

# TOPIC 6. MANAGEMENT AND LEADERSHIP

6.1. The power. Types of the power

6.2. Fundamentals of the leadership theory

6.3. Models of the situational leadership



## 6.1. The power. Types of the power



**The power** can be defined as a way of control the use of certain types of resources.

At present there are three historical types of power in society.

**Ochlocracy** is characterized by lack of a clear subordination of morality and civil law, where public behavior is determined by the spontaneous assembly, meeting, and gathering of people.



**Autocracy** means unlimited power of one person in the society. It originated as the power of a strong leader. Depending on the form and extent of coercion of the people:

- the tyranny (Caligula, Ivan the Terrible),
- dictatorship (Hitler, Steel),
- the monarchy (Peter I, Napoleon).

**Democracy** provides "people power" as the base of public self-government. Democratization allows to use of internal capacity of person to move from coercion methods to persuasion techniques. Democracy is based usually on the principles of public self-government, elected leaders, government turnover, majority rules

The use of power in the governance process in relation to an individual, group, organization in whole, means that:

- the power is the potential at the disposal of its user, so it exists permanently, but not only when applied;



- there is interdependence between the user and the power of those to whom it applies; the one to whom the power is applied, has a certain freedom of action.

# The forms of power

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graph TD; A[The forms of power] --> B[Power of coercion]; A --> C[Power of compensation]; A --> D[Expert power]; A --> E[Power of relations]; A --> F[Power of example]; A --> G[Power of information]; A --> H[Power of persuasion]; A --> I[Power of participation];
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Power of coercion

Power of compensation

Expert power

Power of relations

Power of example

Power of information

Power of persuasion

Power of participation



**Power of coercion** implies that the leader influences the behavior of a subordinate through punishment, reprimands, fines, demotion, etc. In the base of the perception of this form of power the lies a fear of being punished for failure to regulation.

**Power of compensation** means that, depending on the expected level of compensation for work effort in the form of appreciation, bonus, promotion, additional vacation time, etc., making the slave a certain degree of diligence in the performance of leadership orders.



**Expert power** involves a situation when the superior due to his higher level their higher level of training, education, experience and talent, ability and skills, as well as the availability of specialized knowledge, has the right to give orders, and the subordinate considers his duty to obey him. He fulfills orders affecting, as tradition teaches that obedience would lead to meeting the needs of the performer.

**Power of relations** is based on the ability of an official to influence subordinates through their perceived equivalence of the person with influential people in the organization or outside it. In this case the real level of equivalence may not exist, but the perceived power of subordinate gives the additional influence to officials in communicating with other people.



**Power of example** relates to the ability to influence subordinates through personal attractiveness, based on the personal qualities and leadership style.

**The power of information** is based on the possibility of access to relevant and important information and skills to use it

to influence their subordinates, as it allows the holder to make the best decisions.

**The power of persuasion** is the efficient transfer one is point of view. In order to gain influence through persuasion, the manager can use logics or emotions.

**The power of participation** is associated with an appeal to the individual needs of a high order. This form of power should be used where the needs are active motivating factors. As for passive, conservative by nature work, the use of this form will be inefficient.



To carry out management functions, a manager must first be a leader and a perfect command of such modern forms of influence, as the conviction and participation, through which he can encourage subordinates to active cooperation, relying on the development and use of various forms of power based on the use of active necessities of subordinates.





## 6.2. Fundamentals of leadership theory

- J. Cole defines leadership "as a dynamic process of group work, through which one person within a certain time or in the context of a particular organization has influence over other team members, who without any compulsion act for the benefit of achieving the goals and objectives of the group";
- Meskon M., M. Albert and Frederick Hedouri define "leadership as the ability to influence individuals and groups of people to encourage them to work to achieve the objectives";
- M. Woodcock, and J. Francis believes that "leadership, as well as a sense of honor, is difficult to define precisely. There are different approaches to leadership, depending on personal preferences, local customs, the nature of the tasks and people fulfilling them";
- O.S. Vikhansky asserts that "leadership is a type of managerial interaction (in this case between the leader and followers), based on the most effective for a given situation combination of different sources of power and aimed at encouraging people to achieve common goals".

To understand the nature of leadership let us consider the most colorful types of relating management:

1. Ineffective leadership is built on relationships such as "master-slave", when the power of leader practically is absolute and can spread on the issues of life and death of members of his group.

2. Authoritarian control is based on the traditional relationship, "the chief-subordinate, when the power of leadership is supported by all regulations of the administrative system. This type is effective for achievement the objectives of the leader, because the deviations from his task are not allowed, but has a low degree of worker participation in management.

3. Effective leadership is built on a new type of relationship "leader-follower" when the leader gets power from the followers who recognize its value and importance for them to work together in a group. This type allows to achieve their goals quickly and provides for the participation of followers in the management process

# An effective manager is not necessarily an effective leader and vice versa

## Distinctive features of leader and manager

Manager	leader
The man who directs the work of others and is personally responsible for its results	The person who can influence the group of people to encourage them to work to achieve goals
administrator	innovator
Brings order and consistency to the work performed, he builds his interactions with subordinates builds on factual information, regulations, traditions of organization	Inspires people with enthusiasm giving the employees a vision of the future
Works to achieve organization's goals	Works to achieve personal goals
The plan is the basis of action. Prone to develop plans in detail and in time, plan to attract and necessary resources to support organization efficiency	Vision is the basis of action. The development of vision for future and ways to achieve it without operational details and control of the followers
expert	enthusiast
Makes decisions using his professional skills, knowledge. Decisions are often made on the basis of past experience	Making continuous efforts to develop new solutions to the problems

## In theory, three concepts of leader have been recognized.

1. The leadership theory ("Theory of great men") says that the best leaders have a certain set of personal qualities that enable them to lead people. However, a universal set of leader qualities inherent to the majority of effective leaders, could not be defined.



2. The concept of leader behavior argues that the effectiveness of a leader is determined by his behaviour manner and style in relation to subordinates, the ability of the psychological impact on people to coordinate their actions to achieve goals. Behavior depends on the orientation of the leader's interest to the production, operation, management style and relationships with subordinates.

3. The concept of situational leadership is based on the need for a combination of leadership qualities and behaviors depending on the situation.





**Charismatic** (from the Greek. Charisma which means mercy, God's gift) is a form of leader to influence others through personal attractiveness, calling the support and recognition of leadership that provides the holder of charisma, p followers.

Charisma has a negative and positive side. Negative charisma is connected with the usurpation of personal power and positive - with a tendency to delegate the power to the followers.



In general, **charismatic leader is** self-confident with high sensitivity to external environment, a vision of



problem solution problem, the ability to bring this vision to a level understood by the followers and encourage them to act and also an extraordinary behavior in the realization of his vision.



# Ethics and charisma

Unethical charismatic leader	Ethical charismatic leader
Uses the power only for personal needs	Uses the power in the interests of other
Promotes only his personal vision	Builds his vision in line with the needs and aspirations of followers
Suppresses criticism	Considers critics
Communicates in only one direction: top-down	Encourages open and two-way communication
Insensitive to the needs and concerns of followers	Teaches, develops and supports followers, shares his glory with others
Relies on convenient external moral standards to satisfy his own interests	Relies on internal moral standards to satisfy the public interest

## 6.3. Models of the situational leadership

Situational approach to the study explores the interaction of different leadership situational variables in order to detect a causal relationship with regard to leadership, which allows to predict the possible behavior of the leader and the consequences of this behavior.

- the model of situational leadership by Fiedler;
- the model of leader behavior by Tannenbaum-Schmidt;
- the model of situational leadership by Hersey and Blanchard;
- the model of the “way-goal” by Mitchell and House;
- the situational decision-making model by Yetton-Vroom-Yago.

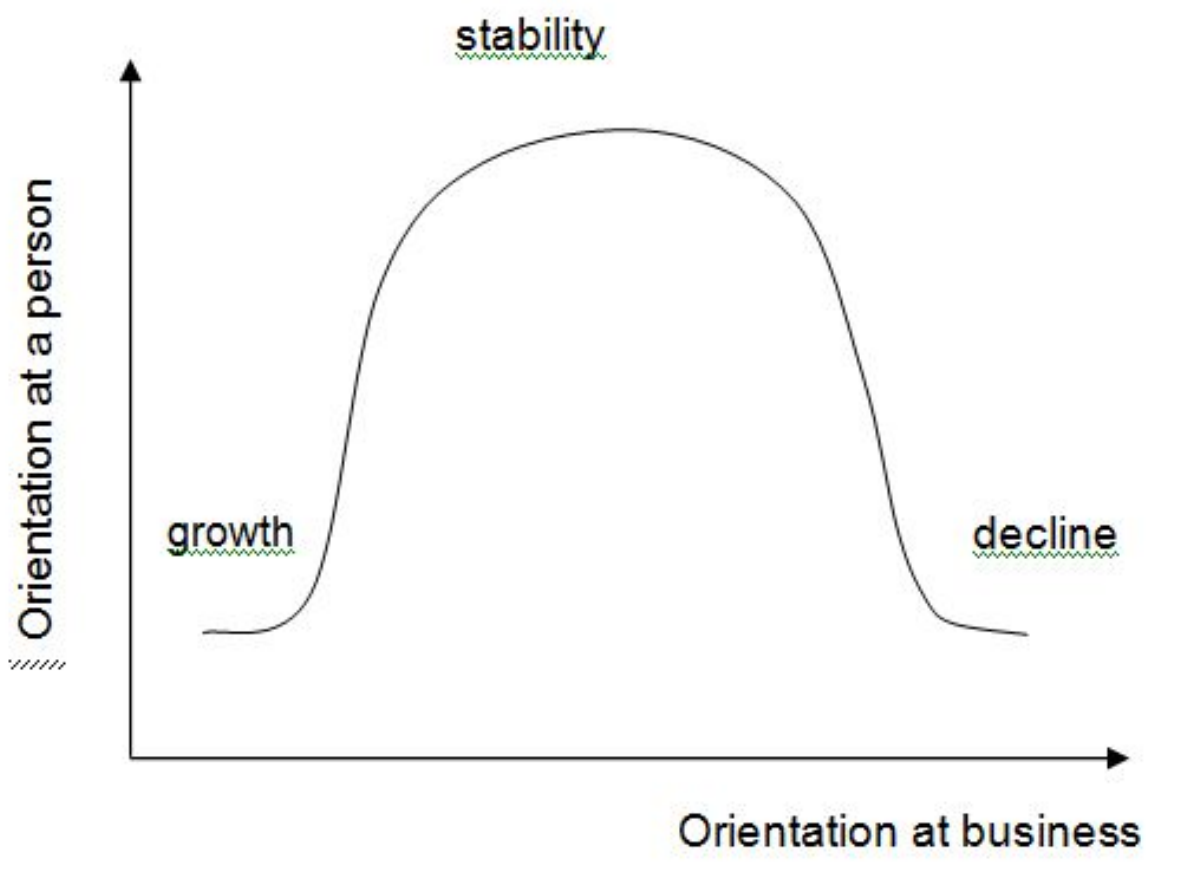


# The model of situational leadership by Fiedler

This model allows us to predict the efficiency the group, led by the leader.

The model uses three situational variables, making it possible to determine the degree of favorability of a particular leadership style:

- the relationship between manager and team members,
- the structure of the problem or the degree of work coordination;
- official powers (real power, the possibility of reward and punishment).

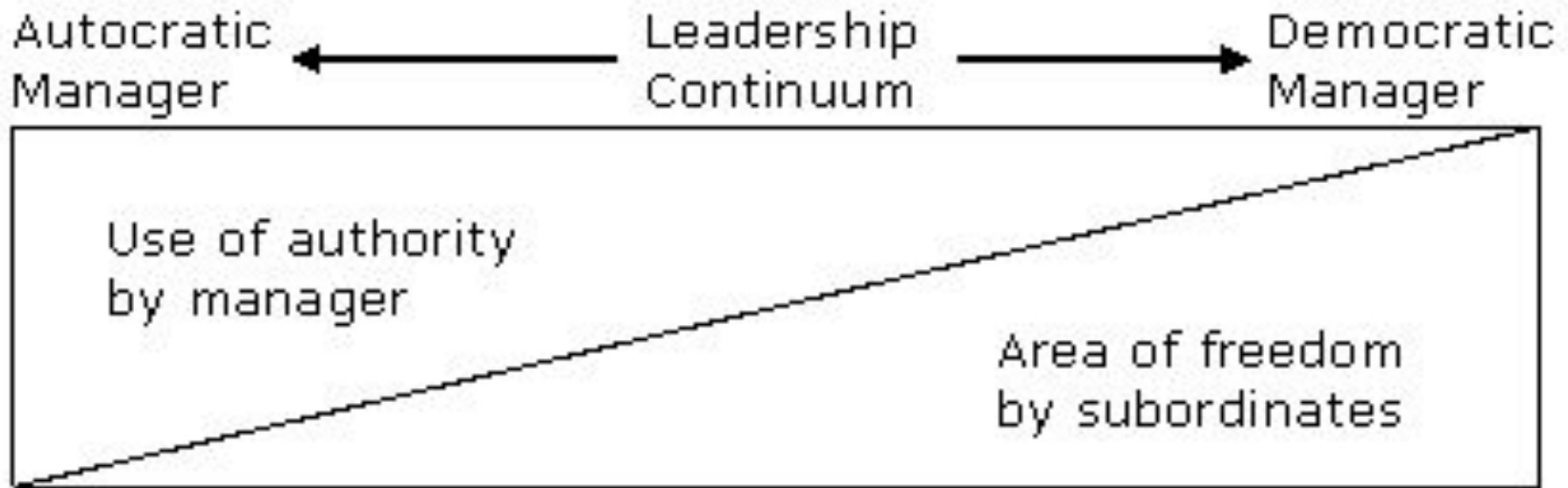


## Conclusion:

A manager keeps the style-oriented business, when organization is in the process of growth or decline, while stabilizing the situation - appropriate management by person.

# The model of leader behavior by Tannenbaum-Schmidt

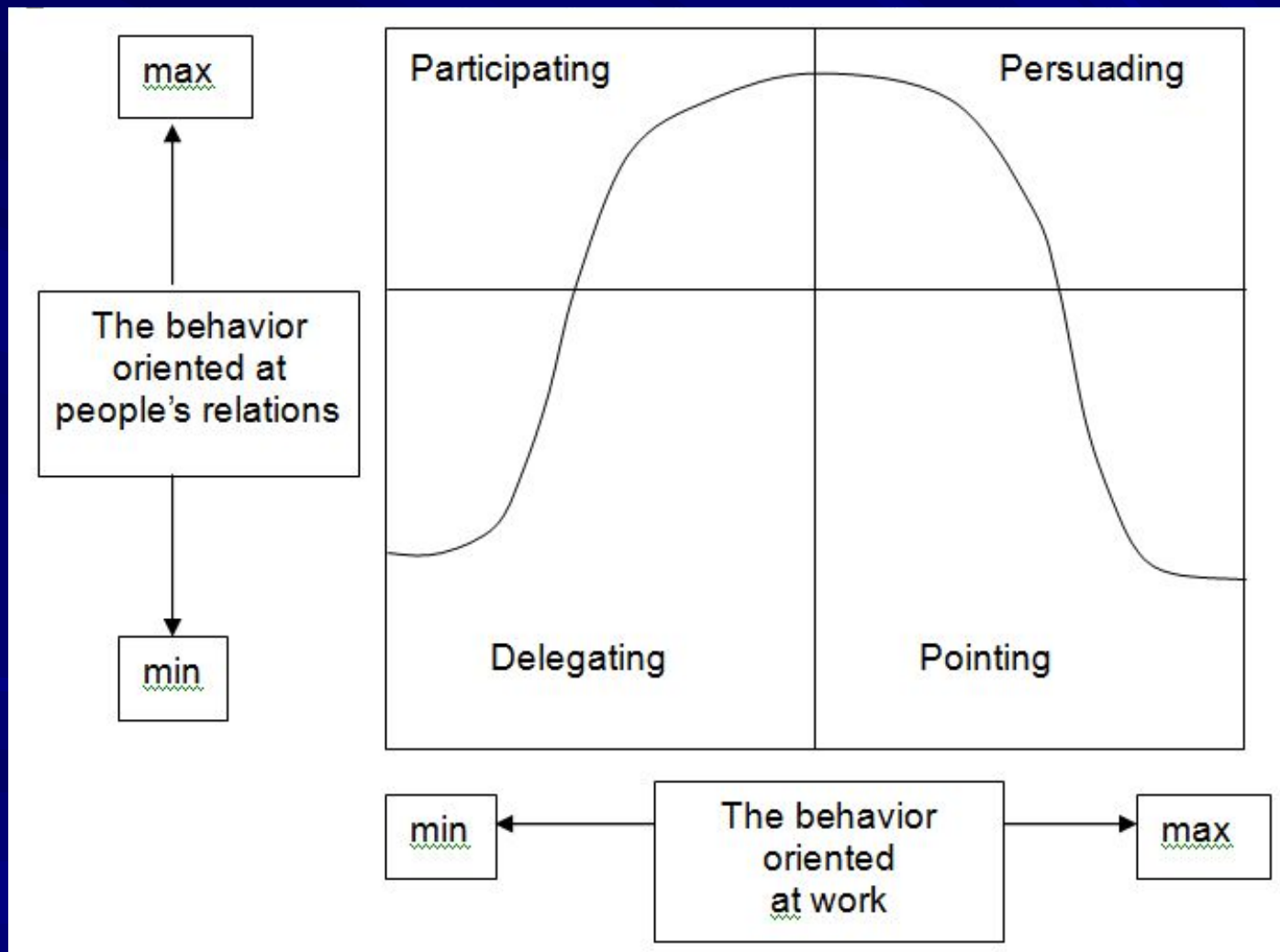
In this model, the leader selects only one of seven possible patterns of behavior depending on the impact of leadership on the relationship of three factors: the leader himself, his followers and the situation.



Manager makes & announces decision	Manager "sells" decision	Manager presents ideas & invites questions	Manager presents tentative decision subject to change	Manager presents problem, gets suggestions, makes decisions	Manager defines limits; asks group for decision	Manager permits subordinates to function within superior defined limits	Manager allows full freedom
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# The model of situational leadership by Hersey and Blanchard



# The model of situational leadership by Hersey and Blanchard

One of the key factors of leadership is the maturity of the followers, determined by the degree of presence in people skills and desire to fulfill the task set by the leader.

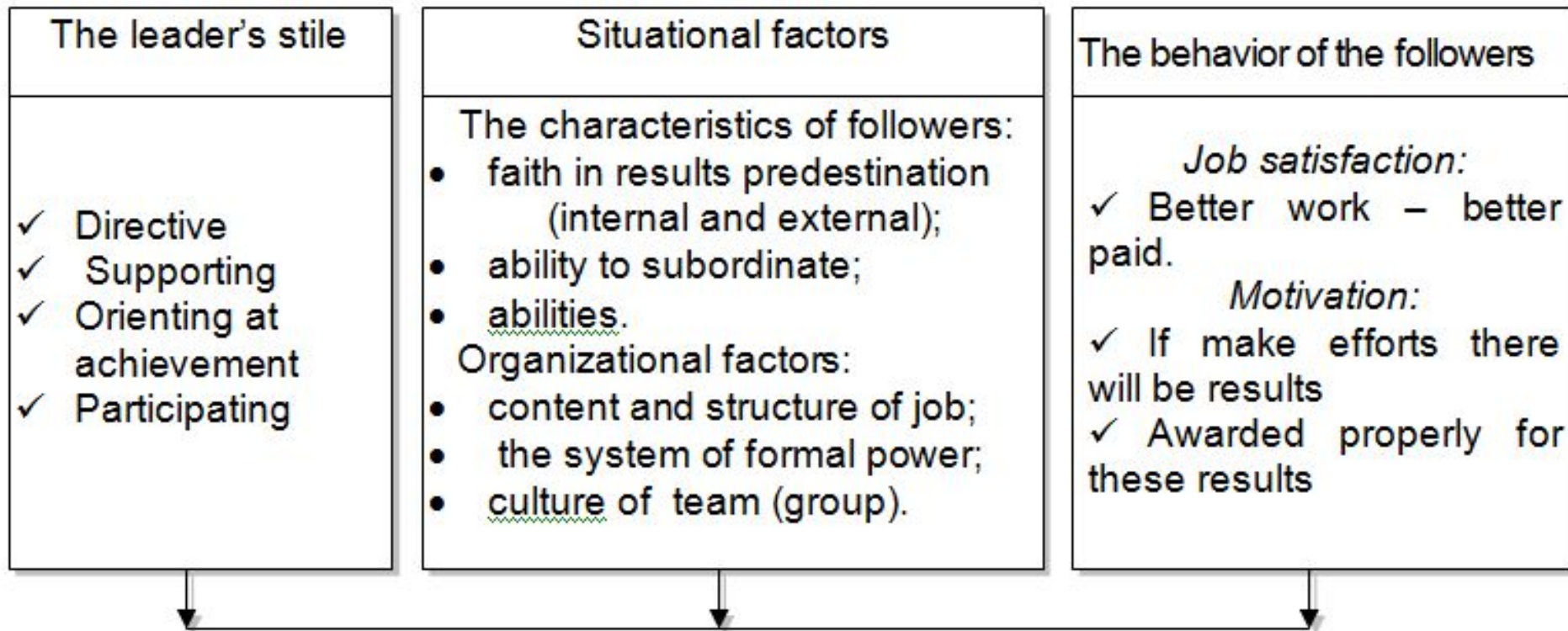
One of the key factors of leadership is the maturity of the followers, determined by the degree of presence in people skills and desire to fulfill the task set by the leader. The authors have identified four stages of maturity of the followers:

- 1) people are unable and unwilling to work. They are either incompetent, or not confident in themselves;
- 2) people are not capable, but willing to work. They have the motivation, but no skills;
- 3) people are able but unwilling to work. They are not attracted by;
- 4) people are able and willing to do what the leader suggests.

Depending on the maturity of the followers of the leader must adjust his actions to establish relationships with subordinates and on the structuring of the work itself.

# The model of the “way-goal” by Mitchell House

The premise of the model is the assumption that employees are satisfied and productive when there is a rigid connection between their efforts and results, as well as between the result of work and remuneration. The model states that an effective leader who helps subordinates to follow the way leading to the desired goal.



# The situational decision-making model by Yettona Vroom-Yago

proposes to define the effective leadership style depending on the situation. It is also assumed that the same leader may use a variety of styles.

1	Authoritarian I	a leader makes decisions himself, using information available to him at this time
2	Authoritarian II	a leader gets the necessary information from his subordinates and then makes a decision. Employees are involved only at the stage of information collecting
3	Consultative I	a leader splits views on the problem with the subordinates who have a relation to obtain their ideas and suggestions, without collecting them in a group. Then he makes a decision that may be based on the contributions of subordinates;

4	Consultative II	a leader shares thoughts on the issue with employees by putting them together. During the meeting, he collects their ideas and suggestions. He then makes a decision that could either reflect or not reflect their contribution;
5	Group I	a leader shares on the issue with employees, putting them in a group. Together they work out the alternative. Then he makes a decision that reflects their contribution;
6	Group II	a leader shares on the issue with employees, putting them in a group. Together they make a decisions on a base consensus or by the "brainstorming".





## LEADERSHIP

*The leader always sets the trail for others to follow.*

A pooled analysis of research on leadership can be expressed in the following provisions:

- 1) Leadership is a dynamic process, which is influenced by the regular revision of the requirements for the tasks, by group and its members;
- 2) The leadership role is not always limited to one person, there in a group can be several leaders (formal and informal);
- 3) The main task of the leader is the desire to develop team members to achieve the goals;
- 4) leadership is influenced by the group of circumstances that create the organization framework of leadership.

THANK  
YOU

The image features the words "THANK YOU" in a bold, blue, 3D sans-serif font. The letters are arranged in two rows: "THANK" on top and "YOU" below it. The text is set against a black rectangular background that is tilted slightly to the right. The lighting creates a strong shadow beneath the letters, giving them a three-dimensional appearance. The entire graphic is positioned on a dark blue background with a subtle diagonal line pattern.