



Leadership and Organisational Culture

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Lecture Outline

- Models of leadership
 - Trait approaches
 - Behavioural approaches (TA/TF)
- Introduction to Organisational Culture (OC)
- Relationship between leadership styles/abilities and OC

Leadership is...

- **Leadership:**

- A process whereby an individual influences a group of individuals to achieve a common goal (Northouse, 2015)
- The ability of an individual to influence, motivate, and enable others to contribute towards the effectiveness and success of the organisation of which they are members (House et al., 2004)

- **Leader:**

- The person who is appointed, elected or informally chosen to direct and co-ordinate the work of others (Fiedler, 1995)



Can anyone
become a leader
in certain
situations?

Why are some
people better
leaders than
others?

Are there specific types of
leadership that may be more
effective than others?
*(For all people, or for some
people?)*

Is there something
that distinguishes
'good' leaders
from 'bad'
leaders?





Models of Leadership

- **Trait approaches:**

- What psychological characteristics / attributes define leaders?

- **Behavioural approaches:**

- What style of leadership is the most effective (and in what situations?)

Trait Approaches

- Trait approaches relate to the characteristics that are proposed to be present in 'good'/effective leaders
 - Personality traits
 - Intelligence
 - Emotional intelligence
 - Gender

Trait Approaches

1

Extraversion emerges as a consistent predictor for **leader effectiveness and leader emergence** (Judge et al., 2002)

2

Those who are more likely to emerge as leaders, and be more effective, tend to be:

- High in E, O and C
- Low in A

3

E and N implicated in TF leadership in particular

Trait Approaches

Intelligence:

- Conflicting evidence – some support, some suggestions that there is low predictive validity for intelligence and leadership

Emotional Intelligence:

- Relatively strong correlations between EI scores and leadership competencies (Higgs & Aitken, 2003)
- EI can explain variance in leadership effectiveness that is not explained by either personality or IQ (Rosete & Ciarrochi, 2005)

Trait Approaches

○ **Issues:**

- Cannot provide causal explanations for individual differences of leaders
- No theoretical explanation of motivation to become a leader in the first place
- Doesn't explain the interactions of traits with situational factors to produce leader behaviour and outcomes
- 'having' a set of characteristics does not **make** a leader effective
 - What is important is HOW the characteristics are expressed in the leader's BEHAVIOUR, and how that behaviour is UNDERSTOOD by others

Behavioural Approaches

1

Leadership styles are considered a description of the main ways in which leaders behave

2

Leaderships styles are often encapsulated in leadership models (components of a model)

3

Leadership styles simply describe the main forms of leadership

- Models can be used to help individuals become better leaders

Transactional and Transformational Leadership



Transactional and Transformational Leadership

Burns (1978); Bass (1985); Bass and Avolio / Avolio and Bass (1991-1993)

Transactional Leadership

Followers act in a certain way in return for something from the leader (or to avoid something)

Transformational Leadership

Leader acknowledges followers needs/values, inspires with possibilities and raises confidence

- Three main differences between Transactional and Transformational leadership:
 1. Purpose
 2. Morality
 3. Timescale

Transactional and Transformational Leadership

	Transactional	Transformational
Purpose	No shared purpose binds leader and follower	Shared purpose is central
Morality	No explicit moral side – leaders aims may be moral or immoral	Always a moral aspect to transformational leadership (Burns, 1978)
Timescale	Usually focused on short-term needs of leaders and followers	Centres on longer-term, more difficult (and inspiring) aims

Transactional Leadership

- Transactional (TA) leadership is characterised by:
 - Tendency to control rather than inspire
 - Exchange of rewards in return for compliance or authority
- Two main styles of TA leadership

Contingent Reward

Leader provides rewards if, and only if, subordinates perform adequately

Management by Exception

Leader does not make changes as long as performance goals are met; intervenes only if something is wrong

ACTIVE

Leader monitors situations to **anticipate** problems

PASSIVE

Leader does nothing **until** problem / mistake occurs

Transactional Leadership

Advantages

- Clear connection between performance and rewards
- TA leadership can be productive – short term
- There is clear order and structure to rules; enables quick onboarding of new team members

Disadvantages

- Sole focus on performance is often demotivating
- Rewards have limited impact on performance; other factors start to matter more at some point
- Strict structure hampers creativity and innovation

Transformational Leadership



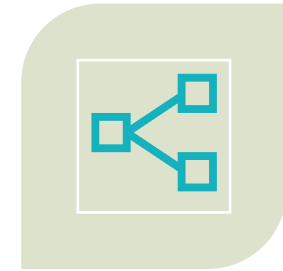
Leaders as mentors



Essentially seen as
a charismatic
leadership style



Effective leaders
possess
exceptional
personal qualities



Core theme:
leaders need vision
and inspire loyalty
and emotional
attachment.

Transformational Leadership

- Transformational leaders; 4 behavioural styles (Bass, 1985);

Individualised consideration

- Treats followers on own merits
- Seeks to develop followers through delegation of projects and mentoring
- Fosters independence and self-confidence in followers
- Needs of employees attended to when they arise

Transformational Leadership

- Transformational leaders; 4 behavioural styles (Bass, 1985);

Intellectual simulation

- Encourages creative problem-solving and free thinking
- Goes against grain of 'always doing things in a certain way'
 - *Encourages new opportunities, engagement in new experiences, etc*

Transformational Leadership

- Transformational leaders; 4 behavioural styles (Bass, 1985);

Inspirational motivation

- Leader is optimistic and excited about goals and future plans.
- Models appropriate behaviour and allows followers to raise their own expectations for achieving goals
- Sense of purpose in employees is high

Transformational Leadership

- Transformational leaders; 4 behavioural styles (Bass, 1985);

Idealised influence (or charismatic leadership)

- Leader makes personal sacrifices, takes responsibility for their actions, shares any glory and show great determination.
- Foundation of this style of leadership is respect and trust
- Leaders are trusted to make good decisions for both the organisation and the team and employees as individuals

Transformational Leadership

Advantages

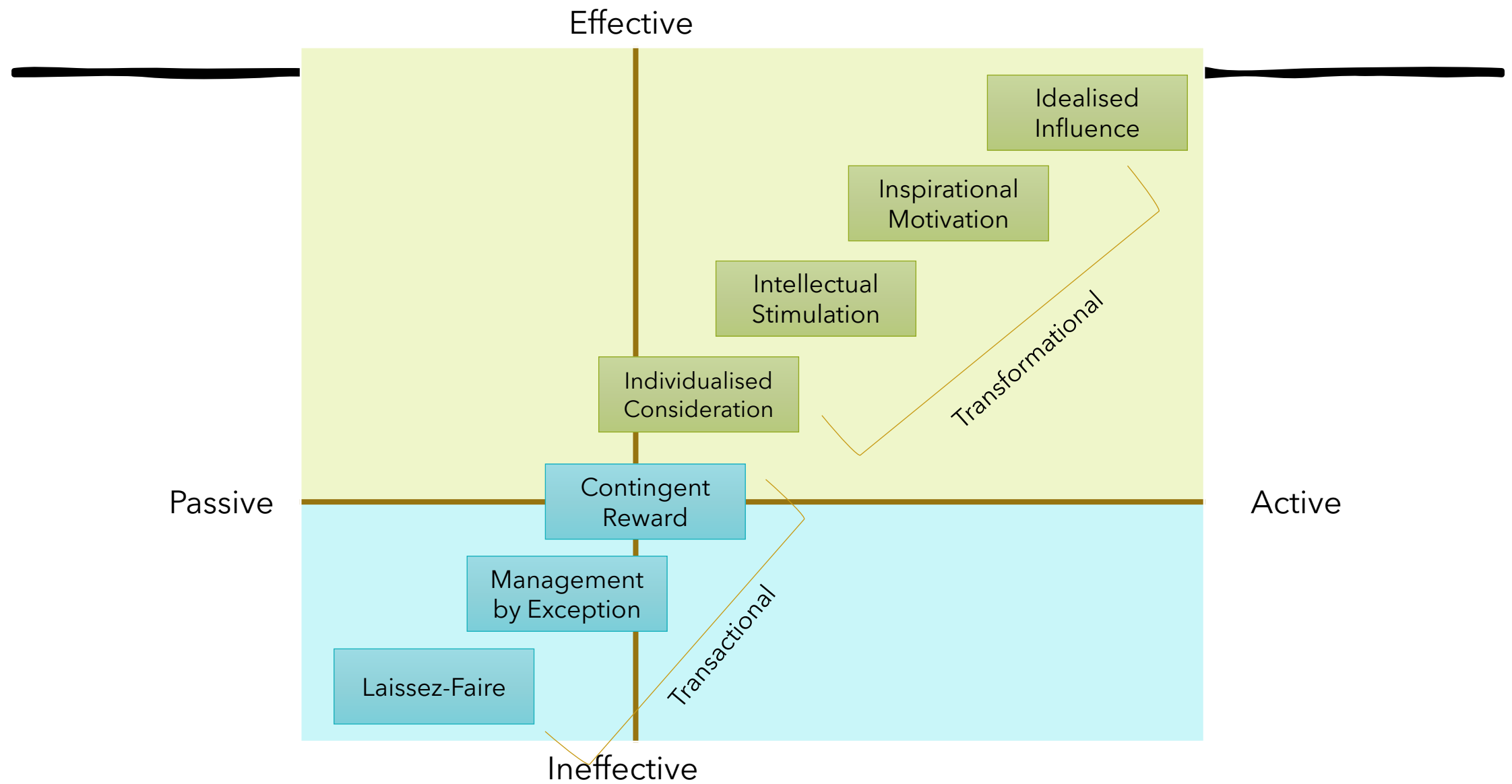
- Motivations are largely intrinsic; few (if any) material incentives
- Reduces turnover
- Encourages change

Disadvantages

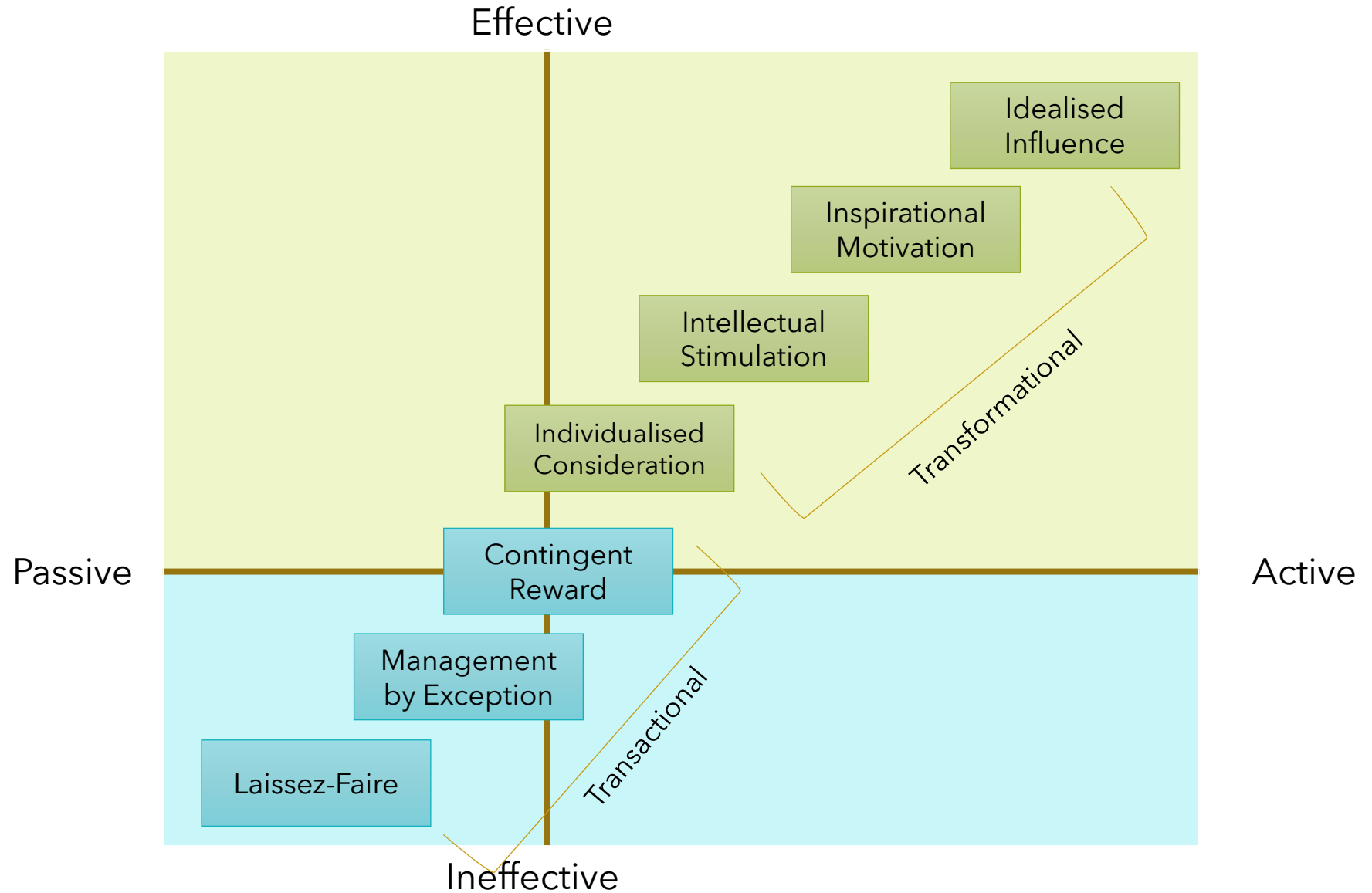
- Increased pressure on team members
- Can lead to employee burnout
- Requires continual communication between leader and team members
- Leader dependence (De Vries et al., 1999)
- Group think (Janis, 1982)

Summary

- TF is expected to lead to more positive effects on subordinates than TA
 - Reported extra effort, satisfaction with leader and perceived leader effectiveness (Bass et al., 1996)
- TA leadership can be beneficial in short-term leadership; TF is regarded as beneficial in the long-term
- TF leaders develop, inspire and set personal examples; motivate subordinates; are trusted and relied upon



Full range of behavioural leadership



Autocratic and Democratic Leadership



Autocratic and Democratic Leadership

Lewin (from 1939 >)

Leadership styles relate to how a leader makes decisions, how much control a leader has over the decision-making process, and the amount that employees are involved in making decisions.

Autocratic Leadership

Also known as authoritarian leadership

Democratic Leadership

Also known as participative leadership

Laissez-faire Leadership

Also known as delegative leadership

Autocratic and Democratic Leadership

	Autocratic	Democratic
Control in decision making process	Leaders have complete control and make all decisions. Employees expected to follow orders	Employees involved in decision making process. Leader often makes final decision
Involvement of employees	Very little involvement. Expectation of non-questioning following of orders	High involvement. Feeling as if voices are heard
Useful when...	Dealing with inexperienced / new employees	Generally the most effective across the board, but can be a slow process.

Laissez Faire

- Delegative leadership style
 - Leaders are hands-off; training and support are provided but decisions are left to subordinates
 - Accountability sits with the leader
 - Requires a great deal of trust
-
- Research suggests that this leadership style leads to the lowest productivity in workers

Laissez Faire

Advantages

- Personal growth is encouraged
- Innovation is encouraged
- Decisions can be made faster
- But - requires highly skilled and experienced workers in the first place
 - Especially effective where team are more knowledgeable than leader

Disadvantages

- Lack of role clarity
- Lack of involvement from leader can manifest as lack of care in workers
- Perception of avoidance of true leadership

Situational Leadership?



A group of colorful wooden human figures standing in a line, representing diversity and organizational culture. The figures are in various colors including blue, yellow, red, green, and brown. The text "Organisational Culture" is overlaid in white, serif font, with a white horizontal line underneath it.

Organisational Culture

Organisational Culture (OC)

- Organisational culture is made up of beliefs, assumptions, values, and ways of interacting that contribute to the social and psychological environment of an organisation
- OC can be labelled a central concept in occupational research due to its importance in functioning and suffering of employees (Gill, 2019; Giorgi et al., 2015)
 - Different types of culture have different abilities to avoid suffering and create well-being

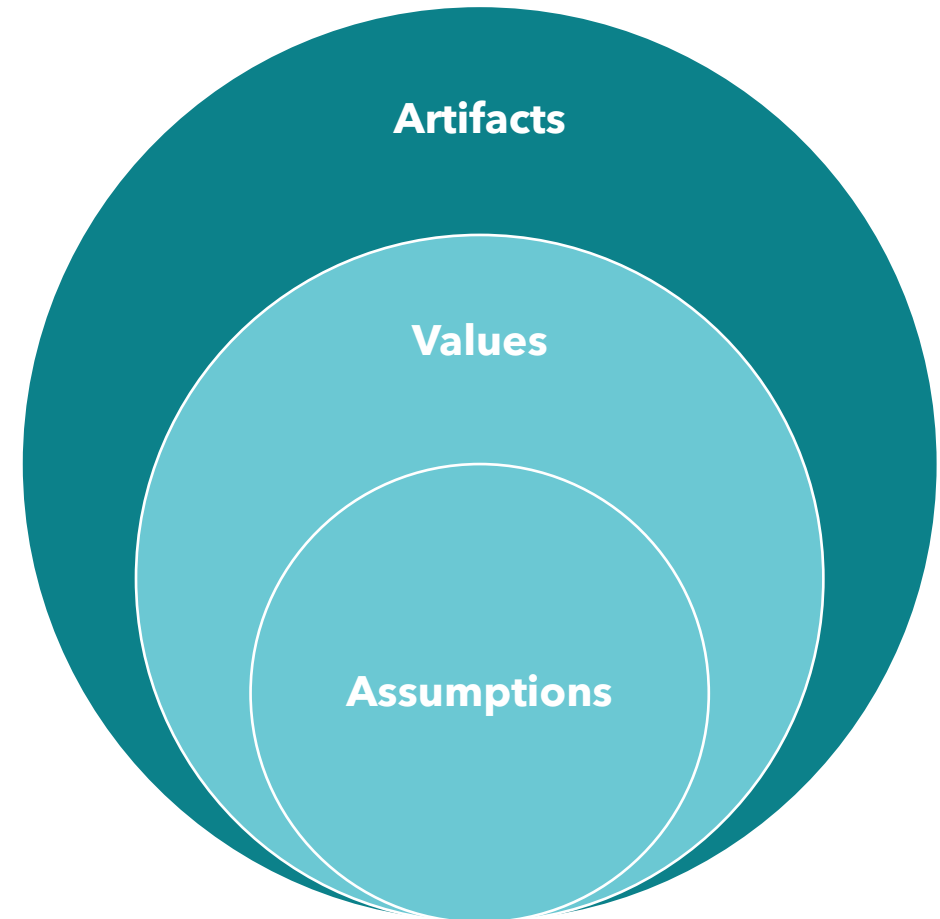
A group of colorful, stylized human figures in the background, arranged in a line and slightly out of focus. The figures are in various colors including blue, yellow, green, red, and brown. They are standing on a light-colored surface.

Schein (1992)

Three levels of culture

Organisational Culture (OC)

- Three levels to OC (Schein, 1992):
- OC consists of some aspects that we can see, plus other things that we may be less consciously aware of.
- Schein (1991) – OC is an interrelation between three levels



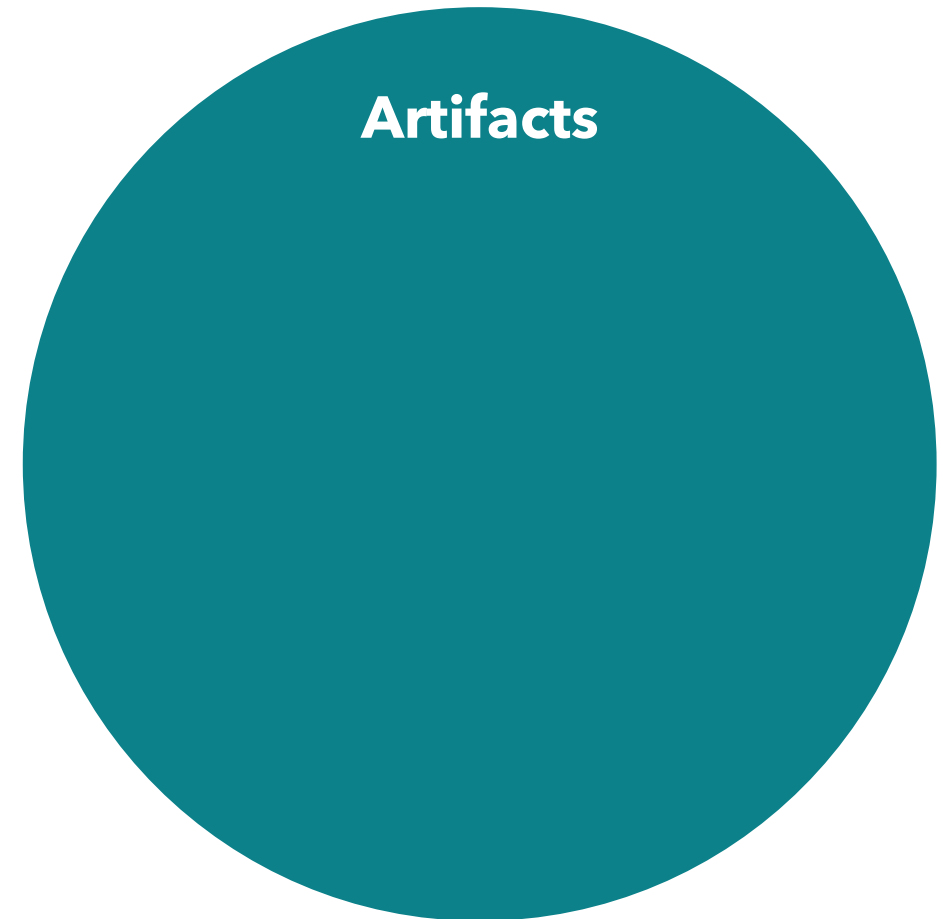
Organisational Culture (OC)

Artifacts

Things we can see that make up organisational culture

- Physical environment
- Systems
- Anything *physically observable*

Could observe during an interview

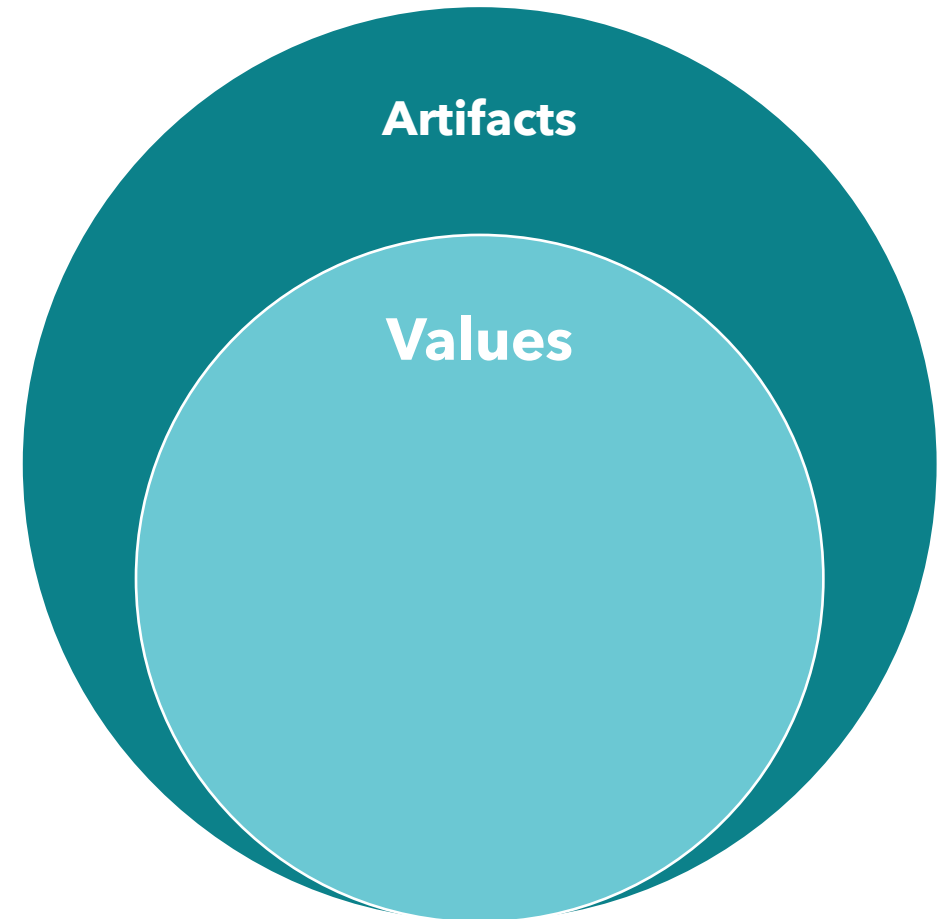


Organisational Culture (OC)

Values

Beliefs, ideals, or norms of an organisation

- Mission statements and policies
- Guidance for employees re: behaviour and decision-making



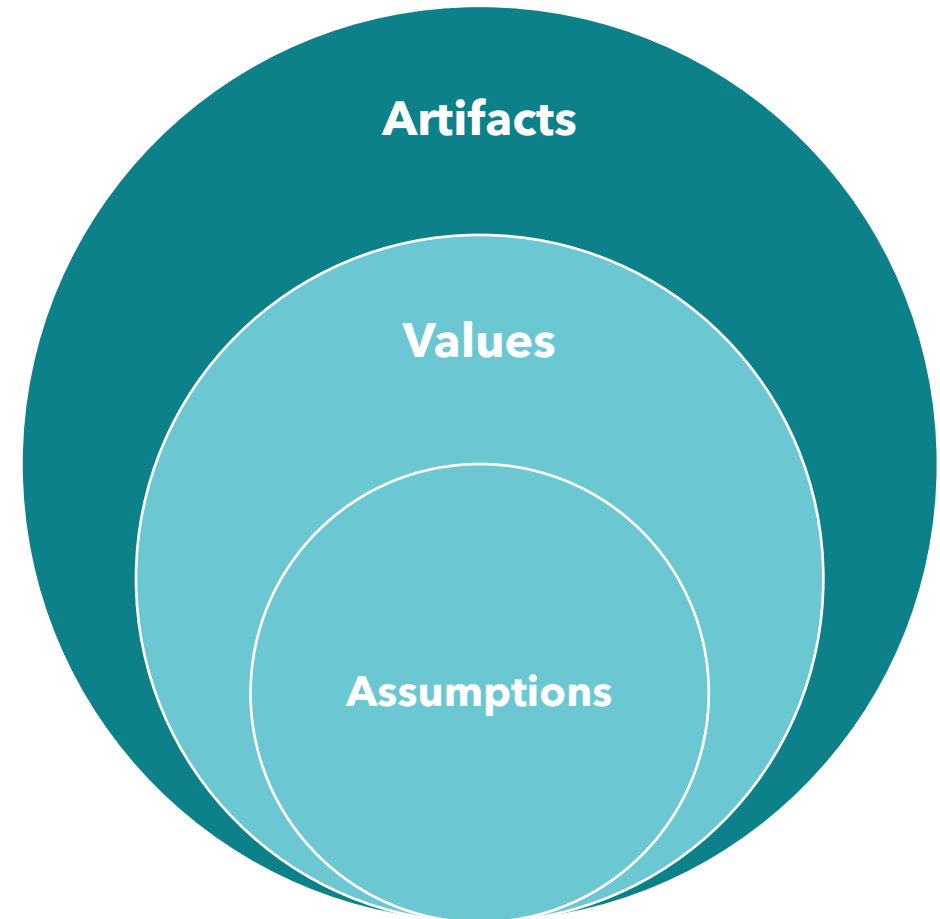
Organisational Culture (OC)

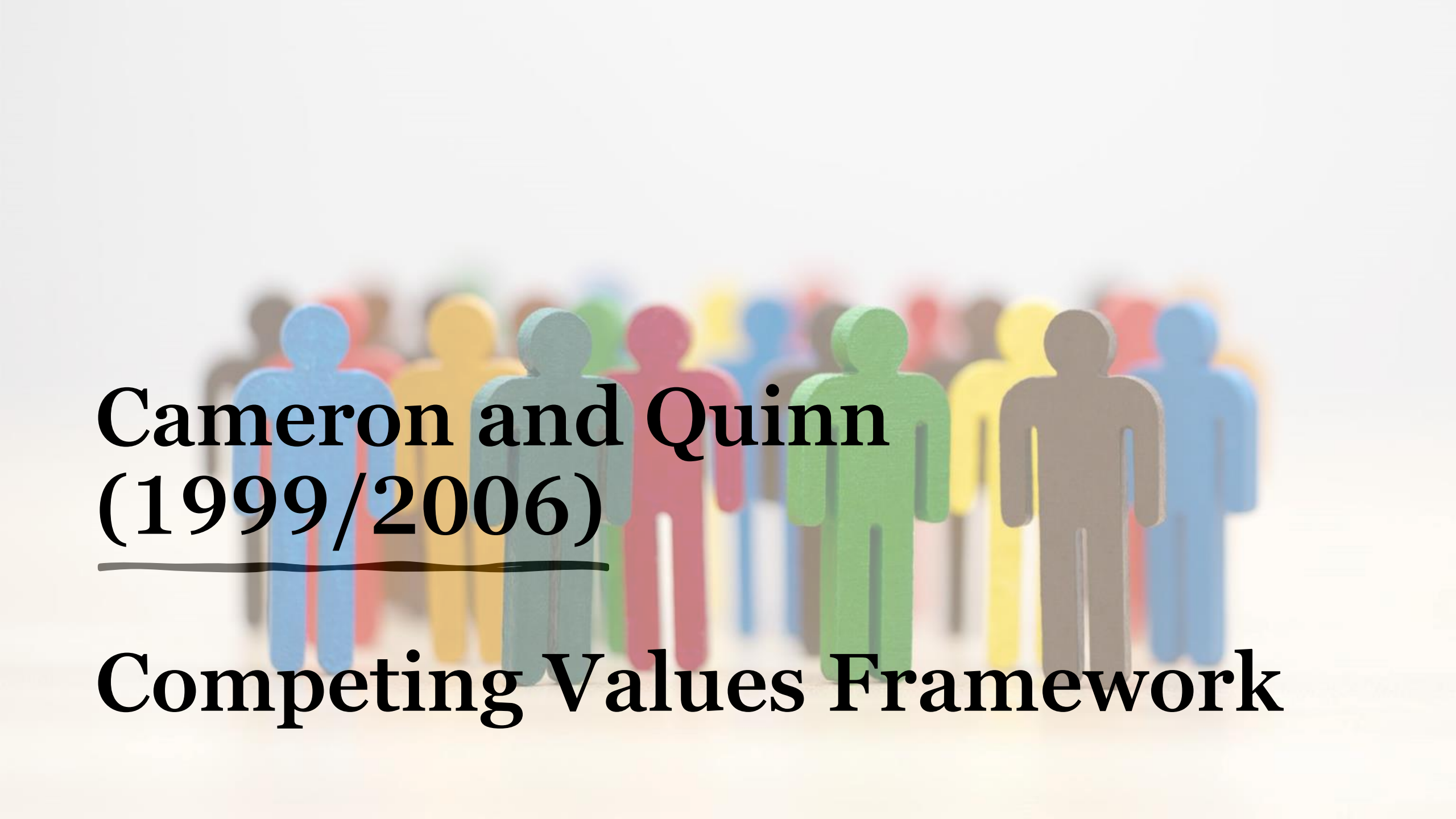
Assumptions

Unconscious (usually)

Constitute the essence of culture

- Assumptions are the underlying foundations that support the other two levels
- Beliefs or values that are ingrained - not questioned



A blurred background image of a crowd of colorful human figures, possibly representing diversity or a large group of people. The figures are in various colors including blue, yellow, green, red, and brown, and are slightly out of focus, creating a sense of depth and movement.

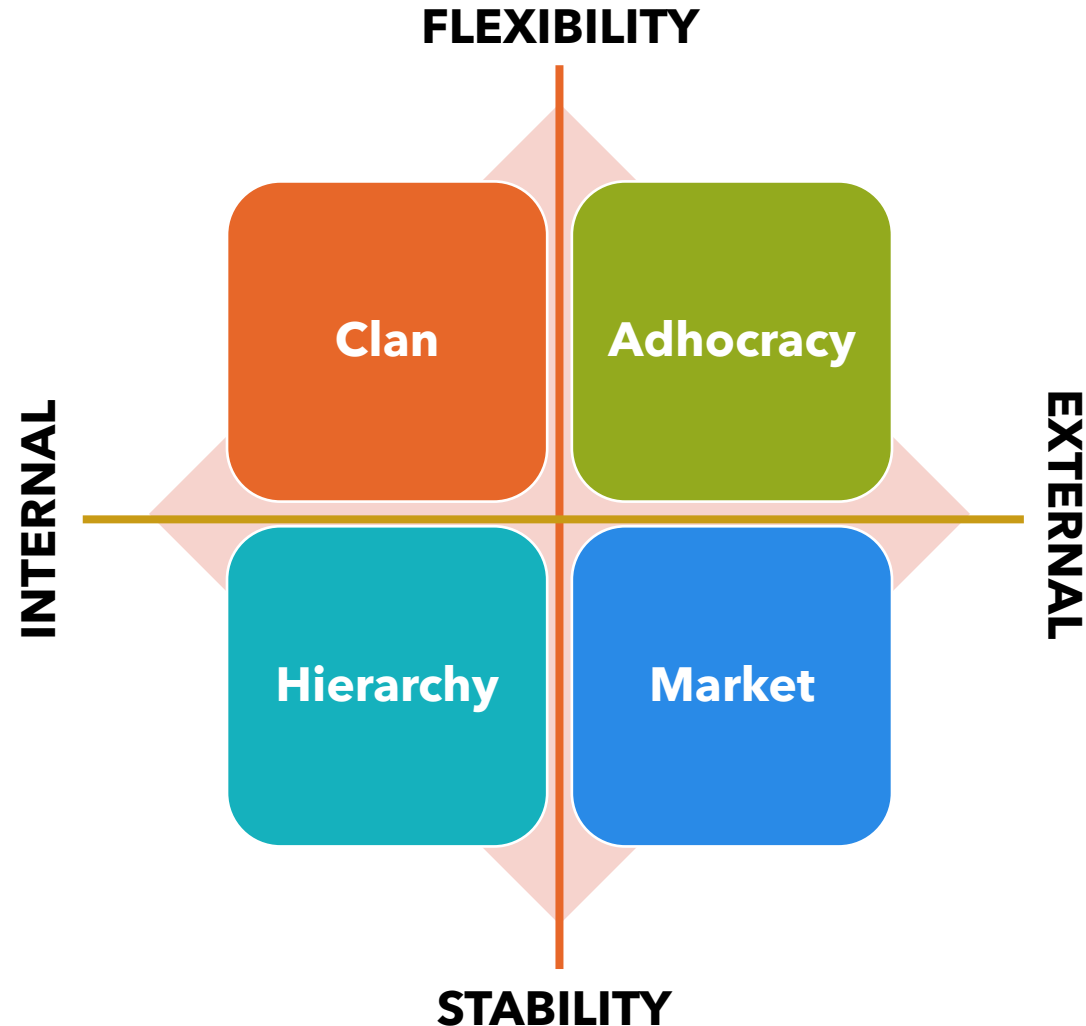
**Cameron and Quinn
(1999/2006)**

Competing Values Framework

Organisational Culture (OC)

The Culture model (Cameron & Quinn, 1999, 2006)

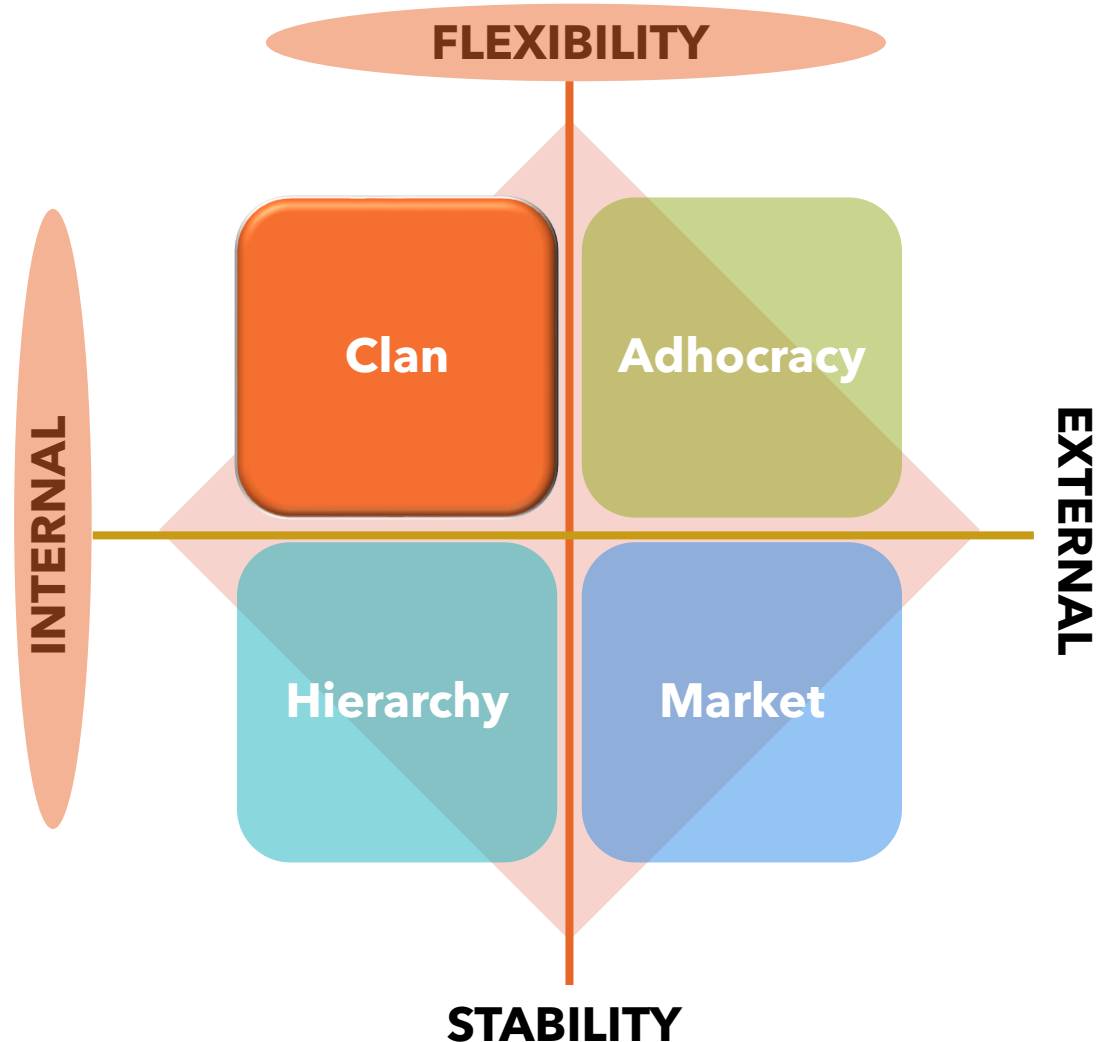
- Four different archetypes
- Each culture type represents a different set of values and beliefs.
- The model is known as a “competing values framework” because it compares these competing priorities that organisations can have.



Organisational Culture (OC)

The Culture model (Cameron & Quinn, 1999, 2006)

- **Clan Culture**
 - Inward looking, value flexibility/responsiveness.
- 'Extended family' / collaborative culture
- Morale and employee relations are important
- Leadership = mentoring rather than ordering



Organisational Culture (OC)

The Culture model (Cameron & Quinn, 1999, 2006)

○ **Clan Culture**

- Focus on internal outcomes (such as engagement) rather than external (customers)
- E.g., organisation would 'win' if a conflict arose between needs of customer and needs of organisation

Advantages:

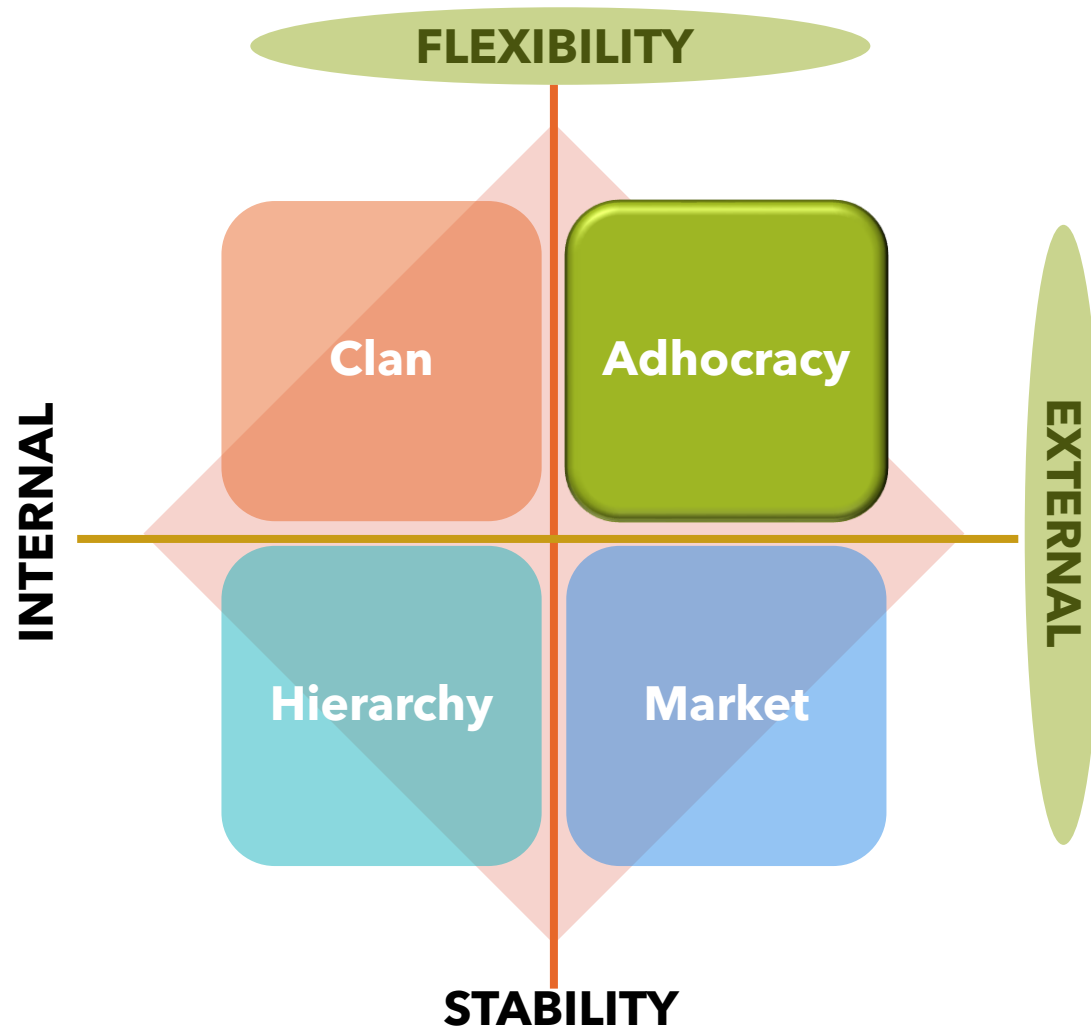
- Enjoyment of employees, engagement in teamwork is high which improves communication

Limitations:

- Too much collaboration can reduce productivity
- Inability to make difficult decisions

Organisational Culture (OC)

The Culture model (Cameron & Quinn, 1999, 2006)



- **Adhocracy Culture**
 - Outward looking, value flexibility and responsiveness
 - Value pace, innovation and risk-taking -meeting external demands
 - Entrepreneurial - ad-hoc, driven to find new ways of doing and succeeding
 - Less control/nurture than other types of culture

Organisational Culture (OC)

The Culture model (Cameron & Quinn, 1999, 2006)

- **Adhocracy Culture**

- Employee growth is likely given that the culture encourages off-the-wall thinking and aggressively pursuing new ideas

Advantages:

- Massive potential for innovation and growth of employees
 - Employees experience psychological safety

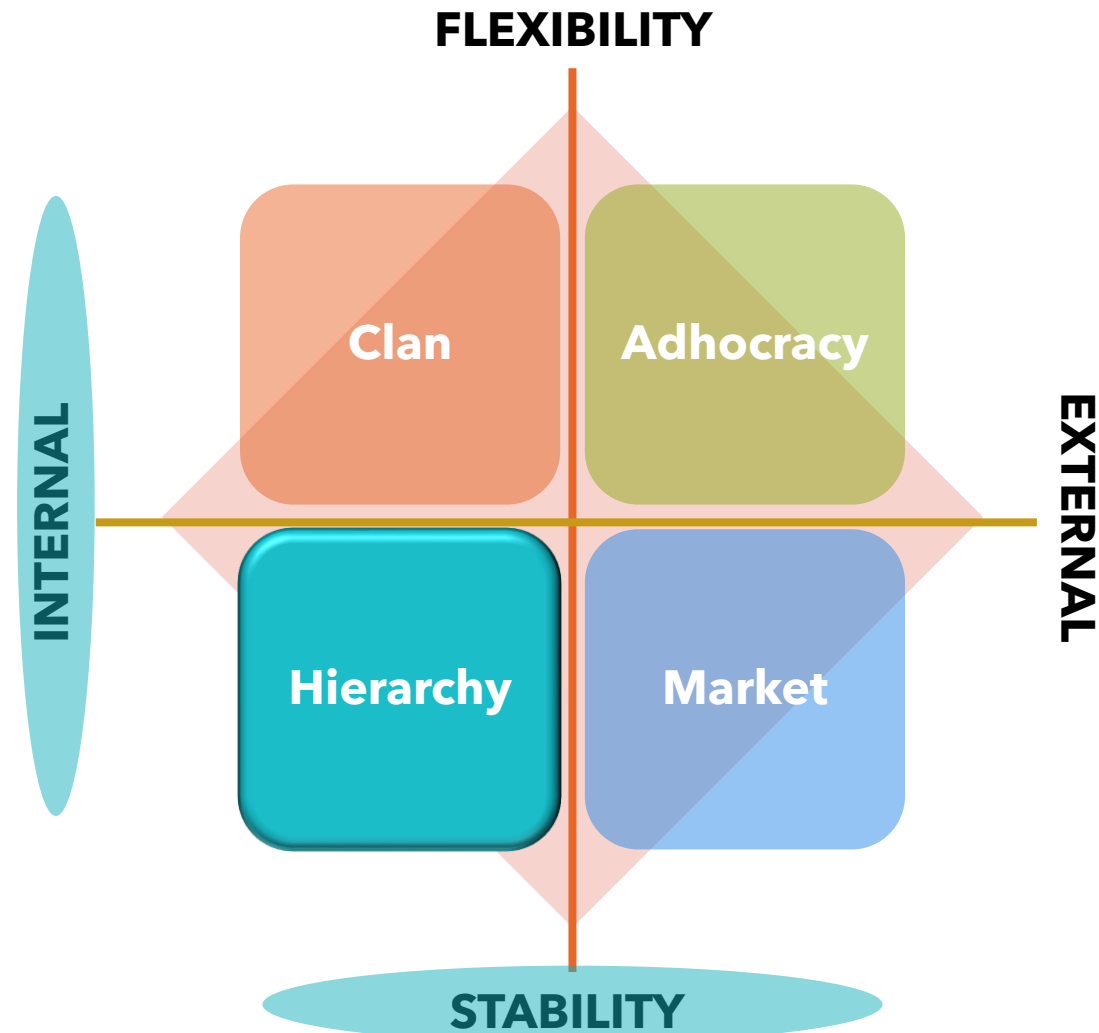
Limitations:

- Lack of stability in one thing - too many things at one time
- Intimidation for new employees

Organisational Culture (OC)

The Culture model (Cameron & Quinn, 1999, 2006)

- **Hierarchy Culture**
 - Inward looking, value stability and control
- Hierarchies bring structure - controlled operating processes
- Decisions made based on existing procedures, not innovation
- Less responsive to changing situations and demands



Organisational Culture (OC)

The Culture model (Cameron & Quinn, 1999, 2006)

- **Hierarchy Culture**

- Government organisations are good examples of hierarchy cultures – face many regulations and scrutiny and are required to follow policy/procedure over (almost) anything else

Advantages:

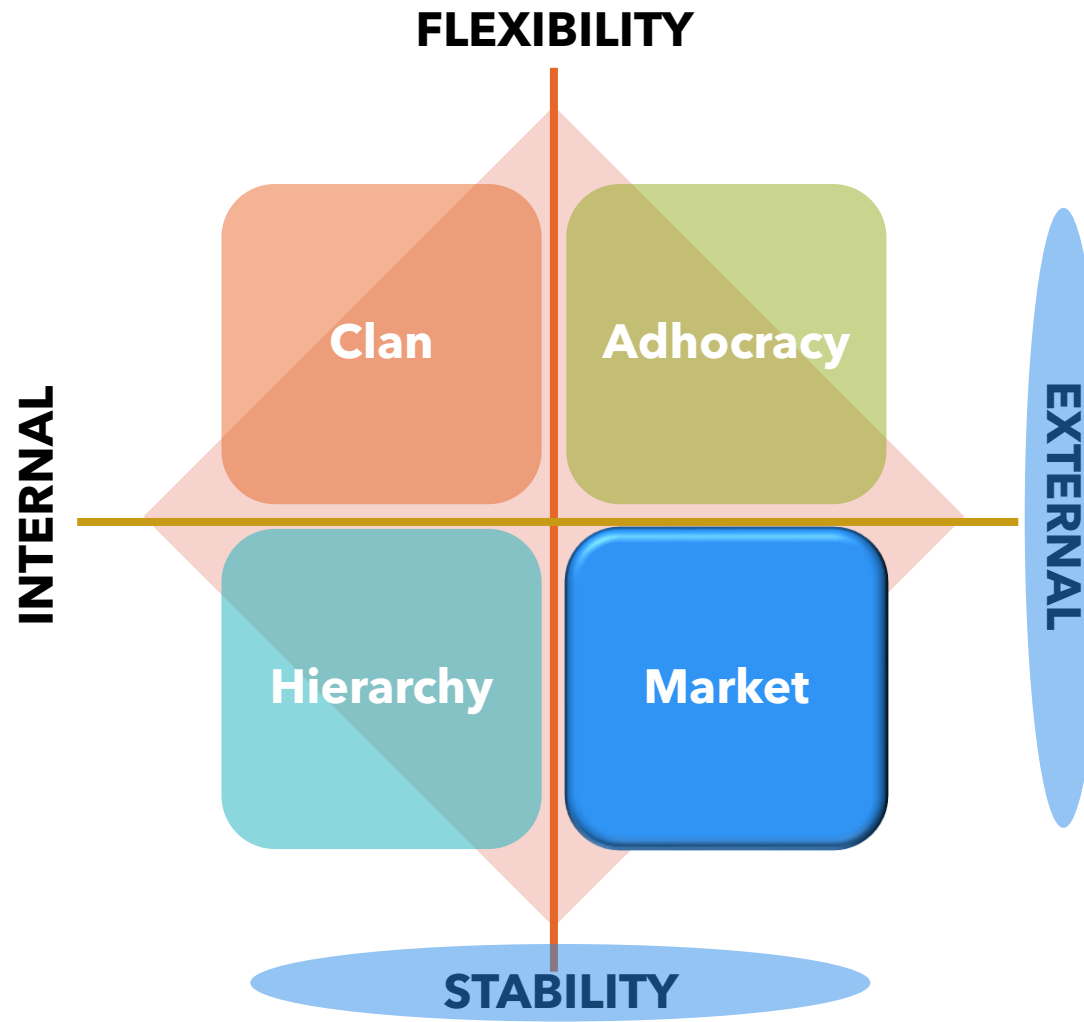
- Expectations are clear because of structure
- Employees experience high level of security and predictability

Limitations:

- Prioritising procedure can lead to inflexibility and feeling a lack of support
- Too rigid = stifles innovation

Organisational Culture (OC)

The Culture model (Cameron & Quinn, 1999, 2006)



- **Market Culture**

- Outward looking, value stability and control
- 'Compete culture' - emphasis is on results
- Employees are goal-focused, leaders are tough and demanding
- High-pressure but rewarding when hard work leads to measurable results

Organisational Culture (OC)

The Culture model (Cameron & Quinn, 1999, 2006)

○ **Market Culture**

- These types of organisations are competitive and are less responsive than others
- Highly customer focused and prioritise providing for customers and improving own market position

Advantages:

- Employees are driven and motivated to achieve their goals
- Improved performance for organisation

Limitations:

- Constant competition can lead to a toxic work environment
- Constant pressure can lead to stress and burnout

Organisational Culture (OC): Hofstede's Cultural Dimensions Theory

- A framework for understanding how cultural differences influence workplace values and behaviour.
- Identifies six dimensions that represent key aspects of culture across societies.
- These dimensions help organisations navigate cross-cultural interactions and adapt to cultural diversity.

Organisational Culture (OC)

Hofstede's Six Cultural Dimensions

1. Power distance index (PDI)
2. Individualism v collectivism (IDV)
3. Masculinity v femininity (MAS)
4. Uncertainty avoidance index (UAI)
5. Long-term v short-term orientation (LTO)
6. Indulgence v restraint (IVR)

**Document: Hofstede's
Six Cultural
Dimensions Explained**

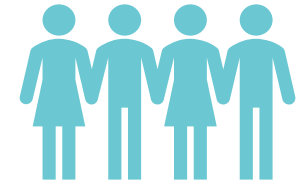
Organisational Culture (OC)

- *Occupational implications*

- Leadership
- Team dynamics
- Cross-cultural training
- Policy design



Hierarchical cultures
may prefer ***autocratic
leadership***



Collaborative cultures
may thrive under
***transformational
leadership***



Leaders in orgs with strong cultures may
need to align their style to fit established
norms, whereas weak cultures allow
more flexibility