. This text has been one of the most popular management and leadership tools, and is used extensively today. When asked "what is your management style?" many managers use the concept of *The Managerial Grid* to answer. The Grid provides a visual framework for understanding various approaches to leadership, with axes of *Concern for Production* and *Concern for People*, measured on a scale from 1 (low) to 9 (high). (www.nwleadership.com)

The theory behind the managerial grid has been used for 35 years is training managers about working with people. But the Grid also has significant implications for management projects.

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A review of the Grid and its underlying assumptions can help project managers look at managing projects and resources more effectively.

The Managerial Grid uses concepts and paradigms of many of the previous studies outlined in this module. As we have seen in this module, the findings of the Ohio State, Michigan State, Likert and others found *two functions* which distinguish management styles.

In general, the Managerial Grid measures a manager's biases toward the two major elements of success in organizations: *the concern for people and the concern for production.* Plotting these concerns on a grid and then identifying five different management styles based on the relationship between these two elements is the basis for the Managerial Grid theory. In other words Robert Blake and Jane Mouton believe that management exists to encourage efficiency and performance, creativity, experimentation and innovation, and learning from colleagues. This needs teaching and learning. It combines an approach for people and an approach for production. A representation of the Grid is as follows:

			Concern for Production		

High 9 — **1,9 Management** — Attention to needs of people for satisfying relationships leads to comfortable friendly org.

8,7 (Concern for People axis)

9,9 Management — Work accomplishment is from committed people; Interdependence through a common stake in org leads to trust & respect.

5,5 Management — Adequate organization performance is possible through balancing the necessity to get out work with maintaining morale of people at satisfactory level.

1,1 Management — Exertion of minimum effort to get work done is appropriate to sustain org membership.

9,1 Management — Efficiency of operations results from arranging conditions of work in such a way that human elements interfere to a minimum degree

Low — 1 2 3 4 5 6 7 8 9 — High

Concern for People (vertical axis), Concern for Production (horizontal axis)

Managerial Grid from R. Blake and J. Mouton, "Managerial Facades", Advanced Management Journal, July 1966, 31.

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2.2.8.1 Concern for people

Demonstrating concern for people means recognizing that the team is not merely a tool for the production of work, but is also a group of human beings with a wide range of needs and expectations, some of which it is the leader's responsibility to address. Leaders who are concerned for their team will find out what the team members need and expect of them, and what they need out of their work and career, and work with team members to ensure those needs are met, in so far as they reasonably can. That may mean simply demonstrating interest in the individual as a human being, or offering honest feedback for someone striving to develop their skills, or supporting someone in their career aspirations, or any one of a hundred other things.

2.2.8.2 Concern for production

Demonstrating concern for the task means focusing attention and energy on getting the team's work done effectively and efficiently, to the highest standards with the least variance and the lowest cost. Leaders who are concerned for the task are goal driven and focused on results. (www.ascott.demon.co.uk.)

2.2.8.3 Managerial grid positions

1,1 Impoverished Managers

1,9 Country Club Managers

9,1 Authority-Obedience Managers

5,5 Organization Manager

9,9 Team Managers

1,9 management has been called country club management in that it concerns itself with positive encouragement but the avoidance of conflict. Work (or the task) is something people do, but they do it in work time. Everyone (or the person) jollies and jokes along with one other and cannot criticise, in the hope that things get done as a result. Economic protectionism or cost-plus accountability leads to this relaxed, inefficient approach. Many religious organizations may be like this because a production concern is fellowship itself, but at times of decline more instrumental needs for recovery may come into play.

9,1 Task management is all about the rigour associated with high efficient output. There are orders to be given, received and obeyed, and schedules should not be missed. Mistakes lead to blame and correction, and if the employee is not up to the task under this regime then another job is the only medium term outcome. There is a high degree of supervision and control, and creativity is only placed high within the hierarchy. Lower down people do not need to be creative and indeed to say anything different is insubordination. Whilst high output is achievable in the short term, much will be lost through an inevitable high labour turnover. Only the money paid will matter, as the rest of the work involvement is likely to be apathetic with no input. The question is whether this management suits any business. It does in that there are repetitive work tasks requiring low innovation and low education/ training. There are also short term economic tasks which, once complete, end the producing unit. In these two cases, such management may be appropriate.

1,1 must be inept management because it neither shows much concern for production nor people. The fact is that there are such people around and many of them who have perhaps been overlooked by the organization in terms of career progression. People reciprocate. So these managers go in, do their jobs with a minimum of effort, wait for home time to come, and then leave. If responsibility is required, then it is avoided; if people need to be motivated, nothing much happens beyond the minimum of instructing. In terms of accountability, the workforce

had its instructions and that was that. A whole organization run like this, perhaps after considerable and repeated infighting, is simply going to drift. Sometimes drift is needed as a gap that takes place after infighting so that slowly (but not too slowly) the pieces can be picked up.

5,5 management is a kind of realistic medium without ambition. It is deemed as practical. It is also an outcome when production and people issues are seen as in conflict (as indeed are 9,1 and 1,9, but such an organisation values both people and production matters and settles for 5,5: it is always a 10 sum game). There is never too much jollying and humour - but some and never too much criticism - but some if really needed. Such an approach may follow times of lack of success in a previous period of ambition, or when a 1,9 or 9,1 approach did not work due to perceived deficiencies which created problems in the organization. This position is called pendulum dampening because so often a pendulum swings between 1,9 and 9,1. Managers change approach: perhaps new work comes in or there is a perceived need to increase performance and the firm must get busy; or perhaps there has been a dispute and the organization needs to repair relationships. Perhaps though in certain voluntary organizations 5,5 is a good position to hold, as volunteers need the social aspect to crowd out some of the work aspects. Life is both bread and circuses.

9,9 management then is when there is no zero sum game or crowding out, and when systems are in place, and management teams working, to get the best out of an organization in terms of commitment and human relations. Information must flow up and down the system, and everyone must feel valued. That value must be highly purposive, and directed into the objectives of the organization, and indeed where the valuing is gained. Managers must feel able to consult with each other without mini-empires developing in a spirit of co-operation to achieve the overall objectives. Of course conflict does arise, but it has systems that allow it to work through without avoidance, so that people can continue their work and work together. It

may be that conflict cannot be completely ended, but the organization faces it and seeks the best outcome. Blake and Mouton themselves looked at intergroup conflict with nine (they seem to like this number) approaches - win-lose power struggle, third party decision, stalemate until a so called fate arbitration (something happens unplanned), one gives up, parties isolate, a facade of indifference, stressing common interests, compromise through bargaining towards accommodation, and positive resolution of difference through genuine effort. The last is the most promising and would be part of 9,9 management.(www.change.freeuk.com)

2.2.8.4 Implications of the grid for project managers

1. No one style works best all the time. While many would agree that the 9,9 management styles are ideal, it would not work in a crisis. When a building needs to be evacuated, there is not always time to be sensitive to morale issues. Project managers should be sensitive to their situation and modify their style as needed based on the circumstances.

2. Working with people is half the battle. The Managerial Grid model validates that at least half of the manager's role is to manage people. At times in the project management process, we find ourselves spending more time managing easier resources. Focusing half our energy or more on managing the human resources can yield positive results.

3. Don't just manage the measurable. Money, time, equipment costs and the like are easy resources to measure; they come with built in measurement. Human resources are more challenging to measure, and are more complex to understand and to allocate. Avoid putting your faith in the resources that lend themselves well to metrics, and devote time and focus to the human resources that sometimes defy measurement.

By using and understanding the Managerial Grid, project managers can focus more on the human side of the management equation, and can identify ways to modify their managerial strategy based on resources and circumstances. (www.workstar.net.)

2.3 Situational Leadership Theories

Situational, or contingency, leadership theories start out with the assumption that appropriate behaviour depends on the circumstances at a given time. The more prominent of these theories are House's path-goal theory, Tannenbaum and Schmidt's leadership continuum, Fiedler's contingency leadership theory, Vroom and Yetton's normative theory, and Hersey and Blanchard's situational leadership theory.

2.3.1 House's Path-Goal Theory of Leadership

Robert House developed what he termed the path-goal theory of leadership, which is closely related to the expectancy theory of motivation. Path-goal theory is the proposition that managers can facilitate job performance by showing employees how their performance directly affects their receiving desired rewards. In other words, a manager's behaviour causes or contributes to employee satisfaction and acceptance of the manager if it increases goal attainment by employees. According to path-goal approach, effective job performance results if the manager clearly defines the job, provides training for the employee, assists the employee in performing the job effectively, and rewards the employee for the effective performance. (Robert, 1971)

Leadership style facilitates accomplishing a particular objective by clarifying the path to that objective in subordinates' minds. The following four distinct leadership behaviours are associated with the path-goal approach:

- *Directive*. The manager tells the subordinate what to do and when to do it (no employee participation in decision making).

- *Supportive*. The manager is friendly with employees and shows interest in them.

- *Participative*. The manager seeks suggestions and involves employees in decision making.

- *Achievement oriented.* The manager establishes challenging goals and demonstrates confidence that employees can achieve them.

Following the path-goal theory, a manager may use all four of the behaviours in different situations. For instance, a manager may use directive behaviour toward a new employee and supportive behaviour toward an experienced one who is aware of the goals to be attained.

2.3.2 Tannenbaum and Schmidt's Leadership Continuum

The leadership continuum, developed by Robert Tannenbaum and Warren H.Schmidt, is the graphical representation of a trade-off between a manager's use of authority and the freedom that subordinates experience as the leadership style varies from boss-centered to subordinate-centered. Tannenbaum and Schmidt described several factors they thought should influence a manager's choice of leadership style. They advocated a continuum of leadership behaviour, based on the notion that the choice of an effective leadership style depends on the demands of the situation.

The boss-centered and employee-centered dimensions are similar to initiating structure and consideration, discussed earlier. Here are the factors Tannenbaum and Schmidt believed should determine the appropriate leadership style:

- *Characteristics of the manager*--background, education, experience, values, knowledge, objective, and expectations.
- *Characteristics of the employee*--background, education, experience, values, knowledge, objective, and expectations.
- *Characteristics of the situation*--size, complexity, objectives, structure, and climate of the organization, as well as technology, time pressure, and nature of the work.

According to the Tannenbaum and Schmidt leadership continuum, a manager may engage in a more participative leadership style when subordinates

- Seek independence and freedom of action.

- Are well educated and experienced in performing the jobs.

- Seek responsibility for decision making.

- Expect a participative style of leadership.

- Understand and are committed to the goals of the organization.

If these conditions do not exist, the manger may need to adopt a more autocratic, or "boss-centered," leadership style. Thus, in essence, managers must be able to diagnose the situations confronting them and then choose a leadership style that will improve their chances of effectiveness. The most effective leaders are flexible enough to select a leadership style that fits their needs as well as the needs of their subordinates and the situation.

2.3.3 Fiedler's Contingency Leadership Theory

The contingency theory of leadership developed by Fred E. Fiedler has received considerable acceptance (Fred, 1967). Like all situational theorists, Fiedler believes there is no single most effective style that is appropriate to every situation. The Fiedler framework involves eight situations and two basic leadership orientations. Three major elements are said to determine whether a given situation is favourable to a leader:

- *Leader-member relations*—the degree to which the leader feels accepted by subordinates. The atmosphere may be friendly or unfriendly, relaxed or tense, and threatening or supportive.

- *Task structure*—clearly defined objectives, decisions, and solutions to problems.

- *Position power of the leader*—the degree of influence over rewards and punishments, determined mainly by the official authority the leader has.

2.3.4 Vroom and Yetton's Normative Theory

Victor Vroom and Philip Yetton finalized their normative theory of leadership and decisions making in 1973 (V.H. Vroom and P.W.Yetton). It attempts to show to what extent leaders should involve subordinates in decision making. Managers always have some freedom to make decisions that affect subordinates. According to Vroom-Yetton model, managers can choose one of five procedures for involving subordinates in decision making. The processes are on a continuum—from solving the problem alone, using available information, to delegating the problem-solving responsibility. A similar set of choices exists for group problems: The leader can make the decision alone, using available information: solve the problem with information or ideas from subordinates; or solve the problem together with subordinates.

Selecting the appropriate decision process involves assessing the characteristics of the particular problem. The main aim of using the correct one is to improve one or more of the following elements:

1. "The quality or rationality of the decision."

2. "The acceptance or commitment of the subordinates to execute the decision effectively."

3. "The amount of time required to make decision."

2.3.5 Hersey and Blanchard's Situational Leadership Theory

Paul Hersey and Kenneth Blanchard have developed a situational leadership theory that has attracted considerable attention. Hersey and Blanchard's theory is based on the notion that the

most effective leadership style varies according to the level of readiness of the followers and the demands of the situation. Their model uses two dimensions—task behaviour and relationship behaviour. These dimensions are similar to the classification used in the leadership models developed by the Ohio State researchers and in the Managerial Grid. Hersey and Blanchard argue that an effective leader is one who can both diagnose the demands of the situation and the level of readiness of the followers, and choose a leadership style that is appropriate. Their theory is based on the relationship of these factors:

1. The amount of task behaviour the leader exhibits (providing direction and emphasis on getting the job done).

2. The amount of relationship behaviour the leader provides (consideration of people and emotional support for them).

3. The level of task-relevant readiness followers exhibits toward the specific objective, task, or function that the leader wants accomplished.

The key concept of Hersey and Blanchard's leadership is the level of relevant readiness or the followers. *Readiness* is defined not as age or psychological stability but as the following:

- A desire for achievement—level of achievement motivation based on the need to set high but attainable objectives.

- The willingness and ability to accept responsibility.

- Education or experience and skills relevant to the particular task.

III. STUDY AND ANALYSIS OF LEADERSHIP IN T.R.N.C.

To determine managers' degrees that they like working with people and tasks was determined by visiting managers when they were at work for request them to fill out specially designed questionnaire which allow managers to reflect how they stand with respect to their concern for people and concern for production according to Managerial Grid from Robert R. Blake and Jane S. Mouton in T.R.N.C. service sector.

Questionnaire that was used has eighteen statements about leadership behaviours. Half of the statements are focusing on behaviours toward people and other rest of the statements are focusing on toward tasks. Managers assigned a number to each statement by using the frequency scale which starts at never and finish at always time interval. Then the addition of numbers multiplied by 0,2 to get final score for people and tasks separately. And then final score plot on a graph that has vertical axis for people and horizontal axis for task. The area has an intersection point is manager's leadership style (see appendix A).

By implying with service sector in this study; banks, tourism agencies, insurance companies, architecture companies and some merchandise companies' service department became area of focus.

Thirty questionnaires were filled out by managers and each questionnaire study result according to each manager's degree that they like working with people and tasks was determined and their stands to concern for people and concern for production was identified by looking these degrees.

Questionnaire study results shows that there is a balance between concern for people and production for all managers.

According to results four managers have equilibrium and concern at same degree for both people and production.

Other managers have small differentiations in the degree of concern for people and concern for production.

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If we look at each questionnaire result the degrees of managers appear as follows;

In questionnaire one concern for people is eight and concern for production is 7,4.

In questionnaire two concern for people is 7,6 and concern for production is 7,4.

In questionnaire three concern for people is 7,4 and concern for production is eight.

In questionnaire four concern for people is 7,4 and concern for production is 8,2.

In questionnaire five concern for people is six and concern for production is 7,6.

In questionnaire six concern for people is 7,2 and concern for production is 7,6.

In questionnaire seven concern for people is 6,6 and concern for production is 5,8

In questionnaire eight both concern for people and concern for production is seven.

In questionnaire nine concern for people is 6,2 and concern for production is 7,6.

In questionnaire ten both concern for people and concern for production is 6,6.

In questionnaire eleven concern for people is 7,4 and concern for production is 7,2.

In questionnaire twelve concern for people is 8,8 and concern for production is 8,6.

In questionnaire thirteen concern for people is 7,6 and concern for production is 8,2

In questionnaire fourteen concern for people is 3,4 and concern for production is 5,2

In questionnaire fifteen concern for people is six and concern for production is 5,8.

In questionnaire sixteen concern for people is 6,4 and concern for production is 6,2.

In questionnaire seventeen both concern for people and concern for production is eight.

In questionnaire eighteen concern for people is eight and concern for production is nine.

In questionnaire nineteen concern for people is 7,2 and concern for production is 7,4.

In questionnaire twenty concern for people is 7,6 and concern for production is 5,8.

In questionnaire twenty-one concern for people is 5,4 and concern for production is 6,6.

In questionnaire twenty-two concern for people is 8,4 and concern for production is 8,6.

In questionnaire twenty-three concern for people is 7,8 and concern for production is eight.

In questionnaire twenty-four concern for people is 8,4 and concern for production is 8,2.

In questionnaire twenty-five concern for people is 7,4 and concern for production is 7,8.

In questionnaire twenty-six concern for people is 8,4 and concern for production is 8,2.

In questionnaire twenty-seven concern for people is 6,4 and concern for production is 8,4.

In questionnaire twenty-eight concern for people is 5,6 and concern for production is eight.

In questionnaire twenty-nine both concern for people and concern for production is nine.

In questionnaire thirty concern for people is 8,2 and concern for production is 6,6.

Thirty questionnaire study results are also shown in the shape of table below.

Table 1: Table of Questionnaires

30 Questionnaires	concern for people	concern for production
Questionnaire 1	8	7,4
Questionnaire 2	7,6	7,4
Questionnaire 3	7,4	8
Questionnaire 4	7,4	8,2
Questionnaire 5	6	7,6
Questionnaire 6	7,2	7,6
Questionnaire 7	6,6	5,8
Questionnaire 8	7	7
Questionnaire 9	6,2	7,6
Questionnaire 10	6,6	6,6
Questionnaire 11	7,4	7,2
Questionnaire 12	8,8	8,6
Questionnaire 13	7,6	8,2
Questionnaire 14	3,4	5,2
Questionnaire 15	6	7,8
Questionnaire 16	6,4	6,2
Questionnaire 17	8	8
Questionnaire 18	8	9
Questionnaire 19	7,2	7,4
Questionnaire 20	7,6	5,8
Questionnaire 21	5,4	6,6
Questionnaire 22	8,4	8,6
Questionnaire 23	7,8	8
Questionnaire 24	8,4	8,2
Questionnaire 25	7,4	7,8

Questionnaire 26	8,4	8,2
Questionnaire 27	6,4	8,4
Questionnaire 28	5,6	8
Questionnaire 29	9	9
Questionnaire 30	8,2	6,6

When the degrees transferred to the managerial grid below; we can see the balance more clearly between concern for people and concern for production for all managers.
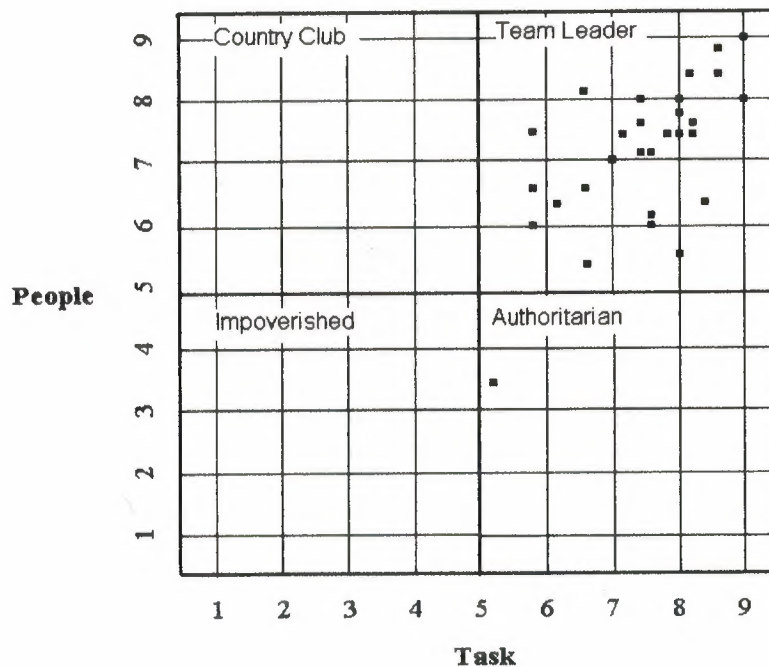
The managerial grid also shows us the leadership styles of managers in T.R.N.C. service sector. If we look at the grid although there are small differentiations on the mangers' degrees for concern for people and concern for production we can see that excluding one, all managers' leadership styles are team leader.

IV. LIMITATIONS

While I was preparing my project, I faced some limitations. First one was my short time to prepare this project. There was not enough time to make a more detailed research. If I had the time I would have apply questioners to employees as well. Because of time limitation I was only able to find out what managers think about their leadership styles but was not able identify what employees thought about their manager's leadership styles.

Second limitation was not serious and unwillingness of some managers while filling questionnaires. Because they were worry about their positions.

V. CONCLUSION

Leadership is important for every organization. It is one of major determinants of organizational success. Because, leadership is an action that increases members' participations and efforts toward achievement of organization's goals. And a person who generates this action called leader in the organization. Therefore, leader can be the manager or another member of organization and another thing that can be understood from here, leadership is not a position it is only total of actions of manager or any other member in the organization. These actions are behaviours toward subordinates for increase their efforts to achieve organization goals efficiently.

Leadership study that was made by using managerial grid in T.R.N.C. service sector shows that according results there are high degrees for interesting both people and tasks and there is a balance among the degrees of managers that they like working with people and tasks. In other words managers' interests for their subordinates and production are in the balance. Same study was conducted by one of the students of NEU two years ago and the result was the same as mine.

Managers who work for the big companies had complaints about the pressure from the top management. Even though they are team leaders because of the pressure they have to use from time to time style which is more autocratic style.

As a result of my study I can say that managers are team leaders in T.R.N.C. service sector, which is one of the ideal leadership style widely used by managers all over the world.

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VI. RECOMMENDATIONS

My recommendations will not be too much for managers. Because according to results all managers have ideal leadership styles. But importance is the maintenance of their styles, because their back-up styles are not known. Therefore managers should be able to modify their behaviours according to different situations by protecting their styles.

The independence of managers is also important and pressures from the top should be minimized.

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APPENDIX A

Appendix A (Leadership Questioner)

Instructions

Objective: To determine the degree that a person likes working with tasks and other people.

Instructions:

1. Have the learners complete the 18 items in the questioner section.
2. Next, have them transfer their answers to the two respective columns provided in the scoring section. Total the score in each column and multiply each total by 0.2. For example, in the first column (People), if the learner answered 5, 3, 4, 4, 3, 2, 5, 4, 3 then his or her final score is = 33 X 0.2 = 6.6.
3. The total score for the fist column (people) is plotted on vertical axis in the matrix section, while the total score for the second column (Task) is plotted on the horizontal axis. For a sample, see Example. Finally, have the learners intersect the lines to see in what leadership dimension they normally operate out of:

   - Authoritarian
   - Impoverished
   - Team Leader
   - Country Club

Questioner

Below is a list of statements about leadership behavior. Read each one carefully, then, using the following scale, decide the extent to which it actually applies to you. For best results, answer as truthfully as possible.

never			sometimes			always
0	1	2	3	4	5	

1. _____ I encourage my team to participate when it comes decision making time and I try to implement their ideas and suggestions.

2. _____ Nothing is more important than accomplishing a goal or task.

3. _____ I closely monitor the schedule to ensure a task or project will be completed in time.

4. _____ I enjoy coaching people on new tasks and procedures.

5. _____ The more challenging a task is, the more I enjoy it.

6. _____ I encourage my employees to be creative about their job.

7. _____ When seeing a complex task through to completion, I ensure that every detail is accounted for.

8. _____ I find it easy to carry out several complicated tasks at the same time.

9. _____ I enjoy reading articles, books, and journals about training, leadership, and psychology; and then putting what I have read into action.

10. _____ When correcting mistakes, I do not worry about jeopardizing relationships.

11. _____ I manage my time very efficiently.

12. _____ I enjoy explaining the intricacies and details of a complex task or project to my employees.

13. _____ Breaking large projects into small manageable tasks is second nature to me.

14. _____ Nothing is more important than building a great team.

15. _____ I enjoy analyzing problems.

16. _____ I honor other people's boundaries.

17. _____ Counseling my employees to improve their performance or behavior is second nature to me.

18. _____ I enjoy reading articles, books, and trade journals about my profession; and then implementing the new procedures I have learned.

Scoring Section

After completing the questioner, transfer your answers to the spaces below:

People	Task
Question	**Question**
1._____	2._____
4._____	3._____
6._____	5._____
9._____	7._____
10._____	8._____
12._____	11._____
14._____	13._____
16._____	15._____
17._____	18._____
TOTAL _____	**TOTAL** _____
X 0.2 = _____	X 0.2 _____
(multiple the Total by 0.2 to get your final score)	(multiple the Total by 0.2 to get your final score)

Matrix Section

Plot your final scores on the graph below by drawing a horizontal line from the approximate people score (vertical axis) to the right of the matrix, and drawing a vertical line from the approximate task score on the horizontal axis to the top of the matrix. Then, draw two lines from each dot until they intersect. The area of intersection is the leadership dimension that you operate out of.

Managerial Grid showing the People axis (1–9) against the Task axis (1–9), with four quadrants labeled: Country Club (low task, high people), Team Leader (high task, high people), Impoverished (low task, low people), and Authoritarian (high task, low people).

Example
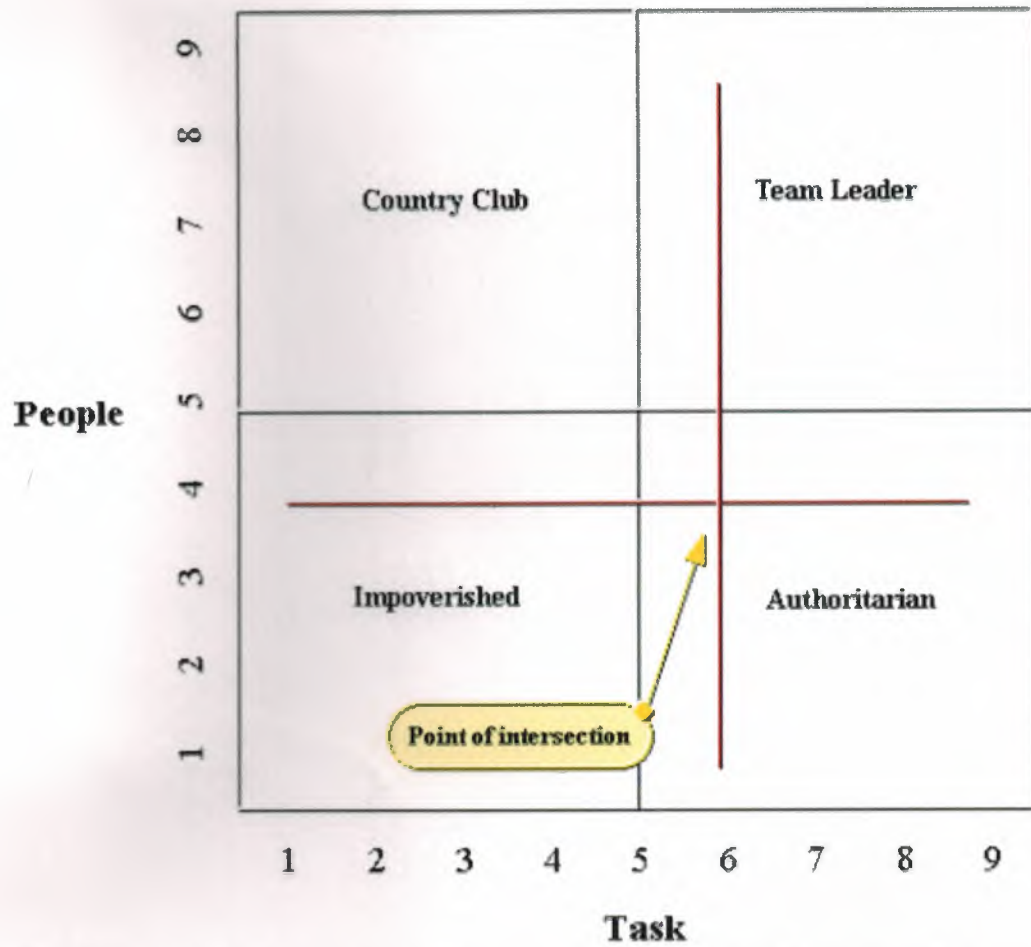
The above sample shows score of 4 in the **people** section and a score of 6 in the **task** section. The quad where the two lines intersect is the leadership style, in this case -- **Authoritarian** section.