

Defining Leadership

Leadership is defined as influencing, motivating, and enabling others to contribute toward the effectiveness and success of the organizations of which they are members (McShane & Von Glinow, 2008, p.402). Likewise, leadership is an influence relationship among leaders and followers who intend real changes and outcomes that reflect their shared purposes (Daft, 2008, p.4). Whereas management must deal with the ongoing, day-to-day complexities of organizations, true leadership includes orchestrating important change (Bateman & Snell, 2008, p.437). Management is generally a task-driven activity involving strategic planning, directing and controlling; leadership is focused on imparting the vision, or picture of an ambitious, desirable future of the organization (Daft, 2008, p.17) to the followers.

In the not so distant past, executive level managers were considered to be the all encompassing decision makers of the organization, controlling all pertinent decisions and executing change within the organization without consulting lower level employees. The changing organizational structure of organization, including the breakdown of the traditional hierarchy, increased use of teams, increased importance being placed on tools such as collaboration, and the evolution of an organic workplace have all impacted leadership and its various roles within the organization. A 2002 article in the Wall Street Journal discusses the importance of soft skills, such as leadership and ethics, to potential employers, and states that many schools are including these types of courses in their MBA curriculum, as well as the management curriculum traditionally taught. Though there is a degree of disagreement among professors over how much can actually be taught versus mastered through practice, most agree on its importance (Alsop, 2002, R.11).

Types of Power

One of the main components of leadership is power, this is the element that gives the supervisor credibility with their employees and aids them in building the strong following and complete buy-in that will allow the company to change and achieve its vision. There are five sources of power: legitimate power in which the leader has the authority to tell others what to do, reward power that gives the leader power through rewards that can be doled out to employees, coercive power which is similar but deals with punishment rather than rewards, and expert power that affords the leader power through their knowledge and expertise in their field. Finally, the most important and credible power is referent power, which is obtained through the leader's characteristics, such as likeability and is based on employee admiration.

Transactional vs Transformational Leaders

Leaders can be transactional or transformational; depending on their leadership style, but both are important to the organization for different reasons. Transactional leaders are defined as leaders who manage through transactions, using their legitimate, reward, and coercive powers to give commands and exchange rewards for services rendered (Bateman & Snell, 2009, p.455). Transactional leaders tend to be more effective with individualists, or people who tend to work on their own rather than in groups and is concerned with helping the organization achieve its current objectives more efficiently, such as by linking job performance to valued rewards and ensuring that employees have the resources needed to the job done (McShane & Von Glinow, 2008, p.414). Many experts agree that it is important for leaders to be part transactional and part transformational to be truly successful, Warren Bennis, a professor at the University of Southern California states, "successful executives have to be able to discern the really important decisions and get a high percentage of them right, this is the heart of great leadership..." (Hymowitz, 2007, p.B1).

There are many leadership theories and styles that leaders employ to bring about change and success within an organization. A strong leader cultivates trust and credibility with subordinates and uses power in conjunction with traits of both transactional and transformational leadership to convince employees of the importance of the organization's vision and create empowerment to achieve a cohesive, central purpose. By evaluating the subordinate in a situation, indentifying traits, skill level and reward requirements, the leader can develop a sound strategy to assign tasks and motivate employees to enable the organization or team to reach its overall goals.

References & Resources

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