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LEADERSHIP AND CHANGE MANAGEMENT

COURSE HANDBOOK

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UDK

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LEADERSHIP AND CHANGE MANAGEMENT
Course Handbook

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INTRODUCTION

This course handbook has been designed for students, faculty, and all of those who are interested in the questions of leadership and change management. Its purpose is to help the readers assimilate some essential theoretical knowledge about leadership, its different styles, and change management, as well as to enable them to apply this knowledge in practice by managing changes in an organization and by rallying and directing the followers toward the organization's goals.

The handbook consists of four chapters (topics). Each chapter begins with a list of insights and abilities that the reader will acquire after reading it. Also, major definitions are presented. The first chapter analyzes the concept of leadership. Subsequently, leadership's relationship to management is discussed and the aspects of the effective leadership presented. The other three topics introduce different leadership styles. Thus, the second chapter introduces the theory of power-influence, also the trait, behaviour, and situational theories of leadership. The third chapter discusses transactional, transformational, and charismatic leadership. There the main attention is given to the nature and methods of change management. Chapter four examines the principles of team leadership. It seeks to answer the following questions: How is a team formed? What factors determine its effectiveness? How do the processes of information exchange, communication, and conflict resolution take place in a team? What methods of conflict resolution should a leader apply when trying to ensure the active participation of team members in a decision making process?

Each topic is followed by self-evaluation questions – they allow the readers to revise what they have just read – and also by practical assignments as well as the list of literature for further study. Practical assignments provide an opportunity for putting theoretical knowledge to practice (e.g. through case analyses) and thus consolidating it. Since it is believed that leadership begins *with self- awareness*, the assignment part contains questionnaires which should help the readers get to know themselves (their traits, values, dominant leadership style, conflict management style, etc.) better.

Chapter One

NATURE AND CONCEPTS OF LEADERSHIP

The purpose of this chapter: to provide theoretical knowledge and practical skills which would enable to:

- *DEFINE* the concepts of leadership and management.
- *DESCRIBE AND COMPARE* the differences and common links between leadership and management
- *UNDERSTAND* the major aspects of effective leadership
- *IDENTIFY* the characteristics of an effective leader in yourself.

Main definitions used in this chapter:

Leadership. It is the process of social influence that has to do with the influence and goal-accomplishment. It takes place within a group (organization, society) and involves both leaders and their followers. In the process, the leader seeks some voluntary involvement on the part of employees (subordinates, colleagues, followers) in the accomplishment of common (group, organization, society) goals.

Leadership is a leader's conduct, marked by creation of a vision, by uniting people as well as by motivating, inspiring, and empowering them.

Management. It is grounded in the position of formal power, which has influence on people and which reflects the function, as defined by the formal status of the leader. This function is inseparable from planning, budget formation, resource distribution, implementation of policies and procedures, as well as from the establishment of order and necessary controls.

In English, the term „leadership" emerged several hundred years ago. However, more systematic studies on leadership started to be conducted only in the middle of the 20th century.

A leader is one of the most important parts both in private and in public sectors of an organization. The question of why some organizations work successfully and accomplish the best results, while others, on the contrary, or unable to achieve its goals and stay competitive, has been discussed ever since the ancient times. Can it be related to the roles of management and leadership? The answer my lie in the words of leadership theoritician W. G. Bennis, who points out that many organizations are marked by „too much management and too little leadership," i.e. not enough attention is given to changes, the vision of the future is emphasized too little, often managers take care of their organizations only „here and now".

In an attempt to answer the questions raised as well as to give a definition of leadership, the relationship between leadership and management will be discussed further in this course handbook.

Relationship between leadership and management

For a long time, theories of leadership have been focused on the effective/ineffective management. Speaking about the concept of management, it is important to note, that is often confused with that of leadership. In 1970–1980, the understanding of leadership was broadened, as the term „leader" started to be used in an attempt to distinguish between a manager and a leader.

Many authors concur with the opinion that leadership and management is not the same, yet they are unable to arrive at the agreement regarding their mutual links. According to scholars W.G. Bennis and B. Nanus, leadership is like searching for the road, while management is like walking down the road that has already been travelled.

Leadership differs from management, first, by its manner of organizing people. Managers set clear measurable goals, while leaders raise big expectations; managers command the obedience, while leaders are followed by people freely; managers ensure effective work by emphasizing control, while leaders rely on trust; managers carry out organizational mission by focusing on the essential managerial functions, while leaders create an appropriate environment in which individuals or teams take initiative so as to fulfill the organizational mission. Thus, management is more about the function defined by manager's formal status, whereas leadership reflects the work of a person recognized by a group, i.e. the leader, who is capable of organizing people together for the accomplishment of common purpose.

Leader is marked by inspiration, passion, and emotions, manager – by rationality, convention, and organization. A sociologist W. Bennis: "Managers are people who do things right and leaders are people who do the right things." Managers do what they know well, they do not seek innovation and change, leaders, on the contrary, are not afraid on innovation, urge change and courageously accept challenges, while "searching for the right way." Leadership has to do with changes in organizations, whereas management has to do with complex decisions and difficult actions. "Management is efficiency in climbing the ladder of success; leadership determines whether the ladder is leaning against the right wall (Covey, 2007).

When speaking about the differences between leadership and management, it may be noted that leadership is related to the adjustment of interpersonal relationships, which carry non-official character within the group; it emerges and functions, for the most part, spontaneously. Management, on the contrary, adjusts the relationships in the official social organization; it is a directed process, in which the activities of social organizations and institutions are controlled from the top.

The functions that are carried out by management and leadership and which differentiate between these two concepts, are presented in table 1.

Table 1. *Functions of management and leadership*

Management	Leadership
• Ensuring consistency and order • Planning and budget formation • Creating agendas • Setting up schedules • Presenting a structure • Control and problem-solving • Task distribution • Corrective actions • Resource distribution • Formation of teams and coalitions • Setting the direction for work • Implementing policies and procedures	• Ensuring changes and movement • Creating a vision • Setting up a strategy • Organization and staff selection • Uniting the people • Introduction to goals • Seeking dedication • Creating ways to encourage • Presenting creative solutions • Motivating and inspiring • Inspiring and enthusing • Empowering subordinates • Meeting their needs

Although leadership and management have many differences, there are also similarities: when managers attempt to influence a group, in order to accomplish the goals, they engage in leadership. When leaders plan, organize, select their staff or team members and oversee them, they engage in management. Thus, both management and leadership are important; limiting oneself to one of them is not enough. This fact is illustrated by quotes from various well-known people, e.g. John Mariotti states that „leaders are the architects, managers are the builders. Both of them are needed. Yet without a good architect, one cannot even begin to build“. According to P. Drucker, "separating management from leadership is as much nonsense as separating management from entrepreneurship. Those are part and parcel of the same job. They are different to be sure, but only as different as the right hand from the left or the nose from the mouth. They belong to the same body" (all citations taken from Covey, 2007).

One could say that leadership is a method of management, when the emphasis is placed on leading instead of managing and administrating. Obviously, one cannot lead inventories, cash flow and expenses – these things need to be managed. "Things don't have the power and freedom to choose. Only people do. So you *lead* (empower) people. *You manage and control things.*" S. R. Covey (2007) presents a list of things that have to be controlled: money, expenses, information, time, structures, systems, processes, equipment, physical resources, technologies, and tools. Sometimes there is a need for managing people that refuse leadership and choose to be managed (often, these are specialists and producers). Leadership, according to this author, is the work of mutually connected people, rather than immature interaction between strong, independent, ego-led managers and their compliant and submissive followers. Leadership is not about a position one holds, but rather about choosing to show people their worth and potential in such a clear way that they start seeing it themselves.

In a nutshell, leadership may be defined as the process that has to do with influence and goal-accomplishment, that takes place within a group, and that involves leaders and followers. It is not merely a process, but the process of social influence, during which the leader strives for voluntary involvement on the part of subordinates, while pursuing common organizational goals.

The aspects that reflect the concept of leadership are as follows:

- It is the power and the art of *impacting people*; it is the art of *providing* people with *opportunities*.
- It is the result of (interpersonal) interaction among the group/team members, when a recognized leader gains members' informal trust and a weightier right of making decisions, forming as well as implementing a vision.
- In leadership having recognition is more important than popularity. No doubt, recognition is related to trust. Leader's influence and the power of its impact depends on the acceptance and trust of the people that follow him. Very often people will trust a leader whose conduct is predictable. Better still is when this conduct is marked by honesty, absence of bias, consistency and firmness.

How do successful leaders act? S.R. Covey (2007) distinguishes four frameworks of successful leadership (Fig.1)

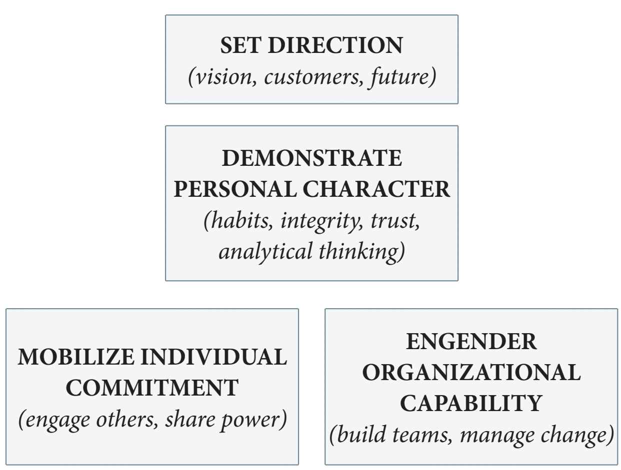

Fig. 1. ***Frameworks of successful leadership (Covey, 2007, p. 107)***

J. Owen (2009) distinguishes between effective and ineffective leadership behaviours (see tables 2 and 3)

Table 2. ***Effective leadership behaviours***

Effective leadership	Foundations of leadership; emerging leaders	Practice of leadership: leading from the middle	Mastering leadership: leading from the top
Focusing on people	Decenters self, manages up, supports others.	Builds commitment, good influencer. Builds networks.	Forms, aligns, motivates a leadership team
Being positive	Has drive, ambition; is self- aware, adaptable. Finds solutions, not problems. Volunteers.	Embraces ambiguity as opportunity, not risk. Manages conflict well.	Communicates a clear vision; handles crises well; focuses on must- win battles. Decisive.
Being professional	Learns the business, learns leadership. Loyal. Reliable.	Masters core skills, sees beyond own silo.	Shows honesty, integrity; role model for core values

Table 3. ***Ineffective leadership behaviours***

Ineffective leadership	Foundations of leadership; emerging leaders	Practice of leadership: leading from the middle	Mastering leadership: leading from the top
Focusing on people	Egocentric, lives in rational world, no EQ (emotional quotient) or political awareness	Expertise focus, not people focus; naive about networks and politics	Hires weak clones; threatened by talent. Delegates poorly.
Being positive	Can't do; problem focused; delegates upwards.	Retreats into comfort zone of authority, not responsibility.	Lack of stretch for self or the organization; manages a legacy.
Being professional	One of the lads or lasses.	Too political, loses trust. Leader in the locker room.	Rides the gravy train of status and entitlement.

Most social psychologists believe that characteristics of the leader and the situation interact to determine leadership success. R. J. Crisp and R. N. Turner (2012) assert that there is some evidence that the personality characteristics of an individual may make them suitable to lead their group in some situations but not in others. Such evidence explains why leaders whose personality is particularly suited to a particular type of task or a particular time in history do not remain in a position of leadership once the circumstances changes.

It is important to highlight that the culture of society (whether it is collectivist or individualist, high power distance or low power distance) may be also the factor influencing the leadership success. In collectivist cultures, the best leaders are seen as those who foster positive relationships between group embers and encourage a cooperative, cohesive working atmosphere. In contrast, in individualist cultures, the best leader is the one who focuses directly on reaching the goal of the group rather than on the group dynamics, and who awards the achievements of individuals. In high power distance cultures hierarchy and the power itself is valued. So, the best leader in such cultures will be the one who knows how to keep and use the power he possesses.

The 20th century witnessed the emergence of a number of leadership theories which have focused on different aspects of leadership, such as power and influence, traits, characteristics and skills, behaviour, situation, etc. These theories will be presented in the next chapter of this handbook.

SELF-EVALUATION QUESTIONS

1. Give definitions of management and leadership.
2. What are the differences between management and leadership?
3. What are effective and ineffective leadership behaviours?
4. What influences the effectiveness of leadership?

PRACTICAL ASSIGNMENT

SELF-EVALUATION: CHARACTERISTICS OF EFFECTIVE LEADERSHIP

The questions below relate to the characteristics of effective leaders. Use the questions to evaluate whether you possess these characteristics. Use the results to see where you might focus to strengthen your leadership skills.

Characteristics of Effective Leaders

Caring

1. Do you empathize with other people's needs, concerns, and goals?

☐ yes ☐ no

2. Would staff members confirm that you show such empathy?

☐ yes ☐ no

Comfort with ambiguity

3. Are you willing to take calculated risks?

☐ yes ☐ no

4. Are you comfortable with a certain level of disruption and conflict?

Persistent; tenacious

5. When pursuing a goal, do you maintain a positive, focused attitude, despite obstacles?

☐ yes ☐ no

Excellent communicators

6. Do you listen closely (rather than have a response ready before the other person finishes)?

☐ yes ☐ no

7. Are you comfortable running meetings?

☐ yes ☐ no

8. Are you comfortable making presentations and speaking in public?

☐ yes ☐ no

9. Do you have the skills needed to negotiate in a variety of settings?

☐ yes ☐ no

Politically astute

10. Could you diagram for yourself your organization's power structure?

☐ yes ☐ no

11. Can you articulate the concerns of your organization's most powerful roups?

☐ yes ☐ no

12. Can you identify those individuals within your organization that will support you when needed?

☐ yes ☐ no

13. Do you know where to turn for the resources you need?

☐ yes ☐ no

Able to use humor

14. Do you know how to use humor to relieve tense or uncomfortable situations?

☐ yes ☐ no

Levelheaded

15. In situations that are full of turmoil and confusion, do you stay calmand levelheaded?

☐ yes ☐ no

Self-aware

16. Are you aware/can you describe how your own patterns of behavior impact others?

☐ yes ☐ no

If you answered "yes" to most of these questions, you have the characteristics of an effective leader. If you answered "no" to some or many of these questions, you may want to consider how you can further develop these effective leadership characteristics.

(source: Luecke R. Managing Change and Transition. USA, 1992)

FOR FURTHER STUDY

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Chapter two

THEORIES OF LEADERSHIP

The purpose of this chapter: to provide theoretical knowledge and practical skills which would enable to:

- *DEFINE* various leadership styles
- *UNDERSTAND* and *EXPLAIN* the importance of matching leadership styles in the pursuit of effective leadership
- *EXPLAIN* the peculiarities of applying different styles of leaderhip in the pursuit of effective leadership
- *DETERMINE* the leadership style used by each individual leader
- *IDENTIFY* leadership problems in practical situations
- *APPLY* the most appropriate leadership style in a given situation
- *ESTIMATE* the employee (follower) level of readiness and to apply the corresponding leadership style
- *IDENTIFY* one's dominant style of leadership
- *GAIN* the skills of self-awareness and self-management

Main definitions used in this chapter:

Power. It is a potential possibility of influencing people, communities, organizations, events, and processes by causing a change, altering a behaviour or the course of events by overcoming resistance and by making people to do things that they would not do.

Emotional intelligence. It is an individual's self-awareness, his/her social sensitivity, empathy, and the ability to communicate successfully with others.

Leader's emotional intelligence. It is one's ability to manage oneself in relationship with other people. This ability stems from the understanding of one's own self, his/her own goals, intentions, reactions, and behaviours as well as from the understanding of other people and their feelings.

2.1 THE THEORY OF POWER–INFLUENCE

This theory answers the questions: *what power does a leader possess and how it is used by him?*

Power is a potential possibility of influencing people, communities, organizations, events, and processes by causing a change. It is a possibility to alter a behaviour or the course of events, to overcome the resistance and to make people do things which they would not do. Whenever power is linked to people, the question of leadership and its maintenance becomes relevant (Juceviciene, Gudaityte, Karenauskaite ir others., 2010)

According to the theory of power and influence, the effectiveness of leader's work depends on how much and what kind of power he possesses, how that power is expressed, how leaders use it, how they influence the attitudes and behaviours of their followers, how they empower or delegate power to others, in what ways power is gained and lost.

There are three major sources of power: (1) position power (formal authority, reward, and resource distribution); (2) personal power (expertise, cordiality/loyalty, charisma), (3) political power (management of decision-making process, formation of coalitions, co-optation).

In addition, three possible outcomes of a leader's influence on the followers need to be distinguished: (1) the follower's dedication; (2) the follower's compliance; (3) the follower's resistance.

P. Juceviciene, D. Gudaityte, V. Karenauskaite and others (2010) note that power has two bases. The first one is the philosophy of power as power to dominate. Its fundamental expression is „power over", i.e. „over us." Yet the use of such power is accompanied by the lack of trust and respect. This power is linked with the fear of a subordinate, who does not have it. The second one, which is the opposite to the above-mentioned understanding of power, is „power with", which carries in itself the notion of empowerment. Empowerment has to do with acquiring the ability to exercise influence, to participate in decision making, and to implement changes. This concept is also connected with freedom and possibilities to carry out the work. The team of authors present, in broad terms, a definition of empowerment, according to which, it is a process, carried out by the power-possessors who seek to share their power and who provide an opportunity for other people, communities, and organizations to increase control over their life or its development as well as over their participation in decisions that concern their lives. This view of power and empowerment is very important in leadership, especially when speaking about team leadership (for more information on team leadership and empowering leader see ch. 4 of this handbook).

2.2 THE TRAIT THEORY OF LEADERSHIP

According to this theory, one seeks to answer the following questions: what are the leaders and what kind of skills they need to have? That is to say, this theory explores personal characteristics, traits, and abilities of a leader.

Scholars compared the traits of individuals who became leaders with those who did not. After many studies on leadership traits and characteristics, conducted by many different scholars (Stogdill, Mann, DeVader and Alliger, Kirkpatric and Locke and others), the following fundamental leadership traits were singled out:

- Ability to convince, attract, be an example
- Creativity, novel ways of solving problems
- Foresight
- Being open to experience
- Ability to influence other person's behaviour
- Penchant for collaboration
- Trustworthiness
- Integrity
- Self-confidence
- Tenacity in pursuing the goal
- Willingness to take responsibility
- Tact and diplomacy
- Intellectual capacity
- Conceptual thinking
- Eloquence, sociability
- Self-discipline
- Adjustment to situation
- Decisiveness and energy

According to P. G. Northouse (2009), the most important traits in this list are intelligence, self-confidence, decisiveness, integrity, and sociability.

Research has shown that leaders are distinguished from non-leaders by five traits: intelligence, taking charge, self-confidence, level of energy and activeness, the training that is directly related to one's activity (Taylor, 2010).

According to S. R. Covey (2007), "when we speak of intelligence, we usually think in terms of *Mental Intelligence* (IQ), that is, our ability to analyze, reason, think abstractly, use language, visualize and comprehend. But this is far too narrow an interpretation of intelligence." The author distinguishes four intelligences or capacities: physical (PQ), mental (IQ), emotional (EQ), and spiritual (SQ). The latter helps us discern the true principles of our conscience. "Spiritual Intelligence is the central and most fundamental of all the intelligences because it becomes the source of *guidance* of the other three.

S. R. Covey does not dismiss out of hand the other kinds of intelligence (e.g. visual, verbal, analytical, artistic, logical, creative, economical, etc.), yet he is convinced that they all can be grouped into four major groups, which correspond to the following dimensions and elements of human life: body, mind, heart, and spirit.

Lately, it has become fashionable to talk about **emotional intelligence** (EQ), as the most significant force that affects leadership. Scientific studies have shown that emotion intelligence has greater influence on successful communication, mutual relationship, and ability to lead than mental intelligence. The theory of emotional intelligence baffles those who link their strategies of success only with mental intelligence. For example, when taking a mental test, the individual can get ten out of ten, yet be unable to communicate and get only two in emotional intelligence (EQ) test. Psychologists maintain that 80 percent of people's work (and personal) success is determined by their emotional intelligence and only 20 percent is determined by their mental (or cognitive) intelligence (IQ). Emotional intelligence is particularly important in people-related lines of work (sales clerks, managers, businessmen, jounalists, politicians, etc.). According to D. Goleman, R. Boyatzis, A. McKee (2007), the level of leaders' emotional intelligence determines their ability to manage and direct their feelings in the way which would help the group to accomplish their goals more easily.

From the perspective of evolution, individual's emotional intelligence, his/her emotional reactions and the ability to adjust them has been among the oldest ones. Emotional expression is the main mechanism for regulating interrelationships among animals. Emotional intelligence impedes nonaltruistic activities (e.g. with the arousal of shame or guilt feelings). This enhances one's ability to recognize one's own emotions as well as those of others, to adopt adaptive behaviours toward oneself as well as the others, to control one's own emotions and to respond to different situations in emotionally adequate ways.

What do we call emotional intelligence? According to S.R. Covey (2007), *emotional intelligence* is one's self-knowledge, self-awareness, social sensitivity, empathy and ability to communicate successfully with others. It is a sense of timing and social appropriateness, and having the courage to acknowledge weaknesses and express and respect differences. Emotional intelligence is the ability to understand and to express emotions, to apply this understanding to life tasks. It is the ability to use emotions to aid one's thinking, to comprehend and to reason with their help, to manage them effectively within one-self and in relationships with others. It is a rational understanding of one's own emotions as well as those of the others, a grasp on their nature and meaning, self-control and management of negative emotions, a constructive expression of emotions and an effective solution of conflicts. It is a broad assortment of human abilities, competencies, skills, psychological and emotional characteristics, which determines his ability to overcome successfully the demands from (primarily, social) environment as well as challenges of life.

It has been noted that people with high, well-developed emotional intelligence exercise empathy, are able to understand the feelings of another person, and handle their own emotions. Their activity is based on positive emotions.

J. Owen (2009) highlights that being positive is a fundamental requirement for leadership. What being positive is and is not about? Being positive *is about* seeing opportunities, not problems; learning to be lucky consistently; moving from analysis to action; living better. Being positive *is not about* happy – clappy happiness and saying, "have a nice day" through gritted teeth; false optimism; false praise and "one minute – managing" people; ignoring problems, risks and realities; hoping for the best and gambling.

Author also suggests some core lessons about how to sustain being positive:

- *Focus on strengths, not weaknesses.* This is essential for all leaders. Leaders cannot succeed if they deal with weaknesses. Successful leaders play to their strengths: they focus on tasks for staff that allow people to shine and compensate for their own weaknesses.
- *Manage own feelings.* Author says: "If you feel upset or angry, that is your problem, not that of the person who has caused you to feel that way. At all times you have a choice: you can feel angry, upset or bored; or you can feel engaged and interested. If you want rain showers in your soul, that is your decision too. Leaders learn to wear the mask of leadership: whatever they may feel inside, they are able to project the face that they want to project".
- *Visualize.* Leaders should visualize their success. This means focusing on the goal, and then on how to get there.
- *Move to action.* In order to sustain being positive leader shouldn't pick over the past. It is important to look to the future and take control of it. Author's research results show that most of the leaders had experienced crises, but most of them did not see them as failures. On the contrary, they saw each experience as a chance to learn, grow and become stronger. There was no victim mentality of looking at the past and blaming others for misfortune; they looked to the future and took responsibility for themselves.
- *Take control.* Often, people suffer because of events or people beyond our control, because they cannot change the world for their benefit. In order to sustain being positive it is important to remember that even in the darkest moment there are one or two things which we can control, where we can help ourselves. So leaders focus on those things they can do, rather than worry about the many things which they cannot control.

Leaders' emotional intelligence is their ability to manage themselves and their relationships with followers by channeling their emotions in a proper direction. No doubt, it is also their ability to dispel the mood caused by negative emotions in the team or group of followers.

Leaders with high emotional intelligence:

- are able to own their feelings and moods, to control their behaviour, know how to channel them in a proper direction;
- are able to empathize with the state of other people, to understand their feelings and adjust their behaviour accordingly;
- are able to manage the feelings of other people, to establish relationships and connections for accomplishing desired results;
- are aware of their emotions and know how to control as well as to express them in proper ways;
- know how to create a needed climate for work and motivate employees to pursue this purpose together

What does emotional intelligence consist of? According to D. Goleman and others (2007), emotional intellect consists of four dimensions: self-awareness, self-management, social awareness, and relationship management. These domains are reflected in individual's personal and social competencies. Personal competence, which consists of self-awareness and self-management, shows the individual's ability to manage himself/herself. Social competence, which is made of social awareness and relationship management, aids in managing relationships.

Self-awareness (self-knowledge, self-understanding)

According to D. Goleman and others, it is an understanding of one's emotions, one's strengths and limitations as well as one's values and motives. People with self-awareness have their values, goals, and dreams. They know where they are going and why, and when moving toward their goal, they hold to their principles. The main feature of self-awareness is a propensity for self-reflection and thoughtfulness as well as care for their spiritual life.

J. Starr (2009) notes that self-awareness (self-understanding) is best expressed by the saying “Know yourself.” It has to do with one’s ability to understand oneself accurately, whether in a specific situation or in general. Self-awareness shows to what extent individuals know themselves, their strengths and limitations, their likes and dislikes, their character and peculiarities.

People who read their emotions are more confident; they are not embarrassed about asking their colleagues for help. Such individuals are not stressed when they encounter criticism. They seek to know more about their limitations and, subsequently, work on them.

Self-management (or the ability to manage emotions)

Self-management, according to D. Goleman and others (2007) is a component of emotional intelligence, which helps us keep our feelings in hand. It is based on our the ability to read our emotions and to understand our goal clearly. Unless people understand what they are feeling, they are unable to manage their emotions. In stressful situations, when hard tasks need to be accomplished in short time, people with high level of self-management and, at the same time, emotional intelligence manage their emotions, do not get into a panic, but pull their thoughts together, so that they can analyze the situation in the best possible way. Often they give a helping hand to their panicking colleagues. Self-management is particularly important for leaders, since the people who can control themselves radiate optimism and energy. On the other hand, emotions spread with great speed and the group (followers) absorb them equally rapidly. This is why it is so important for leaders to manage their negative emotions. In addition, leaders will not be able to manage the emotions of their followers, unless they are able to manage those of their own.

Social awareness

Social awareness, also called empathy, is probably the most easily recognized among the mentioned characteristics. Empathy is one’s attunement to, one’s self-identification with as well as emotional support and care for the other. It is an effort to see and understand the other. According to D. Goleman and others, leaders who can relate to the condition of their employees are able to communicate and behave in proper ways, when, for example, there are fears that need to be calmed, anger that has to be quenched or joyful things that need to be celebrated together. Such empathy allows leaders to understand the values and priorities of their followers. Leaders who lack empathy, unwittingly, speak and behave in inappropriate ways, thus prompting their followers’ negative reactions.

Relationship management (or social skills)

Self-awareness, self-management, and empathy make up the last capacity of emotional intelligence: relationship management. The capacity to manage relationship means the ability to persuade, manage conflicts, and collaborate. Relationship management, according to D. Goleman and others, is skillful handling other people’s emotions. Social skills, necessary for successful management of relationships, is more than a friendliness. It is rather the outcome of all the mentioned characteristics. People with highly developed social skills know well how to read and how to handle their emotions.

Emotional intelligence domains and associated competencies are presented in table 4.

Table 4. ***Emotional intelligence domains and associated competencies (Goleman, Boyatzis, McKee, 2007)***

PERSONAL COMPETENCE
Self-awareness • Emotional self-awareness: reading one’s own emotions and recognizing their impact; using “gut sense” to guide decisions • Accurate self-assessment: knowing one’s strengths and limits • Self-confidence: a sound sense of one’s self-worth and capabilities

Self-management • Emotional self-control: keeping disruptive emotions and impulses under control • Transparency: displaying honesty and integrity; trustworthiness • Adaptability: flexibility in adapting to changing situations or overcoming obstacles • Achievement: the drive to improve performance to meet inner standards of excellence • Initiative: readiness to act and seize opportunities • Optimism: seeing the upside in events
SOCIAL COMPETENCE
Social awareness • Empathy: sensing others' emotions, understanding their perspective, and taking active interest in their concerns • Organizational awareness: reading the currents, decision networks, and politics at the organizational level • Service: recognizing and meeting follower, client, or customer needs
Relationship management • Inspirational leadership: guiding and motivating with a compelling vision • Influence: wielding a range of tactics for persuasion • Developing others: bolstering others' abilities through feedback • Change catalyst: initiating, managing, and leading in a new direction • Conflict management: resolving disagreements • Building bonds: cultivating and maintaining a web of relationships • Teamwork and collaboration: cooperation and team building.

According to the authors, effective leaders will usually have at least one well-developed competence from the four major domains. Besides, the authors note, that one is not born with these competencies; rather, they can be taught.

Self-awareness and self-assessment encompasses our behaviour toward ourselves, our thoughts, wishes, the ability to accept ourselves unconditionally just as we really are. Self-assessment determines the strength of one's influence on others. Thus, it is important, first of all, to know ourselves well and to be able to manage our negative feelings, and, second, to relate to the emotional state of the other member of the team. Then mutual relationships will be based on reciprocal understanding and respect. According J. Luca, P. Tarricone (2001), emotional stability has to do with self-confidence which reflects emotional self-awareness on the part of team members as well as their ability to manage their own emotions, and which improves interactions with other members, while stimulating further teamwork.

According to D. Goleman, R. Boyatzis, and A. Mckee (2007), leader's emotions are passed to other members of the team. Leader's tolerance, his/her respect for the feelings of others, and sincere relationships help the other members of the team feel safer, communicate among themselves as well as with their leader more openly.

In this way, the unnecessary tension in the team is lifted and favourable conditions that allow for better focus and more productive work are created. If leaders radiate enthusiasm, optimism, and sincere concern for their followers, the latter will have more energy to work and will respond to challenges more creatively. They will also want to cooperate in common work and commit themselves to common purpose. There will be a team spirit and a desire to help. When leaders are impatient, disappointed or afraid of losing, when they act in disrespectful, unjust and insensitive ways, the employees get irritated and put up resistance, defend and protect themselves or want to withdraw from the source of despair.

To summarize, one can say that, in its essence, leadership process is based on emotions. Leader's main goal is to evoke positive feelings among the followers, the resonance which would release their abilities. This is easier to do for a leader with high emotional intelligence, i.e. ability to read the emotions that others experience and at the same time to understand how it influences the emotions of his own. For instance, low emotional intelligence is attested by one's inability to understand, when the people around us feel humiliated, degraded, threatened, angry, disappointed or guilty. Emotional intelligence is distinguished from the ordinary human capacities by one's ability to understand the dynamics of social relationships and the things that take place during any social interaction.

2.3 THEORIES OF LEADERSHIP STYLE (BEHAVIOUR)

These theories, differently than trait approach to leadership, aim at showing not *what leaders are, but what they do and what their style of behaviour is.*

Theories of behaviour (1950-1960) stress that leaders can be trained and that they can be taught to choose the best leadership style. In these theories

- the emphasis is on what leaders do, what actions they take while fulfilling their role
- focus is on the leader's functions and styles. The distinction between two major functions is made: the first one is related to the task and is, otherwise, known as problem solving function (task orientation); the second one is group maintenance or social function (relationship orientation)
- leadership style is understood as the mode of behaviour chosen by leaders who set a direction and influence the employees

There are three essential categories of leadership behaviour:

1. Task orientation: clear distribution of roles, planning, organization, monitoring of the activities
2. Relationship orientation: encouraging collaboration, supporting teamwork, increasing employee satisfaction, conflict management
3. Change orientation: scanning the environment, following the events, vision formation, presentation of innovative strategies, experimentation

1) McGregor's Theory X and Theory Y

These theories present different assumptions that managers/leaders have about their employees.

According to **Theory X,** employees, by nature, are lazy and uncooperative. They are motivated only by money. They do not like to work: they would work as little as possible, therefore, they need to be overseen, controlled and forced to work by means of coercion, close control, and penalties. They are gullible, not very smart, and easily fall victim to manipulation. They run short of time, dislike responsibility, and prefer to be directed. By nature, they are selfish and indifferent to organization's goals and needs. What people want most is security and they are intrinsically opposed to changes.

Whereas managers and leaders of style are characterized by their clockwork management, tight control and coercion, McGregor's Theory Y reflects a "soft", democratic style and is characterized by liberality and meeting needs. According to **Theory Y,** people are not innately passive or resistant to organization's needs. They become this way because of how they are treated in the organization. By nature, people are motivated; they have the potential to improve, to take on responsibility and to pursue organizational goals. Leaders have to notice this potential and to provide the employees with the necessary conditions for developing it, i.e. in the appropriate conditions, every individual learns not only how to accept responsibility, but also begins to strive after it. Proper conditions have impact on the effectiveness of employee work, therefore leader's important task is to ensure such organizational conditions that employees may pursue personal goals while also pursuing organization's goals at the same time.

Table 5 contains the summary of leadership characteristics that underlie the theories X and Y.

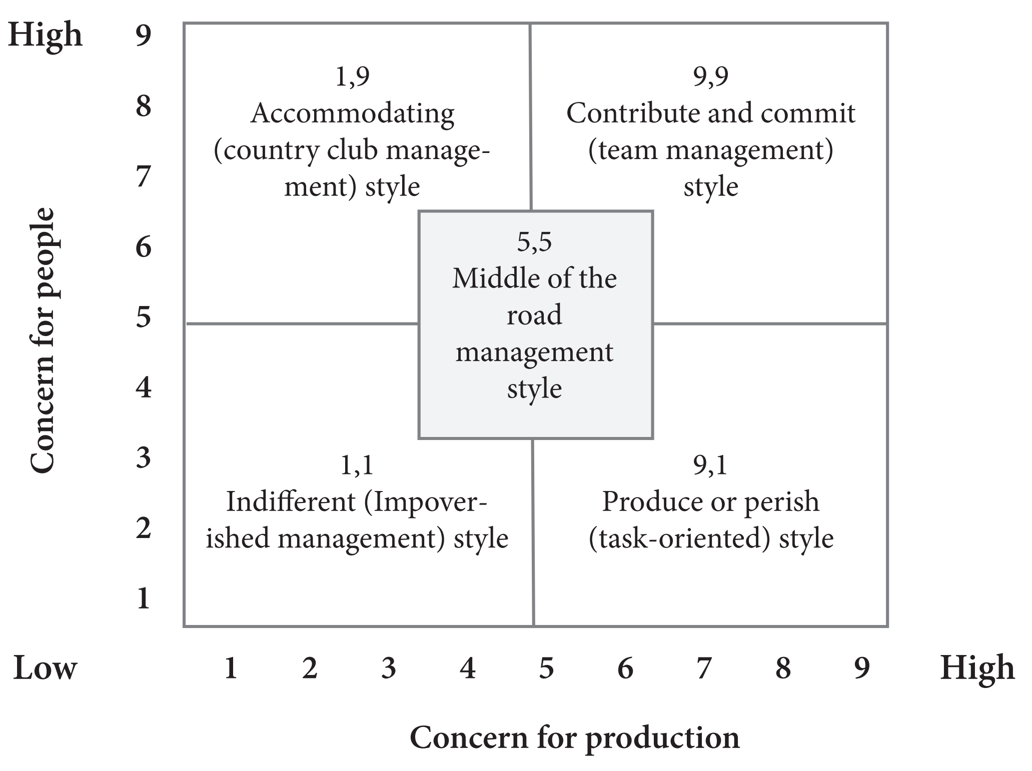
Table 5. *X-type and Y-type managers (Owen, 2009)*

Management criteria	X- type manager	Y- type leader
Basis of power	Formal authority	Authority and respect
Focus on control	Process compliance	Outcomes, achievement
Communication style	One-way; tell and do	Two-way: tell and listen
Success criteria	Make no mistakes	Beat targets
Attention to detail	High	Moderate
Ambiguity tolerance	Minimal	Moderate
Political ability	Moderate	High
Preferred structure	hierarchy	Network

2) Blake and Mouton leadership grid

Depending on the concern given by a leader (to people and relationships or to goals and tasks), five leadership styles are distinguished (see fig pic. 2).

figure 2. *Blake and Mouton Leadership Grid*



Impoverished management (1,1): low concern both for relationships and for production, i.e. managers/leaders exert minimum effort to get work done and are concerned very little about the maintenance of mutual relationships among employees/followers. They formally fulfill their obligations, are withdrawn, spent little time talking to employees, are indifferent and do not sacrifice themselves for the sake of common purpose.

Task-oriented management (9,1): high concern for production, and low for relationships. Leaders care mostly about the results; people are considered as tools for achieving those results. Leaders do not engage in conversation with them, unless there is a need for task-related directions. Such leaders are strict, demanding, energetic, and dictatorial.

Country club management (1,9): high concern for relationships, people's needs and desires, low for production. Managers/leaders consider it important that employees/followers enjoy the relationships, therefore they create cozy and friendly atmosphere, in which people would enjoy their work and relationships. Managers/leaders are pleasant and ready to help, encouraging and to prone to argument.

Middle-of-the-road management style (5,5): an attempt to balance between encouraging people to do their work well and bringing satisfaction with their work and relationships. In order to reach that balance, managers/leaders tend toward compromise, are moderately interested in both tasks and people that carry them out. They avoid conflicts, seek to smooth over disagreements, and sacrifice their convictions for the sake of "progress."

Team management (9,9): high concern for both production and relationships. Managers/leaders encourage high activity and teamwork, meet the major employee/follower need for participating in work and staying committed to it. They act impartially and decisively, discuss questions in public, clearly formulate the priorities, and are fair-minded. The relationships are based on trust and respect.

2.4 SITUATIONAL AND CONTINGENCY THEORIES OF LEADERSHIP

These theories aim at answering questions, how leaders should behave in a given situation. The focus is on the leader's actions in concrete situations. The premise is that different situations require different leadership, i.e. the leadership style must be appropriate the situation at hand.

1) According to **Hersey-Blanchard model,** leadership styles differ depending on how much direction leaders give to their employees/followers, how much support is being provided as well as the extent of employee/follower involvement in making the decisions.

As Hersey and Blanchard put it, leadership style must be selected with regard to employee/follower professional maturity (competence to carry out the tasks) and psychological maturity (or motivation, desire, and readiness to fulfill the tasks). Different employees/followers require different leadership styles, i.e. leadership styles should be matched to the employee's/follower's maturity level. Since the level of professional and psychological maturity may be either low or high, four levels of employee/follower maturity exist (R1, R2, R3, R4). Correspondingly, there are four leadership styles (S1, S2, S3, S4) (see Table 6):

S1 – Telling. It is appropriate when the employee's professional maturity is low and his/her psychological maturity is low also. Leaders show high concern for tasks, low concern for relationships. One-way communication. Leaders define ones' role and strictly tell him/her how to carry out the tasks. It is used in training novices, those who have little experience or who had held less responsible positions.

S2 – Participating. It is appropriate when the employee's professional maturity is low, satisfactory; psychological maturity is satisfactory, high. Leaders show high concern for both tasks and relationships.

S3 – Supporting. It is appropriate when the employee's professional maturity is satisfactory, high; psychological maturity is low. Leaders are show high concern for relationships, low concern for tasks.

S4 – Delegating. It is appropriate when the employee's professional maturity is high; psychological maturity is high. Leaders show low concern for both relationships and tasks.

Table 6. *Matching leadership style with employee/follower level*

Level of readiness	Employee/follower description	Leadership style and its description
R1 Prof. mat. low Psy. mat. high	Employees facing new task; they do not know exactly how to do it, yet they are ready to take it on, since they like the challenge.	**S1 – telling** It is characterized by the leader's high concern for tasks, low concern for relationships. The leaders tell their employees what goals they should accomplish and how. Close supervision and control is, subsequently, established.
R2 Prof. mat.. average Psy. mat. low	Employees are now better at their work. However, they lost some of the initial motivation to do it.	S2 – participating It is characterized by the leader's high concern for both tasks and relationships. Although the leaders converse with their employees, encouraging the latter to voice their opinions, they are still the ones who decide which goals will be pursued and how.
R3 Prof. mat. high Psy. mat. low	Employees normally have the skills for carrying out the work, yet they are not certain about their ability to do it independently.	**S3 – supporting** It is characterized by the leader's high concern for relationships, low concern for tasks. The leaders spend little time giving directions. They listen, praise, encourage other opinions, willingly recognize the merits of the employees, and provide feedback. They do not merely focus on the goal, but support their employees, so that the latters' skills may be oriented toward accomplishing the goal. The leaders allow the employees to be in charge of day-to-day decisions, however they can be contacted whenever there is a need for helping with the problem.
R4 Prof. mat. high Psy. mat. high	Employees have both skills and motivation for doing the work.	**S4 – delegating** It is characterized by the leader's low concern for both relationships and tasks. The leaders spend little time giving directions about the task, are little involved in planning, control over the details, and explaining their goal. They transfer control to their employees and stimulate their trust and motivation to do the work. Such a style allows the employees to accept the responsibility for the fact that the work will be done as they see it necessary.

Note: the abbreviation Prof. mat. means "professional maturity", Psy. mat.. means "psychological maturity."

P. G. Northouse (2009) states that the individual's level of maturity may vary with each task. For leaders to be effective, they need to identify the level of maturity of each individual employee, and to adapt their leadership style in accordance with that level. In addition, the employee's level of maturity may also change in the process of carrying out the task. For example, at the beginning, the employee may feel motivated and full of enthusiasm regarding the task, yet lack the necessary knowledge and skills (R1), but after a while (e.g. after a month), his/her motivation may decrease significantly, although the employee may fill up the former gaps in his/her competence (R3). For this reason, a leader needs to be flexible.

Thus, leaders ought to adjust their style (S1, S2, S3 or S4) in accordance with their people's changing needs to strive for accomplishments, to obtain experience, skills and the desire to accept responsibility. They must be able to continually assess their people's motivation, their skills as well as their experience, and to choose the style which would help these people to gain confidence in their abilities and to become better.

2) **F. Fiedler's contingency theory.** It is a theory about the appropriate match between a leader and specific situations. According to this theory, leaders should match the corresponding situations, since leader's effectiveness depends on how well his/her leadership style fits the context. Situations which leaders need to match are characterized by three factors

- *Leader-member relations,* consisting of group atmosphere, level of trust and loyalty. They can be defined as either good or bad
- *Structuring the task,* which means clarity in the requirements of the task. If those requirements have been formulated clearly, if there are not too many ways for accomplishing the task, if there exists a limited number of correct solutions for the task and one can see clearly that the task has been carried out and that it has been carried out well, that task is considered as being structured (high task structure). Completely structured tasks give a leader greater control and influence.
- *Leader position power* is the level of formal authority which is indicated by the leader's power to apply rewards and punishments. This power is strong when leaders have the authority to fire or promote their employees, to increase their wages.

According to this theory, task-oriented leaders are effective in situations other than relationship-oriented leaders. For instance, task-oriented leaders are effective when relationships between the leader and his/her followers are good, when the task structure is low and the leader position power is strong; relationship-oriented leaders are effective if, in the same situation, their position power is weak (see table 7).

Table 7. *Contingency Model (Northouse, 2009)*

Leader-member relations	Good				Poor			
Task structure	High Structure		Low Structure		High Structure		Low Structure	
Position power	Strong power	Weak power	Strong power	Weak power	Strong power	Weak power	Strong power	Weak power
Preferred leadership style	**Effective task-oriented leader (TOL)**				**Effective relationship-oriented leader**			**Effective TOL**

As K. Masiulis and T. Sudnickas (2007) state, task-oriented leaders are effective during various crises such as fires or floods. Leaders that have emerged in such undefined situations often do not know personally well the people over whom they have been put in charge; their position power is weak and their task is unstructured. Relationship-oriented leaders would lose too much time, the situation would get out of control and, for the whole group, this would be too costly.

Task-oriented leadership, as compared to relationship-oriented leadership, is valued more in situations where followers want to know exactly what is expected of them and what they are supposed to do. Even if the leader is not oriented toward relationships with his/her followers, relationships still can be good, if the leader is able to ensure bonuses or bigger salaries for the followers.

In situations where relationships between the leader and the followers is good, the task structure is low and leader position power is weak, relationship-oriented leadership is more effective. This could be the situation with a team of scholars, for example. Scholars do no like tasks that are too structured; when solving problems, they, rather, tend to rely on their intuition and creativity (Masiulis, Sudnickas, 2007).

3) Path-goal theory

This theory was formulated in the eighth decade of the 20th c. and was called a contingency theory since leadership effectiveness depends on harmony between a leader's behaviour and a follower's (subordinate's, employee's) as well as task's characteristics (Northouse, 2009).

It explains how leaders motivate their subordinates in order to accomplish the goals, and emphasizes the relationship among leadership style, subordinate characteristics, and work environment. The view of leadership presented in the path-goal theory is different from the ones studied in the previous sections. In the situational leadership theory, leaders must match the readiness level of their followers (employees, subordinates), and in the contingency theory leaders must match the situation.

The purpose of the given theory is to improve the results and the satisfaction among the employees by focusing on their motivation.

The main assumption of the path-goal theory is based on the theory of expectation, according to which followers will be motivated, if they think that they are able to do the job, and if they believe that their efforts will yield results and that their work is meaningful. The leader is responsible for defining the goals, explaining the path to their attainment as well as removing the obstacles and providing the support.

Leader's goal is to provide counsel, to point out his/her followers the best path toward the achievement of the objective and of the expected reward. The leader offers certain rewards (not merely monetary) and tells the followers what they have to do in order to receive that reward.

In short, the path-goal theory is applied when trying to explain how leaders can help their followers to achieve the goals by selecting some specific modes of behaviour that would match the followers' needs as well as the situations in which those followers work. The leaders have to choose the leadership style that would match their followers' needs and their work in the best possible way.

On the basis of the path-goal model, developed by Robert House in 1971 and presented by P. Jucaviciene (1996), one can distinguish the following steps:

1. The leader assesses employee needs
2. The leader formulates corresponding goals
3. The leader links the rewards with the goals
4. The leader provides the assistance to the employee (follower) toward realizing the goals
5. The employees (followers) feel satisfied and are motivated for their further work and recognition of the leader
6. The work becomes effective
7. The employees and the whole organization realize their goals better

According to P. Juceviciene, it is very important that the goals and objectives are formulated correctly. Also important is their presentation in the way that employees can understand and accept them. Another significant aspect is feedback, i.e. the information on the accomplished goals and objectives.

This theory consists of four parts:

1. Leader behaviour (it can be directive, supportive, participative or achievement oriented)
2. Follower (subordinate, employee) characteristics (they determine how the leader's behaviour is interpreted in a given situation or in the context of work. Most often these characteristics are related with the followers' need of belonging, their desire to have tasks that are structured, the need for control and the level of self-perceived ability, competence to carry out the task)
3. Task characteristics (task design (is it clear enough?), formal system of organizational power (has it been well-established?), the norms of the initial task force (are they steady enough?))
4. Motivation (it is affected by the followers' perceived ability to carry out a specific task: if they feel competent, the need for directive leadership diminishes)

Table 8 describes how the path-goal theory works. From that table one can see how, according to this theory, the leader's behaviour is related to the follower's (employee's, subordinate's, different members of the group) as well as task characteristics.

Table 8. ***The path-goal theory: how it works (Northouse, 2009)***

Leadership behaviour	Subordinate characteristics	Task characteristics
DIRECTIVE Provides guidance and psychological structure	Dogmatic Authoritarian	Ambiguous Unclear rules Complex
SUPPORTIVE Provides nurturance	Unsatisfied Need affiliation Need human touch	Repetitive Unchallenging Mundane
PARTICIPATIVE Provides involvement	Autonomous Need for control Need for clarity	Ambiguous Unclear Unstructured
ACHIEVEMENT ORIENTED Provides challenges	High expectations Need to excel	Ambiguous Challenging Complex

Thus, as may be seen from the above presented table, the directive leadership style is most suitable when the followers are dogmatic and authoritarian, when the requirements for the task are ambiguous and the organizational rules and procedures are vague. If the work is structured clearly, yet does not provide satisfaction, the supportive style is more suitable.

SELF-EVALUATION QUESTIONS

1. Give a definition of power.
2. How is power (influence) expressed in leadership?
3. What is emphasized in the trait theory of leadership?
4. Define the concept of emotional intelligence.
5. Why is it important for a leader to have high emotional intelligence?
6. What categories of leadership behaviour are singled out in the the theories of behaviour?
7. Explain how the leader's behaviour may vary depending on the employee's psychological and professional readiness (according to Hersey and Blanchard's model).
8. Explain what determines leadership effectiveness according to F. Fiedler's contingency theory.
9. What characteristics mark the task that has a high structure (F. Fiedler's contingency theory)?
10. Explain the principles of the path-goal theory of leadership.

PRACTICAL ASSIGNMENTS

Assignment 1. CASE ANALYSIS
A Drill Sergeant at First

Mark Young is the head of the painting department in a large hospital; 20 union employees report to him. Before coming on board at the hospital, he had worked as an independent contractor. At the hospital, he had worked as an independent contractor. At the hospital, he took a position that was newly created because the hospital believed change was needed in how painting services were provided.

Upon beginning his job, Mark did a 4-month analysis of the direct and indirect costs of painting services. His findings supported the perceptions of his administrators that painting services were inefficient and costly. As a result, Mark completely reorganized the department, designed a new scheduling procedure, and redefined the expected standards of performance.

Mark says that when he started out in his new job he was "all task," like a drill sergeant who didn't seek any input from his subordinates. From Mark's point of view, the hospital environment did not leave much room for errors, so he needed to be strict about getting painters to do a good job within the constrains of the hospital environment.

As time went along, Mark relaxed his style and was less demanding. He delegated some responsibilities to two crew leaders who reported to him, but he always stayed in close touch with each of the employees. On a weekly basis, Mark was known to take small groups of workers to the local sports bar for burgers on the house. He loved to banter with the employees and could take it as well as dish it out.

Mark is very proud of his department. He says he always wanted to be a coach, and that's how he feels about running his department. He enjoys working with people; in particular, he says he likes to see the glint in their eyes when they realize that they've done a good job and they have done it on their own.

Because of Mark's leadership, the painting department has improved substantially and is now seen by workers in other departments as the most productive department in hospital maintenance. Painting services received a customer rating of 92%, which is the highest on any service in the hospital.

QUESTIONS

1. From the style perspective, how would you describe Mark's leadership?
2. How did his style change over time?
3. In general, do you think he is more task oriented or more relationship oriented?
4. What score do you think Mark would get on Blake and Mouton's grid?

(source: Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)

(English source: Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 2. CASE ANALYSIS
Eating Lunch Standing Up

Susan Parks is the part-owner and manager of Marathon Sports, an athletic equipment store that specializes in running shoes and accessories. The store employs about 10 people, most of whom are college students who work part-time during the week and full-time on weekends. Marathon Sports is the only store of its kind in a college town with a population of 125,000. The annual sales figures for the store have shown 15% growth each year.

Susan has a lot invested in the store, and she works very hard to make sure the store continues to maintain its reputation and pattern of growth. She works 50 hours a week at the store, where she wears many hats, including those of buyer, scheduler, trainer, planner, and salesperson. There is never a moment when Susan is not doing something. Rumor has it that she eats her lunch standing up.

Employees' reactions to Susan are strong and varied. Some people like her style and others do not. Those who like her style talk about how organized and efficient the store is when she is in charge. Susan make the tasks and goals for everyone very clear. She keeps everyone busy; when they go home at night they feel as if they have accomplished something. They like to work for Susan because she knows what she is doing. Those who do not like her style complain that she is too driven. It seems that her sole purpose for being at the store is to get the job done. She seldom, if ever, takes a break or just hangs out with the staff. These people say Susan is pretty hard to relate to, and as a result it is not much fun working at Marathon Sports.

Susan is beginning to sense that employees have a mixed reaction to her leadership style. This bothers her, but she does not know what to do about it. In addition to her work at the store, Susan struggles hard to be a good spouse and mother of three children.

QUESTIONS

1. According to the style approach, how would you describe Susan's leadership?
2. Why does her leadership style create such a pronounced reaction from her subordinates?
3. Do you think she should change her style?
4. Would she be effective if she changed?

(source: Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)
(*English source:* Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 3. CASE ANALYSIS
Enhancing the Department's Culture

Douglas Ludwig is the director of design services at a large office furniture manufacturing company that employs about 1,200 people. The design department is made up of 80 people who are divided into eight working teams, all of which report to Douglas. Douglas is new to the company, having been hired away from a smaller competitor where he was vice president for research and development. His reputation as a leader at the previous company was generally favorable.

During his first year, Douglas has spent a lot of time trying to enhance the culture in his department. Unlike the previous director, who had spent a good portion of this time monitoring projects and emphasizing company goals, Douglas has involved himself with the mood, climate, and tenor of the department. To that tend, Douglas has instituted a new department meeting schedule for the purpose of allowing everyone to share ideas and concerns. While continuing to do the "nuts-and-bolts" things, Douglas has tried to promote greater esprit de corps in the department by having brown-bag lunches on Fridays. Each week , Douglas meets informally with the team leaders to get a feel for what they need and how they are doing.

Douglas is also a strong supporter of social events outside work. In the summer, the design department held an outdoor family barbeque – the first ever for some of the older employees in the company. Over the holidays, Douglas held an open house at his home that was catered by the company. Employees thought it was "first class" and talked about it for many months. Douglas was also instrumental in getting the company to sponsor a coed indoor soccer team, made up completely of employees from the design department.

Most people in the department give Douglas positive reviews for this first year as director. Designers and staffers alike are impressed by what a nice guy he seems to be. For years, the mood in the design department has been somewhat stale, but with Douglas's arrival some life has returned the the place. People began to enjoy the new vitality in the department, and they found themselves chatting more and complaining less.

QUESTIONS

1. Douglas's leadership clearly is one of the major types in the leadership style approach, what style is it?
2. Does it sound as if it is effective in the context of a design department at a furniture company?
3. Is there a downside to this style of leadership? If so, describe it.

(*source:* Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)
(*English source:* Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 4. CASE ANALYSIS
Why Aren't They Listening?

Jim Anderson is a training specialist in the human resource department of a large pharmaceutical company. In response to a recent companywide survey, Jim specifically designed a 6-week training program on listening and communication skills to encourage effective management in the company. Jim's goals for the seminar are twofold: for participants to learn new communication behaviour and for participants to enjoy the seminar so they will want to attend future seminars.

The first group to be offered the program was middle-level managers in research and development. This group consisted of about 25 people, nearly all of whom had advanced degrees. Most of this group had attended several in-house training programs in the past, so they had a sense of how the seminar would be designed and run. Because the previous seminars had not always been very productive, many of the managers felt a little disillusioned about coming to the seminar. As one of the managers said, "Here we go again: a fancy in-house training program from which we will gain nothing."

Because Jim recognized that the managers were very experienced, he did not put many restrictions on attendance and participation. He used a variety of presentation methods and actively solicited involvement from the managers in the seminar. Throughout the first two sessions, he went out of his way to be friendly with the group. He gave them frequent coffee breaks during the sessions; during these breaks, he promoted socializing and networking.

During the third session, Jim became aware of some difficulties with the seminar. Rather than the full complement of 25 managers, attendance had dropped to about only 15 managers. Although the starting time was established at 8:30, attendees had been arriving as late as 10:00. During the afternoon sessions, some of the managers were leaving the sessions to return to their offices at the company.

As he approached the fourth session, Jim was apprehensive about why things had been going poorly. He had become quite uncertain about how he should approach the group. Many questions were running through his mind: had he treated the managers in the wrong way? Had he been too easy regarding attendance at the sessions? Should he have said something about the managers skipping out in the afternoon? Were the participants taking the seminar seriously? Jim was certain that the content of the seminars was innovative and substantive, but he could not figure out what he could change to make the program more successful. He sensed that his style was not working for this group, but he didn't have a clue as to how she should change what he was doing to make the sessions better.

QUESTIONS

According to the Hersey and Blanchard model:

1. What style of leadership is Jim using to run the seminars?
2. At what level are the managers?
3. From a leadership perspective, what is Jim doing wrong?
4. What specific changes could Jim implement to improve the seminars?

(*source:* Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)
(English source: Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 5. CASE ANALYSIS
What Style Do I Use?

Bruce Cannon is the owner of a 5-year-old small plastics company that employs about 20 people. The company consists of three areas: engineering, sales, and production. For each of these areas, there is a single manager.

Rick Nakano head the engineering crew. His is a seasoned engineer and is the oldes employee in the company (he is 55 years old). Rick was hired because of his engineering ability and experience.

Before joining the company, Rick worked for 20 year as an engineer for Ford Motor Company. His coworkers perceive him as very competent, even-tempered, and interested in the company.

Rick has been spending most of his time in recent weeks on developing a long-range plan for the company. His goal is to develop a creative model for making decisions about future expenditures for materials, equipment, plant development, and personnel. Rick feels good about the way upper management has reacted to the first drafts of his plans.

Beth Edwards heads the sales force, which is the smallest unit in the company. Beth is the most recent hire in the company and has 15 years of sales experience in a different product area. Beth's peers see her as highly motivated but not too knowledgeable about the company's products. Beth's goal is to increase the company's annual sales by 30%. However, the first quarter sales figures indicate the rate of growth to be only 2%.

Although Beth has been upbeat since the day she arrived, in recent weeks there have been problems in her department. Her sale staff talks about how little she knows about the plastics industry. In discussions about new products, Beth often is confused. In addition, she has difficulty describing the company's capabilities to customers because she does not understand fully how a plastics company of this type functions.

Steve Lynch is the manager of production and has been with the company since its inception. Steve started out with the company just out of high school,working on the line, and mover up in the company as a result of his hard work. His goal is to streamline production and decrease costs by 10%. He knows production backward and forward but is a bit apprehensive about his knew role as production manager. In fact, Steve is afraid he might fail as manager. He does not know whether he is ready to have others depend on him when he has always been the one depending on others. The owner, Bruce, has great faith in Steve and has had several meetings with him to clarify his role and reassure him that he can do the work. He is certain that Steve will be an outstanding production manager.

Bruce meets weekly with each of his managers to talk about how their group is fitting in with the overall company goals. In his upcoming weekly conference, he wants to discuss with them what new procedures they could implement within their departments to improve their long-term performance. Bruce is wondering how he should approach each of his managers.

QUESTIONS

1. According to the basic assumptions of situational leadership, where would you place the three managers in regard to levels of development – R2, R2, R3 or R4
2. Which style of leadership should Bruce apply when working with each of the three managers?

(*source:* Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)

(*English source:* Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 6.

Look at the four leadership situations below and indicate which leadership style each response represents, and which leadership style is needed in the situation – Action A, B, C, or D?

Situation 1

Because of budget restrictions imposed on your department, it is necessary to consolidate. You are thinking of asking a highly capable and experienced member of your department to take charge of the consolidation. This person has worked in all areas of your department and has the trust and respect of most of the staff.

A. Assign the project to her and let her determine how to accomplish it.
B. Assign the task to her, indicate to her precisely what must be done, and supervise her work closely.
C. Assign the task to her and provide support and encouragement as needed.

D. Assign the task to her and indicate to her precisely what needs to be done but make sure you incorporate her suggestions.

Development level __________ . Action __________ .

2 situation

You have recently been made a department head of the new regional office. In getting to know your departmental staff, you have noticed that one of your inexperienced employees is not following through on assigned tasks. She is enthusiastic about her new job and wants to get ahead in the organization.

A. Discuss the lack of follow-through with her and explore the alternative ways this problem can be solved.

B. Specify what she must do to complete the tasks but incorporate any suggestions she may have.

C. Define the steps necessary to complete the assinged tasks and monitor her performance frequently.

D. Let her know about the lack of follow-through and give her more time to improve her performance.

Development level __________ . Action __________ .

Situation 3

Because of a new and very important unit project, for the past 3 months you have made sure that your staff members understood their responsibilities and expected level of performance, and you have supervised them closely. Due to some recent project setbacks, your staff has become somewhat discouraged. Their morale dropped, and so has their performance.

A. Continue to direct and closely supervise their performance.

B. Give the group members more time to overcome the setbacks but occasionally check their progress.

C. Continue to define group activities but involve the group members more in decision making and incorporate their ideas.

D. Participate in their problem-solving activities and encourage and support their efforts to overcome the project setbacks.

Development level __________ . Action __________ .

Situation 4

As a director of the sales department, you have asked a member of your staff to take charge of a new sales campaign. You have worked with this person on other sales campaigns, and you know he has the job knowledge and experience to be successful at new assignments. However, he seems a little unsure about his ability to do the job.

A. Assign the new sales campaign to him and let him function on his own.

B. Set goals and objectives for this new assignment but consider his suggestions and involve him in decision making.

C. Listen to his concerns but assure him he can do the job and support his effort.

D. Tell him exactly what the new campaign involves and what you expect of him, and supervise his performance closely.

Development level __________ . Action __________ .

(*source:* Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)

(*English source:* Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 7. CASE ANALYSIS

The following three case studies describe the leadership situations that can be analyzed from the perspective of contingency theory. As you read these cases, try to categorize them by using the information on contingency model, and answer the questions below.

Case 1. No Control Over the Student Council

Tamara Popovich has been elected president of the student council at the local college she attends. She likes the other council members, and they seem to like her. Her first job as president of the council is to develop a new policy for student computer fees. Because this is the first year that computer fees are being assessed, there are no specific guidelines for what should be included in this policy. Because the council memebers are elected by the student body, Tamara has no control over how they work. She has no way of rewarding or punishing them. In a leadership course Tamara took, she filled out the questionnaire and her score indicated that she is a relationship-oriented person.

QUESTIONS

1. How will Tamara do as president of the student council?
2. According to the questionnaire score, what are her primary needs?
3. How will these needs affect her ability to develop the new policy for computer fees?
4. How can Tamara change the situation to match her management style?

Case 2. Giving Him a Hard Time

Bill Smith has been the high school band teacher for 15 years. Every year, he in in charge of planning and conducting a different type of concert for the holydays. This year, his plan is to present a special jazz program in conjunction with the senior choir. For some reason, the band and choir members have it in for Bill and are constantly giving him trouble. Band and choir are extracurricular activities in which students volunteer to participate. While taking a management class at a local university, Bill took a test which showed him to be a task-oriented person.

QUESTIONS

1. What category does this situation fall into?
2. Will Bill be successful in his efforts to run the holiday program?
3. Should the school administration make any changes regarding Bill's position?

Case 3. What's the Best Leader Match

Universal Drugs is a family-owned pharmaceutical company that manufactures generic drugs such as aspirin and vitamin pills. The owners of the company have expressed a strong interest in making the management of the company, which traditionally has been very authoritarian, more teamwork oriented.

To design and implement the new management structure, the owners have decided to create a new position. The person in this position would report directly to the owners and have complete freedom to conduct performance reviews of all managers directly involved in the new system.

Two employees from within the company have applied for the new position.

Mrs. Lee has been with Universal for 15 years and has been voted by her peers most oustanding manager three different times, She is friendly, honest, and extremely conscientious about reaching short-term and long-term goals. When given the test by the personnel department, Mrs. Lee received the score which showed that she is a task-oriented person.

Mr. Washington came to Universal 5 years ago with an advanced degree in organizational development. He is presently director of training, where all of his subordinates say he is the most caring manager they have ever had. While at Universal, Mr. Washington has built a reputation for being a real people person. Reflecting his reputation is his test score which indicates that he is a relationship-oriented person.

QUESTIONS

1. Which of the two applicants should the new owner choose to head up the new management structure? Why?
2. Could the owner define the new position, according to contingency theory, in such a way that it would qualify one of the applicants better than the other?
3. Will Universal Drugs benefit by using contingency theory in it decision making regarding its new management structure?

(*source:* Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)

(*English source:* Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 8. CASE ANALYSIS
Three shifts, three supervisors

Brako is a small manufacturing company that produces parts for the automobile industry. The company has several patents on parts that fit in the brake assembly of nearly all domestic and foreign cars. Each year, the company produces 3 million parts that it ships to assembly plants throughout the world. To produce the parts, Brako runs three shifts with about 40 workers on each shift.

The supervisors for the three shifts (Art, Tom, and Carol) are experienced employees, each of whom has been with the company for more than 20 years. The supervisors appear satisfied with their work and have reported no major difficulty in supervising employees at Brako.

Art supervises the first shift. Employees describe him as being a very hands-on type of leader. He gets very involved in the day-to-day operations of the facility. Workers joke that Ar know to the milligram the amount of raw materials the company has on hand at any given time. Art can frequently be found walking through the plant and reminding people of the correct procedures to follow in doing their work. Even for those working on the production line, Art always has some directions and reminders.

Workers on the first shift have relatively few negative comments to make about Art's leadership. However, they are negative about many other aspects of their work. Most of the work on this shift is very straightforward and repetitive and as a result is nontonous. The rules for working on the production line or in the packaging area are all clearly spelled out and require no independent decision making on the part of workers. Workers simply need to show up and go through the motions. On lunch breaks, workers are often hear complaining about how bored they are doing the same old thing over and over. Workers do not criticize Art, but they do not think he really understands their situation.

Tom supervises the second shift. He really enjoys working at Brako and wants all the workers on the afternoon shift to enjoy their work as well. Tom is a people-oriented supervisor whom workers describe as very genuine and caring. Hardly a day goes by that Tom does not post a message about someone's birthday or someon's personal accomplishment. Tom works hard at creating comradery, including sponsoring a company softball team, taking people out to lunch, and having people over to his house for social events.

Despite Tom's personableness, absenteeism and turnover or highest on the second shift. The second shift is responsible for setting up the machines and equipment when changes are made from making one part to making another. In addition, the second shift is responsible for complex computer programs that monitor the machines. Workers on the second shift take a lot of heat from others at Brako for not doing a good job.

Carol supervises the third shift. Her style is different for that of the others at Brako. Carol routinely has meetings, which she labels troubleshooting sessions, for the purpose of identifying problems workers may be experiencing. Any time there is a glitch on the production line, Carol wants to know about it so she can help workers find a solution. If workers cannot do a particular job, she shows them how. For those who are uncertain of their competencies, Carol gives reassurance. Carol tries to spend time with each worker and help the workers focus on their personal goals. In addition, she stresses company goals and the rewards that are available if workers are able to make the grade.

Individuals on the third shift like to work for Carol. They find she is good at helping them do their job. They say she has a wonderful knack for making everything fall into place. When there are problems, she addresses them. When workers feel down, she builds them up. Carol was described by one worker as an interesting mixture of part parent, part coach, and part manufacturing expert. Upper management at Brako is pleased with Carol's leadership, but they have experienced problems repeatedly when workers from Carol's shift have been rotated to other shifts at Brako.

QUESTIONS

Based on the principles of path-goal theory,

1. Describe why Art and Tom appear to be less effective than Carol.
2. How does the leadership of each of the three supervisors affect the motivation of their respective subordinates?
3. If you were consulting with Brako about leadership, what changes and recommendations would you make regarding the supervision of Art, Tom, and Carol?

(*source:* Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)

(*English source:* Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 9. CASE ANALYSIS
Direction for Some, Support for Others

Daniel Shivitz is the manager of a small business called The Copy Center, whic is located near a large university. The Copy Center employs about 18 people, most of whom work part time while going to school full time. The store caters to the university community by specializing in coursepacks, but it also provides desktop publishing and standard copying services. It has three large, state-of-the-art copy machines and several computer work stations.

There are two other national chain copy stores in the immediate vicinity of The Copy Center, yet this store does more business than both of the other stores combined. A major factor contributing to the success of this store is Daniel Shivitz's leadership style.

One of the things that stands out about Daniel is the way he works with his part-time staff. Most of them are students, who have to schedule their work hours around their class schedules, and Daniel has a reputation of being really helpful with working out schedule conflicts. No conflict is too small for Daniel, who is always willing to juggle schedules to meet the needs of everyone. Students talk about how much they feel included and like the spirit at The Copy Center. It is as if Daniel makes the store like a second family for them.

Work at The Copy Center divides itself into primarily two areas: duplicating services and desktop publishing. In both areas, Daniel Shivitz's leadership is effective.

Duplicating is a rather straightforward operation that simply requires takin a customer's originals and making copies of them. Because this job is tedious, Daniel goes out of his way to help the staff make it tolerable. He promotes a friendly work atmosphere by doing such things as letting the staff wear casual attire, letting them choose their own tapes for background music, and letting them a bit wild on the job. Daniel spends a lot of time each day conversing informally with each employee; he also welcomes staff talking with each other. Daniel has a knack for making each worker feel significant even when the work is insignificant. He promotes comradery among his staff, and his not afraid to become involved in their activities.

The desktop publishing area is more complex than duplicating. In involves creating business forms, advertising pieces, and résumés for customers. Working in desktop publishing requires skills in writing, editing, design, and layout. It is challenging work because it is not always easy to satisfy these customers' needs. Most of the employees in this area are full-time workers.

Through the years, Daniel Shivitz has found that employees who work best in desktop publishing are a unique type of individual, very different from those who work in duplicating. They are usually quite independent, self-assured, and self-motivated. In supervising them, Daniel gives them a lot of space, is available when they need help but otherwise leaves them alone.

Daniel likes the role of being the resource person for these employees. For example, if an employee is having difficulty on a customer's project, he willingly joins the employee in troubleshooting the problem. Similarly, if one of the staff is having problems with a software program, Daniel is quick to offer his technical expertise. Because the employees in desktop publishing are self-directed, Daniel spends far less time with them than with those who work in duplicating.

Overall, Danies feels successful with this leadership at The Copy Center. Profits for the store continue to grow each year, and its reputation for quality service is widespread.

QUESTIONS

According to path-goal theory,

1. Why is Daniel an effective leader?
2. How does his leadership style affect the motivation of employees at The Copy Center?
3. How do characteristics of the task and the subordinates influence Daniel's leadership?
4. One of the principles of path-goal theory is to make the end goal valuable to workers. What could Daniel do to improve subordinate motivation in this area?

(*source*: Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)
(*English source:* Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 10. LEADERSHIP STYLE QUESTIONNAIRE

Leadership style questionnaire is designed to measure two types of leadership behaviours: task and relationship. Read each item carefully and think about how often you (or the person you are evaluating) engage in the described behaviour. Indicate your response to each item by circling one of the five numbers to the right of each item.

Key: 1 = Never, 2 = Seldom, 3 = Occasionally, 4 = Often, 5 = Always

1.	Tell group members what they are supposed to do.	1	2	3	4	5
2.	Act friendly with members of the group.	1	2	3	4	5
3.	Set standards of performance for group members.	1	2	3	4	5
4.	Help others in the group feel comfortable.	1	2	3	4	5
5.	Make suggestions about how to solve problems.	1	2	3	4	5
6.	Respond favorably to suggestions made by others.	1	2	3	4	5

7.	Make your perspective clear to others.	1	2	3	4	5
8.	Treat others fairly.	1	2	3	4	5
9.	Develop a plan of action for the group.	1	2	3	4	5
10.	Behave in a predictable manner toward group members.	1	2	3	4	5
11.	Define role responsibilities for each group member.	1	2	3	4	5
12.	Communicate actively with group members.	1	2	3	4	5
13.	Clarify you own role within the group.	1	2	3	4	5
14.	Show concern for the well-being of others.	1	2	3	4	5
15.	Provide a plan for how the work is to be done.	1	2	3	4	5
16.	Show flexibility in making decisions.	1	2	3	4	5
17.	Provide criteria for what is expected of the group.	1	2	3	4	5
18.	Disclose thoughts and feelings to group members.	1	2	3	4	5
19.	Encourage group members to do high-quality work.	1	2	3	4	5
20.	Help group members get along with each other.	1	2	3	4	5

Scoring

First, sum the responses on the odd-numbered items. This is your task score. Second, sum the responses on the even-numbered items. This is your relationship score.

Total scores: Task ______ Relationship ______

Scoring Interpretation

45 - 50	Very high range	30 - 34	Moderately low range
40 - 44	High range	25 - 29	Low range
35 - 39	Moderately high range	10 - 24	Very low range

If you want to know more about your style, ask 4 or 5 of your colleagues, friends or other people that know you to fill out the questionnaire, based on what they think of you as a leader. This will bring in some additional data, and you will be able to compare their scores with those of your own.

(*source:* Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)

(*English source*: Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignement 11. CASE ANALYSIS

George's style

George was tough in meetings. He was the head buyer at Sheldon–Saxon, a large department store in a resort city in Florida. At his regular Thursday morning supervisors meeting, he always questioned individual supervisors relentlessly. Anyone expected to give a report had better be ready and fully informed or George would be quick to respond with caustic interrogation and sarcastic remarks. Two or three such episodes in a raw would almost guarantee such treatment indefinitely, no matter how hard the supervisor tried to reverse the trend. Usually, the person would eventually be be eased out of the department, through either transfer or discharge. George was even tougher on the supervisors and even more sarcastic at meetings now that the company was experiencing a severe cash–flow problems.

On several occasions, subordinates had complained about George's behavior to the vice president who was his superior. When they did so, they were rebuffed with comment like, „We back up our managers here," or „If you can't stand the heat, you should get out of the kitchen." As a result, department members stopped going to George's boss with complains. Most people were aware through the company grapevine that, under this particular vice president, leadership style varied a great deal from unit to unit. A common problem, however, seemed to be that managers at George's level were unskilled in running meetings. It was generally known that a few departments were much happier places. For example, a buyer who had transferred to the Advertising and Public Relations Department, which reported to a different vice president, commented that her new department seemed like a „happy family" compared with the „chain gang" atmosphere in George's unit.

Tomorrow would be Thursday, and Al, one of the more senior supervisors, was due to give a report. He wasn't ready, but it wasn't his fault. On Monday, George had given him a rush project that had simply eaten up most of his time. Now, with just a few hours to go, Al did not have all the figures he needed to prepare the thorough, sensible progress report he was expected to give. „I could talk to George now and tell him what's happened," Al thought, „but he's likely to give me a lecture on time management and tell me that the world won't wait for the slow folks."

Al stewed about the matter for a while, and then telephoned another supervisor. „Sharon, the Dictator has me caught between a rock and a hard place. Maybe I'm going to have the flu tomorrow. At any rate, can you meet me in the cafeteria? I need some advice."

QUESTIONS

1. What style of leadership does George demonstrate?
2. What might happen to George's division if he continues in his leadership style?
3. What impact does George's leadership style have Al?

(*source:* French W. Human Resources Management. Boston, 1990)

Assignement 12.

Which leader – the one who uses X or Y style of leadership - is the most acceptable for you or for the person you are assessing?

Please rank each statement on the scale from 1 to 5, with the following meaning:

5 – always, 4 – usually, 3 – often, 2 – sometimes, 1 – seldom, 0 – never.

1. I like my manager giving me advice or discussing with me how I could do my work better. __________
2. I seek to acquire skills which are not essential for carrying out the responsibilities related directly to my work. _______
3. I like to work without being interrupted by my boss, however, I would love to have a possibility of referring to him for assistance, if I need to. __________
4. My work is most productive when manager's pressure and threat of losing the job are absent. __________
5. When quitting the job, I would like to let the manangers know what I think about the situation at the organization. ___

6. I would like to see the incentives for better and more work. __________
7. I would like to expand the scope of my responsibility. __________
8. I would like to acquire new knowledge and skills. __________
9. I would like to have my relationships with my boss friendly and informal. __________
10. I would like to have a possibility of discussing with my boss my concerns, fears or of making some suggestions. __________
11. I would like to know what are the goals and the objectives of our organization. __________
12. I would like to be informed regularly on the results of our organization's work. __________
13. I would like to have a possibility of managing problems that are related to my work. __________
14. I would like to be informed regularly on the events that take place in our organization. __________
15. I would like to have a possibility of meeting with my manager regularly in order to discuss the questions regarding my personal improvement as well as that of the organizational work. ___________

Calculate the score.

60 – 75 points = obvious preference for Y style of leadership

45 – 59 points = preference for Y style of leadership

16 – 44 points = preference for X style of leadership

0 – 15 points = obvious preference for X style of leadership

(*source:* Masiulis K., Sudnickas T. Elitas ir lyderystė. Vilnius, 2007)

Assignment 13.

What type of leader could you possibly be: autocrat, democrat, or liberal?
Find you leadership style by answering the questions below. Answer the questions based on how you responded or would respond in given situations.

	Usually Yes	Usually No
Do you like power that comes with leadership?		
Do you think that leaders should give their time and effort to explaining the decision, before it gets implemented?		
Do you like planning more than working directly with team members?		
A stranger comes to the organization, and you know that he is a new employee. Would you ask him first about his name rather than introducing yourself?		
Can you say that before assigning tasks, you point out the goals and allow the team members to choose what methods they will use?		
Do you think that leaders should keep a distance from the team members, since, over time, the lack of such a distance reduces one's respect for the leader?		
You have to make a decision about an organizational event. You heard that the majority would prefer Wednesday, whereas you think, that Thursday is better for those who are interested. Would you raise this issue for voting instead of deciding on it all by yourself?		

	Usually Yes	Usually No
If you could, would you leave the communication with yourself to the employee initiative, while consulting the employees only at their request?		
Do you find it easy enough to give a negative assessment of the task force members' work?		
Do you think you should treat your task force members in a friendly way?		
After a long search, you finally arrive at the solution of a complex problem. You inform the members of your team about it, and they find many errors. Would you feel annoyed with the fact that the problem has not yet been solved instead of getting angry with the employees?		
Do you agree that one of the best ways to avoid problems with discipline is to introduce appropriate penalties for breaking the rules?		
Your employees criticize you for your conduct in a specific situation. Would you abandon your viewpoint rather than trying to convince that your, as a leader's, decisions are indisputable?		
Do you, as a rule, leave it up to team members to communicate with you on the informal, day-to-day questions?		
Do you think that every member of the task force should, to certain extent, be personally loyal to you?		
Do you prefer team work to personal making of decisions?		
Do you agree that the presence of different opinions within a task force is beneficial?		

Calculating the score. In a table below, check those items to which you responded with "usually yes."

1. ________	2. ________	3. ________
4. ________	5. ________	6. ________
7. ________	8. ________	9. ________
10. ________	11. ________	12. ________
13. ________	14. ________	15. ________
16. ________	17. ________	18. ________
Autocratic	**Democratic**	**Liberal**
total ________	total ________	total ________

You prefer one of these three styles, if the total score for it outnumbers by 3-4 points the scores for the other two styles.

(*source:* Jucevičienė P., Stankevičiūtė J. Modulio „Lyderystė" metodinė medžiaga. Kaunas, 1999)

Assignment 14. THE LEADERSHIP STYLE MATRIX

The Leadership Style Matrix has been designed to give you information that may serve to reinforce existing strengths, or it may indicate areas of needed improvement. In either case, the data from the survey should prove helpful in learning more about your style. You may use this matrix not only for identification of your own leadership style, but for identification of other managers' leadership style as well.

Step 1. You will find in this survey 10 situations that call for your response. Each of the 10 situations presents five alternative ways of responding. Because you will be asked to rank-order these five responses to the situation, it is important that you read through all the responses before answering. Once you have read through all five responses, select the response that is most similar to the way you think you would actually behave or think you would behave in such a situation. Place the letter (a, b, c, d or e) corresponding to that response somewhere on the "Most Similar" end of the 10-point scale appropriate to the intensity of your feeling. Next, select the response that is least similar to the way you would actually act or think. Again place the letter corresponding to that response somewhere on the "Least Similar" end of the scale. Complete the answers by placing the remaining three responses that reflect your actions or thoughts for those responses within range of previously selected most-least points.

As an example, the answers to a situation could be:

Most			c	b			e	d		a	Least
Similar	10	9	8	7	6	5	4	3	2	1	Similar

THE LEADERSHIP STYLE MATRIX

In answering these questions, think of how you would actually act in or handle the situation, or how you think about change and the nature of change.

1. As a HRM relating to an employee, I will
   a. Support the employee to work out their goals aiming at high morale.
   b. Generally set HR ground rules and then leave it up to the employee.
   c. Identify with the employee the goals of the HR program and then jointly work through the alternatives.
   d. Try to develop a friendly relationship, while suggesting HR goals.
   e. Provide expertise and use logic to convince the employee.

Most											Least
Similar	10	9	8	7	6	5	4	3	2	1	Similar

2. As a HRM manager, an HR program organization can best be initiated when
   a. I avoid involving too many people in the decision.
   b. The logic for the HR program is pointed out and results emphasized.
   c. The employee first has a good opinion of me and then I urge changes.
   d. I help the employee to gain self-confidence and satisfaction.
   e. The employee makes a choice of HR programs on the basis of mutual needs and goals.

Most											Least
Similar	10	9	8	7	6	5	4	3	2	1	Similar

3. If I am talking with an employee, I usually
   a. Try to be supportive by letting the employee do most of the talking.
   b. Try to let the employee talk and then slowly sell the employee on HR methods of change.
   c. Try to be sure the employee understands the logic of the decision.
   d. Share about equally in the conversation and attempt to reach a shared conclusion.
   e. Say very little and only present my opinion when asked.

Most											Least
Similar	10	9	8	7	6	5	4	3	2	1	Similar

4. To achieve HR goals within an organization, I feel
   a. The employee has to be convinced that the plan for HR change has benefits as well as employee satisfaction.
   b. The employee and the HR manager can mutually agree on alternatives.
   c. The HR program and its implementation is left up to the employers.
   d. The employee decides what HR programs are needed with support given by HRM.
   e. The HR program is logically presented by the HRM.

Most Similar	10	9	8	7	6	5	4	3	2	1	Least Similar

5. When an HRM program is suggested and an employee reacts negatively to it, I am likely to
   a. Accept the employee's position and search for mutual agreement.
   b. Suggest the best course of action.
   c. Go along with the employee's ideas.
   d. Point out the requirements of the situation but avoid becoming involved in fruitless argument.
   e. Search for a compromise position that satisfies both points of view.

Most Similar	10	9	8	7	6	5	4	3	2	1	Least Similar

6. The employee will probably be more accepting of the HR program if
   a. The HRM emphasizes the rewards to the employee and downplays any problems.
   b. The HR program will result in increased personal satisfaction and morale.
   c. The employee is responsible for talking a course of action deemed appropriate.
   d. It is made clear how HR programs will effect the bottom line.
   e. The employee is an active participant along with the HRM in planning for the change.

Most Similar	10	9	8	7	6	5	4	3	2	1	Least Similar

7. As a HRM, a decision to change is most effective when the HRM
   a. Tells the employee logically what is expected and how to best accomplish the HR program.
   b. Gains the approval and friendship of the employee to get acceptable changes.
   c. Actively participates with the employee in setting the HR goals.
   d. Leaves the employee to make his or her own decision whether or not to change.
   e. Allows the employee to take responsibility for the HR program while giving personal support.

Most Similar	10	9	8	7	6	5	4	3	2	1	Least Similar

8. In evaluating an HR program as a HRM, I usually use
   a. The degree to which the employee complies with the HR program as well as the amount of pushing from me needed to gain conformance.
   b. The employee's performance as measured by goals jointly set by both the employee and myself.

c. The employee's evaluation of his or her performance.
d. An adequate degree of satisfaction to ensure the employee's compliance in meeting HR requirements.
e. A high level of morale in the employee as well as a friendly relationship between the employee and myself.

Most Similar											Least Similar
	10	9	8	7	6	5	4	3	2	1	

9. In evaluating the employee's performance, the HRM should
   a. Look at evaluation as a mutual responsibility.
   b. Use a standard evaluation form to ensure objectivity and equal treatment among employees.
   c. Present one's ideas, then allow questions, but casually push for specific improvement.
   d. Compare performance with quantitative productivity standards.
   e. Encourage the employee to make their own evaluation with my moral support.

Most Similar											Least Similar
	10	9	8	7	6	5	4	3	2	1	

10. As an HRM, if these seems to be a personality conflict, I usually
   a. Try to ignore the conflict, avoid taking sides.
   b. Confront, use logic to gain acceptance of my position.
   c. Try to relieve tension, smooth over differences.
   d. Try to explore differences, resolve conflict, and reach mutual goals.
   e. Try to find areas of commonality, maintain morale, and seek compromise.

Most Similar											Least Similar
	10	9	8	7	6	5	4	3	2	1	

Step 2. Scoring Instructions for Table 1.

In Step 1, you wrote your answers (a, b, c, d and e) above a number. Now transfer from each of the 10 situations your number values for each letter to Table 1. For each situation, look at the questionnaire to determine what number value you assigned to that letter, and then place that number in the columns. The sum of each of the five columns is your score for each of the HRM styles. There is further explanation of the five change styles in step 4.

Step 3. Scoring instructions for Table 2.

1. Transfer the numerical sums from the score sheet in Table 1 to Table 2, column 2, by rearranging them from highest to lowest score.
2. In column 1, write the appropriate Word Description or HR style beside the score.
3. Take the difference of the scores (column 2) for your first and second choices and record the difference on the first line of column 3. Then take the difference for your second and third choices and record the difference on the second line of column 3. Continue taking the differences between the third and fourth choices, and the fourth and fifth choices. The difference between scores indicates the likelihood that a person will shift styles: A low score (1–10) suggests switching, a high score (over 20) suggests resistance to shifting.

Step 4. You have just completed and scored your HRM survey. Following is a brief explanation of five styles.

- The Pathfinder Style: The person using this style constantly strives for achievement of the HR goals by other people in the HR program, and at the same time has maximum to change and to the vision of the future.
- Persuader Style: This type of HR style has medium concern for achievement of the HR goals, and medium concern that the people implementing the change are committed to the HR goals. As a result, the HRM using this style is not consistent in behavior and often changes the emphasis from concern for HR goals to concern for the people involved in the change program. The HRM believes too rapid a change will be disruptive and, therefore, attempts to implement change in small steps which allow people to become gradually accustomed to the changes and to avoid conflict.
- The Cheerleader Style: The HRM using this style this style has minimum concern that the stated HR goals are accomplished but does have maximum concern that the people involved in th HR program are personally committed to and happy with the change. There may be as many HR programs as there are people, because the cheerleader style consultant encourages members of a system to design and implement their own programs. The emphasis is on morale and friendly relationships.
- The Analyzer Style: The HRM using the style has maximum concern for efficient accomplishment of the HR goals, and little concern that the people involved in implementing the program are personally committed to HR goals. The analyzer style sees people as a means to accomplish the change, and believes that people must be closely guided and directed because they lack the desire or capacity to change. A person using this style tends to use an expert-based style and sets demanding performance standards as a method of implementing HR programs.
- The Stabilizer Style: This HRM style has very minimum concern for goal accomplishment, and minimum concern for the people involved. The HRM does not care to get involved and is only biding time until new orders come down. HR programs are viewed as a disruption of a well-ordered and secure environment.

TABLE 1

Situation	Analytical Style	Cheerleader Style	Stabilizer Style	Persuader Style	Pathfinder Style
1.	e= _______	a= _______	b= _______	d= _______	c= _______
2.	b= _______	d= _______	a= _______	c= _______	e= _______
3.	c= _______	a= _______	e= _______	b= _______	d= _______
4.	e= _______	d= _______	c= _______	a= _______	b= _______
5.	b= _______	c= _______	d= _______	e= _______	a= _______
6.	d= _______	b= _______	c= _______	a= _______	e= _______
7.	e= _______	e= _______	d= _______	b= _______	c= _______
8.	a= _______	e= _______	c= _______	d= _______	b= _______
9.	d= _______	e= _______	b= _______	c= _______	a= _______
10.	b= _______	c= _______	a= _______	e= _______	d= _______
TOTAL POINTS	_______	_______	_______	_______	_______

TABLE 2

Your choice	Word Description of HR style (col. 1)	Score (high to low) (col. 2)	Difference between Scores (col. 3)
1st Primary	________	________	________
2nd Backup	________	________	________
3rd Backup	________	________	________
4th Backup	________	________	________
5th Backup	________	________	________

You may now plot your average style scores on the graph in Table 3, HRM Styles. Complete the bar chart by shading in the score for each style. This provides a profile of your scores.

A person does not operate using one style to the exclusion of others. The purpose of the scoring in Step 3 was to give you an indication of the importance you place on each of five styles. The difference between your primary and backup styles indicates the strength of your preference and how quickly you will fall back on another style. Little difference between scores could indicate a tendency to vacillate between styles or vague thoughts about how to implement programs. A large difference could indicate a strong reliance on the predominant HR style. This survey should be used as a point of departure for further reflection and observation concerning the way you attempt to work with other people. To obtain a better understanding of your HR style, try to become aware of how you handle relations in your associations with friends, peers, and work associates. It may also be helpful to observe other people when they try to influence your behavior and to become aware of how you react to their methods.

TABLE 3. ***HRM Style***

	0	10	20	30	40	50	60	70	80	90	100
Pathfinder											
	0	10	20	30	40	50	60	70	80	90	100
Persuader											
	0	10	20	30	40	50	60	70	80	90	100
Cheerleader											
	0	10	20	30	40	50	60	70	80	90	100
Analyzer											
	0	10	20	30	40	50	60	70	80	90	100
Stabilizer											

(*source:* Harvey D., Bowin R. B. Human Resource Management: An Experiential Approach. New Jersey, 1996)

Assignment 15. EMOTIONAL INTELLIGENCE: SELF-AWARENESS
How well do you know yourself?

Please answer the questions below for yourself. Then ask another person, whom you know well and whose opinion you value, to answer them for you. Compare the answers and discuss the differences.

1. What are my strengths?

2. Which of my traits do other people appreciate most?
3. What are my weaknesses? What needs to be strengthened?
4. How do others see me, i.e. how could they describe my work, my activities, and my conduct?
5. Do I change a lot when experiencing tension, e.g. when I converse with others?
6. Which three things should I quit doing in order to become more productive?
7. Which three things should I begin doing or do them more often?

(*source:* Starr J. Saviugdos vadovas: asmeninio ugdymo pagrindai ir įgūdžiai. Vilnius, 2009)

Assignment 16. EMOTIONAL INTELLIGENCE: SELF-MANAGEMENT

Suppose that your manager is approaching his 50th anniversary. A colleague of yours is in the process of planning and making preparations. She keeps telling everyone what a wonderful celebration this is going to be. At first, you thought that what had upset you was the hotel in which you would stay as well as the idea of organizing the party on the topic of the sixties and hiring the group which would sing "The Beatles" songs. However, after having reflected on your thoughts and feelings, you come to realize that

- you feel cut off from the organizational matters and, overall, ignored
- you don't feel being able to contribute in any significant way, except with your credit card and donation
- you feel "dispensable", and it is this that hurts you
- all of this affects your relationship with your colleague, e.g. you are irritated and sarcastic
- it is very likely that your "inner dissatisfaction" will affect your mood in the evening

Assignment: please suggest the ways how the person capable of managing himself would follow in the given situation

- calmly talk to his colleague and offer to do some of the work (the person who is unable to manage himself will talk irritably and sarcastically)
- conclude that his feelings are not appropriate, and he must just allow things follow their course, i.e. cheer up, smile and support the colleague
- do both, i.e. cheer up and offer help
- other...

(*source:* Starr J. Saviugdos vadovas: asmeninio ugdymo pagrindai ir įgūdžiai. Vilnius, 2009)

Assignment 17. EXERCISE TO DETERMINE YOUR VALUES

Your personal values impact all, more or less, important areas of your professional and personal life. Values are the core and essence of every individual. Real and long-term changes in one's life begin only when you establish your values and hold to them unflinchingly.

Values are neither an abstraction nor nicely sounding words, but very specifically and clearly defined "living" rules of conduct that can be implemented in practice.

Take 40-90 to do this assignment. Find the place where no one will disturb you and answer in writing the questions below. Please provide as specific answers as you can.

1. What things in my life are the most important ones?

For example, career, sports, family, health, recognition, friends... Write down up to 10-15 of such things.

2. What does each of these things bring in my life?

For instance, career brings financial freedom, sports bring recognition that comes with victories, family brings security... "Financial freedom," "recognition," "security" - these may be your values.

3. What do I do well? What things do I excel in?

For example, raising children, teaching, providing leadership, helping others... Write down up to 10 of such things. Why do you like these things? What is hidden behind them? This also may reflect your values.

4. What do I spend most of my time on? Why?

When you find out the things that you devote most of your time to, and understand why, look at the values that stand behind them.

5. What do I spend most of my money on? Why? What does it give to me?

Do not include in this list utility costs, money spent on food, and other necessities. As for the other expenses, the decisions that are influenced by your values may hide behind them .

6. What annoys or displeases me in the behaviour of others?

Write down 10-15 of such traits

7. Which of the annoying traits do I myself possess?

Take an honest look at your own characteristics and cross them out. Then take a close look at what has been left. For example, you are annoyed by mess. If you yourself are tidy, "tidiness" or "order" may be one of your values.

Having answered the questions, choose the values, clearly presented in the text, which get repeated most often. Write them down on a separate sheet of paper, then, looking at each of them, ask yourself, "How often my decisions or behaviour are influenced by this value?". Select 5 values that impact you the most. These are most likely to be your real values.

The table below gives a short value list which will help you formulate the notions that would reflect the values

Accomplishment	Perceptiveness	Diligence	Charity
Accuracy	Attractiveness	Fame	Charm
Gratefulness	Courage	Challenges	Chastity
Activeness	Conscientiousness	Sincerity	Agility
Adjustment	Balance	Industriousness	Cleanliness
Adventure	Beauty	Discipline	Resourcefulness
Love	Being the best	Good sense	Closeness
Persistence	Belonging	Creativity	Convenience
Mobility	Benevolence	Curiosity	Commitment
Alertness	Bliss	Ethical considerations	Sympathy
Altruism	Tranquility	Dignity	Intimacy
Ambition	Friendship	Strictness	Contraception
Astuteness	Straightforwardness	Festal mood	Trust
Power	Courtesy	Collaboration	Connection
Consistency	Harmony	Satisfaction with work	Control

FOR FURTHER STUDY

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Yukl G. Leadership in organizations. - 4th ed. New Jersey: Prentice Hall, 1998.

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Chapter three

TRANSACTIONAL, TRANSFORMATIONAL, AND CHARISMATIC LEADERSHIP

The purpose of this chapter: to provide theoretical knowledge and practical skills which would enable to:

- ***DEFINE*** the nature of the transactional, transformational, and charismatic leadership, as well as the characteristics of a charismatic leader and the indicators of charisma
- ***SINGLE OUT*** the differences between transactional and transformational leadership
- ***EXPLAIN*** the connection between transformational and charismatic leadership
- ***DEFINE*** the concept of change and its types
- ***DESCRIBE*** the stages and principles of change management
- ***UNDERSTAND*** the significance of managing resistance to change and DEFINE the causes of such resistance as well as the conditions and ways of managing change (and resistance to it) successfully
- ***APPLY*** the theories of transformational and charismatic leadership in solving the problems of leadership
- ***IDENTIFY*** the expressions of the transformational, charismatic and other styles of leadership in concrete cases
- ***VALIDATE*** the effectiveness of the leadership styles being applied
- ***APPLY*** the principles of change management in concrete situations
- ***DETERMINE*** the level and the ratings of one's own charisma

Main definitions used in this chapter:

Transactional leadership. The leadership which aims at interaction and which focuses on the exchanges that occur between leaders and their followers, i.e. the desired reward for employees for their subordination and well completed tasks.

Transformational leadership. It is (1) a process that changes and transforms people, their attitudes, and values; (2) leadership that aims at changes and has to do with evoking, creating, and implementing changes in the organization.

Transformational leader. A person who upholds the atmosphere of organizational change and tries to create the organizational culture that is conducive to change.

Change. (1) Changes that occur while trying to improve or substantially alter certain elements of organizational life; (2) planned or unplanned organizational structures, transformations of technology and people.

Charismatic leader. A person able to attract the attention, to charm, persuade and inspire others, to arouse their enthusiasm.

3.1. THE NATURE OF TRANSACTIONAL AND TRANSFORMATIONAL LEADERSHIP

According to R. J. Crisp and R. N. Turner (2012), some leaders stand out as being particularly influential, managing to not only effectively lead their group but also dramatically changing the direction of the group, influencing the attitudes and behaviour of group members. Such individuals can be described as transformational leaders.

The term *Transformational,* or change seeking, leadership was first coined by Downton (1973), but as a leadership theory it emerged with the appearance of J. MacGregor Burns' work, entitled "The Leadership" in 1978. This author singled out the transformational and transactional styles of leadership.

Transactional, or interaction-focused, leadership may be detected in many leadership styles that focus on the exchange between managers (leaders) and employees (followers). This means that whenever transactional leaders want to change the employee conduct, they first focus on the task (they clearly define for the employees their roles and tasks) and then focus on the transaction – exchange (rewards or punishments for certain kinds of conduct). Transactional leaders follow the principle "If things are the way we have planned, you will be rewarded." Thus, leaders of this type try to influence their employees by appealing to their personal interests, whose satisfaction constitutes the reward for their work or subordination. Such leaders determine the needs of their employees and explain how these needs will be met, once the work gets done. Their relationship with the employees are not really important to them; they do not focus on the latter's personal development.

Transformational leaders are pointed out as a contrast to transactional leaders. Their goal is not to explain or show how employees may accomplish the goal, but rather to motivate them toward rising above their personal interests. Transformational, or change-seeking, leaders stimulate their employees by encouraging a different view of themselves and the work they do. In other words, they seek to change, i.e. transform people's values and expectations. According M.A. West (2011), such leaders rely on their charisma and ability to captivate others with an inspiring vision of the future.

Transformational leadership ensures that employees are eager to work for the benefit of the organization, and not merely for their own profit and use, since it creates a culture in which employees feel empowered and encouraged to discuss freely and to try new things. So, transformational leadership is directly related to organizational innovation. These leaders are self-confident, knowledgeable of their work, and able to express their ideas clearly. They hold to strong ideals. They listen to their followers and are not intolerant of the opposing views. The relationships between transformational leaders and their followers are often marked by the spirit of collaboration.

Transformational leaders work effectively with people throughout the whole process of changes. According to P.G. Northouse (2009), transformational leader is always on the front lines, explaining and forming the general meaning of organizations, that exists in them, as well as the emerging values and norms. Such leaders seek to raise other people's trust and encourage cooperation. Transformational leaders provide the encouragement and rejoice together with others in their achievements. Finally, transformational leadership allows people to feel better about themselves and about their contribution towards greater good.

In pursuing the best results, transformational leaders follow the so-called "4I's" principle:

- ***Idealized Influence (II).*** Transformational leaders act as role models for their followers. Followers identify with such leaders and want o emulate them. Such leaders are admired, they are trusted and respected. Among the many things that allow the leader to accomplish this, one of the most important is to meet people's needs while limiting those of your own. Leadership effectiveness is pursued through commitment and adhesion to values, goals, and ideas professed by the leader, through very high moral and ethical standards, and through the collective commitment to pursue the vision.
- ***Inspirational Motivation (IM).*** Transformational leader communicates very clearly his vision to the followers and earns their commitment to common goals. By his actions transformational leader inspires the followers, so that they feel being engaged in a worthwhile and meaningful work. He/she is abel to inspire the other with the team spirit, enthusiasm, and optimism. Transformational leaders are the leaders who activate the motivation and commitment of the followers by pointing to the significance and worth of work results as well as by activating the higher needs and by persuading the

followers to transcend their interests for the sake of the organization.

- ***Intellectual Stimulation (IS).*** Leaders constantly stimulate their followers to be innovative, to assess the problems and their solution in new ways. They foster creativity, encourage the followers to be creative, not to be afraid of innovations, and to challenge their own convictions and values as well as those of their leader and organization. They also stimulate the followers to independent thinking and careful problem solving. They avoid criticizing team members for their mistakes in public.
- ***Individualized Consideration (IC).*** Transformational leaders help the followers with their self-actualization, giving special attention to the follower's need to achieve and to improve. Consequently, they create as favourable conditions for their improvement as possible. Transformational leader acts as a tutor, instructor or mentor, he provides counsel, recognizes and respects the uniqueness of each follower and, rather than issuing orders, encourages the reciprocal exchange of the information. A significant role for the effectiveness of such leadership is played by the effective listening skills (Masiulis, Sudnickas, 2007).

In essence, transformational leadership's impact surpasses that of the transactional approach. (see Figure 3).

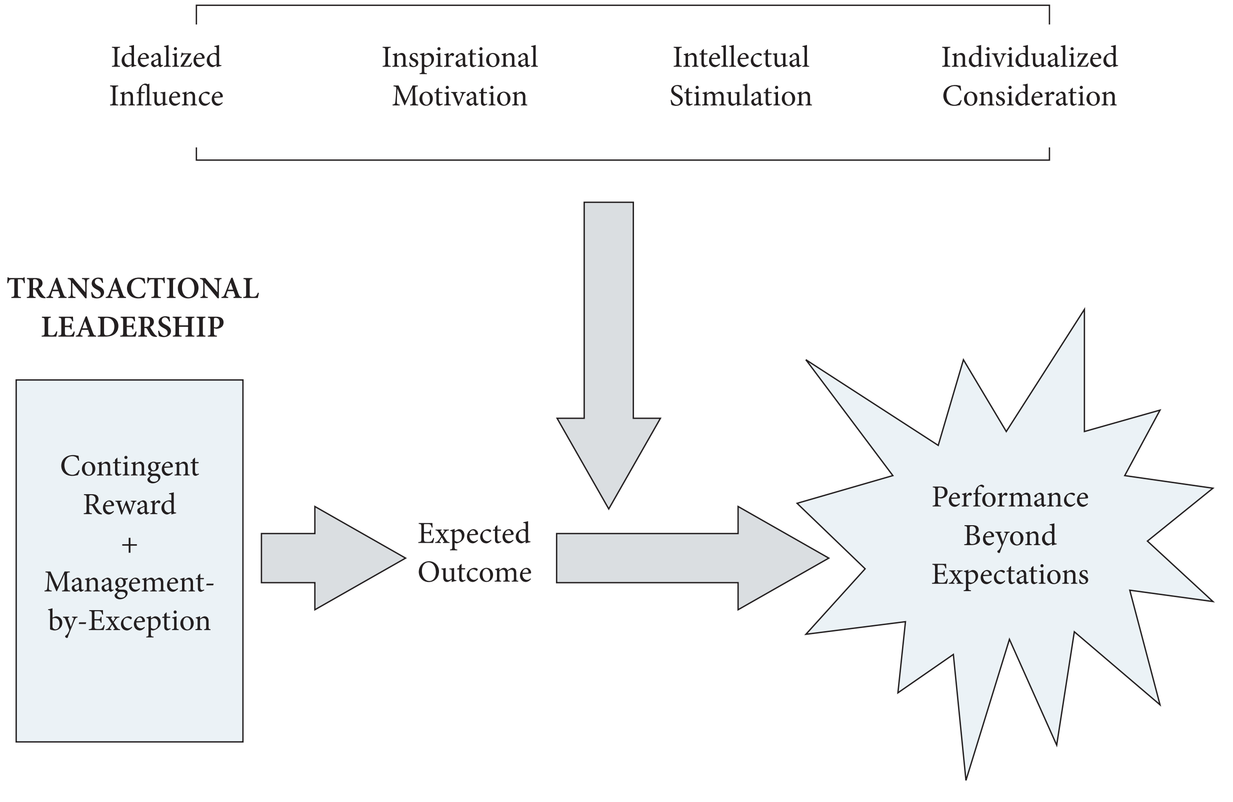

Figure 3. *The Additive Effect of Transformational Leadership (Northouse, 2004, p.178)*

Whereas transactional leadership brings expected results, the results of transformational leadership, according to P. G. Northouse (2004), markedly exceed the expectations.

Thus, although transactional (interactional) leadership is important for the organizational work, it does not sufficiently promote the development and improvement of the organization. Transformational leadership, on the other hand, is characterized by the creation of visions, strong emotional connections, pioneering changes, motivating force to involve the organization's members in the implementation of visions and goals created by the leader. Whereas transactional leadership relies on rational grasp of tasks and situations (leaders define the needs of their subordinates, formulate an objective; the needs are met with the completion of the task), in transformational leadership, leaders' goal is to assess the irrationality of certain situations and to motivate employees to rise above their personal interests, to do more than is expected by the leaders themselves. Such leaders change the employee goals (Skaržauskienė, 2010)

Speaking broadly, literature distinguishes two aspects of transformational leadership:

- first, leadership is defined as a process which changes and transforms people, their values
- second, transformational leadership is understood as evocation, creation, and implementation of changes

The last aspect describes how leaders can evoke, create, and implement significant changes in organizations; transformational leader is presented as a person who upholds the atmosphere in the organization and tries to create organizational culture that would be conducive to transformation. Transformational leaders are ready to empower subordinates and tutor them during the change process. They understand the necessity of organizational change, create certain ideal, win people's loyalty to that ideal, form organizational culture in such a way as to uphold changes, and follow the emergence of the signs which tell about the necessity of new changes.

3.2 TRANSFORMATIONAL LEADER AS CHANGE AGENT. CHANGE MANAGEMENT

Changes are modifications that are implemented in order to improve or fundamentally change some or other elements of organizational life. Organizational changes are planned and unplanned transformations of organizational structures, technologies, and people. According to Oxford dictionary (1993) change is:

1. transition to a different state, transformation
2. new experience, diversity
3. replacement of one thing with the other

Different types of change are possible in an organization. They may be the following:

- Changes in organizational structure
- Changes in organizational strategy
- Changes in organizational system
- Changes in required competencies
- Changes in management style
- Changes in values
- Changes in personnel

Changes may also be categorized by their size:

- minor adjustment (continual observation of the activities, control, correction)
- renewal (attempt to adapt to the changing environment, certain aspects are changed, e.g. strategy, management processes, technologies)
- partial restructuring (radical changes, not the whole organization)
- reform of the whole organization (radical changes, the whole organization)

D. A. Nadler (1997) divides changes into two groups:

1) Anticipatory change. If a change is anticipatory, its implementation requires a scan of organizational environment as well as an assessment of organization's possibilities. After such an analysis has been done, future prospects and threats are projected. Also, some advance changes are evoked. The latter will be meaningful once the advanced transformations start taking place in the organization.
2) Reactive change. Reactive changes are forced by the changed environment. Only in such cases, they will be planned and implemented.

In terms of their content, changes are divided into four groups:

- Technical-technological changes
- Economic changes
- Organizational, managerial changes
- Cultural changes

Speaking about transformational leadership, changes are linked with the transformation of organizational culture, employee values, and attitudes.

Change in organizational culture. When bringing a change in organization's culture, the following elements are important:

- Inspiring new values
- Setting up new strategies and structures
- Making an effort at consolidation of changes
- Leaders must demonstrate self-confidence
- Emphasizing the ability of managing crises

Transformation of organizational culture is a long and tedious process which requires not only time, but also money and effort. C. Barrow, R. Brown and L. Clark (2010) point out that changes require more time than it is usually imagined. In small reactive companies, there is a tendency to think that changes can be brought about in a very short time, virtually overnight. For example, one CEO asked a consultant to create a completely new "culture" and to implement it before the next board meeting. Yet, as the authors maintain, for a big corporation, the implementation of a big attitude-transformation program may require five years. Several prestigious banks of Sweden maintain that it took almost 20 years for their cumbersome organizations to be decentralized and get attentive to customer.

C. Carnall (2007) defines a change as a cyclical process and distinguishes three stages of a change cycle:

1) **Beginning of change (awareness of change).** In this stage, the problems that condition the organizational change are acknowledged and singled out. Also diagnosed are the problems that require these changes. Then attention is given to implementation of changes, while taking into account the experience of other organizations. In this stage, an effort is given to forming a new understanding about the gains of future changes. The main goal in this stage is the awareness of change because such awareness is a step onto the other stage. A group of observers is formed which is responsible for detecting problems within the organization and for the formation of major attitudes toward change.
2) **Formation of capacities** necessary for implementing change. If new skills are needed, then the effort is first focused on the formation and instilling of such skills in the organization. Attention is given to the formation of new teams which would support the implementation of change; the opinions of change leaders as well as of the other members are taken into account. In this stage, pilot experimentation is conducted. The experience of the organizations that in the past implemented similar changes is considered. On the basis of first results, necessary corrections are brought into a change program. Considerable attention is given to the formation of new ideas and new behaviour.
3) **Engagement with the change process.** This is the sum of the decisions and actions taken in former phases of the change. It encompasses both the whole organization and its divisions. This stage requires collaboration among the employees who participate in the implementation of change. It is a pursuit of the goal for change and the implementation of a selected plan, equipping oneself with all the necessary resources, getting ready for the unexpected, setting up new structures and applying new skills, flexible control of change process, continual training of personnel, implementation of the system of recognition and pay, and dissemination of successfully implemented changes.

As noted by F. S. Butkus (1996), often the implementation of change fails because change-related decisions are made on the basis of organizational goals, technologies, structure, formal distribution of power, formal informational channels, established rules and procedures. One frequently overlooks the significant role played by the invisible aspects, such as opinions, beliefs, values, various conflicts, informal relationships, etc. Consequently, fundamental changes in an organization are significantly prevented by the following factors:

- Surprise at seeing employees not being ready to accept changes
- Inertia, i.e. getting used to the routine work schedule and procedures; many people associate these things with their feelings of security
- Lack of skills to work in new conditions
- Emotional side effects: decline in self-confidence, in influence, and in the communication possibilities; possible increase of responsibility and tension
- Lack of trust in management
- Fear of possible failure
- Personal conflicts with change pioneers and implementers
- Poor planning, without giving time to psychological and quality preparation of employees for working in new conditions
- Manager's tactlessness. According to F. S. Butkus, this also become an obstacle to a change, since, in the tense conditions of change, employees become especially sensitive not only to what is being done, but also to how it is done and how it is said
- Fear for working status and security. The latter, in the author's opinion, may often be merely imaginary due to the lack of reliable information or mistrust in management
- Dissolution of task groups. It may cause serious resistance to changes, if the formerly cohesive and harmonious task group must be reorganized under the new conditions

As noted by C. Barrow, R. Brown, L. Clark (2010), individual resistance to changes should not be surprising – such a reaction is normal. Any implementation of innovations causes smaller or greater resistance on the part of employees. There will always be people who support or disapprove of change. Leaders must understand well that people will be resistant to changes and anticipate such situations, prepare for them and control them. Authors note that resistance is caused by fear of the unknown, lack of information, threat to one's own position, to ones' routine skills and competencies, by fear of failure and reluctance "to let it go," by lack of understanding about the possible benefits, threat of losing political support, lack of trust in the organization, its history and former habits, fear of looking stupid, feelings of vulnerability, threat to self-confidence, inability to control one's destiny, damaged relationships with the team, high anxiety, and stress.

Causes of resistance may also include economic factors. Besides, people resist change when:

- it is drastic and radical
- it is sudden and unexpected
- it may cause negative consequences for the people that are involved in the process
- change goals are formulated too vaguely. This creates feelings of uncertainty
- changes implemented earlier were not successful
- people are convinced that changes will be of no use
- people lack confidence
- people do not want to leave their "comfort zone," to forsake their habits

V. Obrazcov (2006) distinguishes the following reasons for resistance to change:

- Predicted (anticipated) negative results
- Necessity of breaking habits
- Lack of information (often company managers fail to provide the information on "what, why, and how" is going to be change and express the expectations about the future work not clearly enough)
- Inability to insure support among the organization's members
- Employee strike
- Fear of getting more work

The last point, according to V. Obrazcov (2006), occurs because employees think that changes will increase their workload, and the possibilities of reward will decrease. The author points out that people resist change, first of all, because big changes affect the conditions of their personal agreement with the organization. He singles out three common aspects of such an agreement: formal, psychological, and social.

*Formal a*spect encompasses employee's main task and major requirements for its work quality. These requirements are usually listed in company's documents: work description, job contract, and official agreements. This aspect is reflected in such questions, asked by employees, as,

- What are my obligations in the change process?
- What help will be provided for me once I get involved in "new" work and commit myself to new responsibilities?
- How and when will my work be assessed and what evaluation will I get?
- What will be the pay for my work and how it will be affected by the evaluation?

Psychological aspect of personal agreements has to do with the problems that in many cases are overlooked. It reflects the following questions on the part of an employee:

- Will the work get more difficult once changes are made?
- What recognition, financial incentive, or personal satisfaction will I receive for my effort?
- Will my efforts be appreciated?

Lastly, employees evaluate company's culture through the social aspect of their personal agreements. People pay attention not only to what company's managers say about organizational values and objectives, but also to what they do to back up their words. The social aspect of personal agreements reflects the following questions on the part of an employee:

- Do my values match those of the other employees in the organization?
- What rules stipulate who in the company is paid and how much?

Big changes in the company may and do influence some or all aspects of personal agreements mentioned above. Employees' resistance to change will be in proportion to their negative assessment of change's impact on personal agreements (Obrazcov 2006).

Thus, in the process of bringing about various changes, one often has to face a significant problem: people resist these changes. For this reason, managing resistance to change is a very important aspect in change management. Resistance to change is a natural human reaction whenever people lack the information as to why it is happening, how it will improve the situation, and whenever they see no use in such a change. It is important to manage this resistance, since individual resistance may turn into group resistance, and the latter may turn into organizational (or systemic) one.

Resistance to change is not limited to people. Organizations resist them, too. Among the obstacles are the following: looking with suspicion at the new and "grassroots" initiated ideas, considering problems the sign of one's inability to do the work, strict control, information gaps, etc. Why do organizations dislike change? We could distinguish several reasons:

- convincing personnel that changes are necessary is difficult
- implementing changes may be costly
- there is a need to ensure the support of top managers as well as their conviction that changes are needed
- for many employees changes are a cause of stress
- the qualifications of organizational staff are not sufficient, they do not meet the established requirements

According to C. Barrow, R. Brown, L. Clarke (2010), resistance to change, like customers' objections to the offered item, should be anticipated, even welcomed. By expressing their resistance, employees may themselves become advocates for change and provide an impetus for it.

V. Obrazcov (2006) notes that people not merely resist the efforts to change something; they rather act so because of the fear of losing control which is the consequence of changes. The term "resistance to change" is considered by the author to be imprecise. He explains that employees are resistant not so much to changes as to their hidden consequences – the ambiguity which emerges whenever things that we know lose their meaning. In short, people resist not so much to change, as to the fact that *they themselves will need to change.*

People's response to meaningful long-term changes change overtime. The curve in the following figure illustrates changes in human response during the transition time:

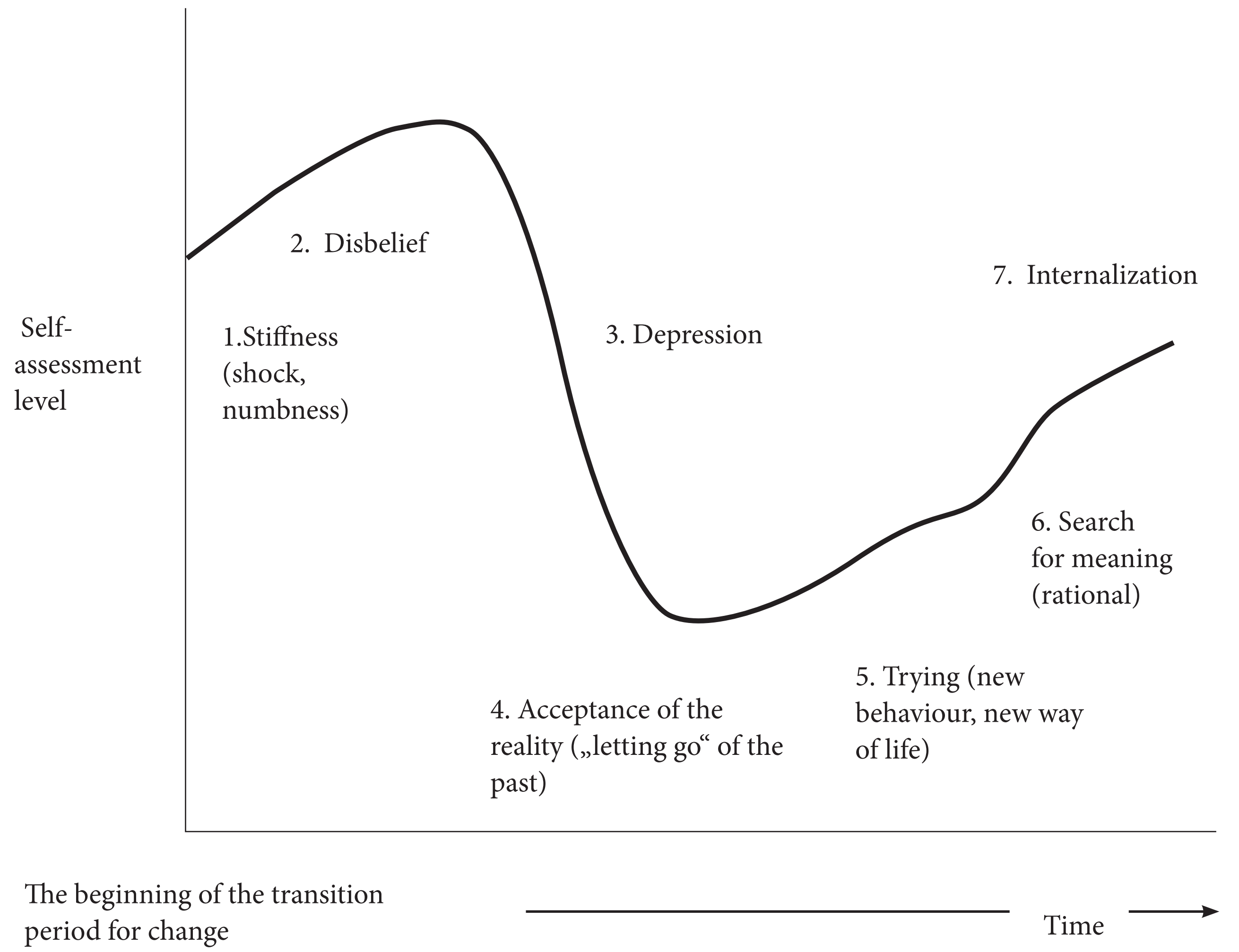

Figure 4. *Changes In Self-Assessment During Transition Period (Barrow, Brown, Clarke, 2010, p. 267)*

The following seven reactions, in scholarly literature, are also given different descriptions that reflect seven stages:

Stage **1. Blow:** shock; inability to think or plan; fear of the unknown; fearing the worst; "things will never be as they used to."

Stage **2. Resistance to change:** "this will never happen"; clinging to old ways; bad mood (thus this stage must be as short as possible).

Stage 3. Feelings of incompetence: fuzzy realization that change is inevitable; sadness; despair; "will anybody tell me what's going on here?"; "this is not for me."

Stage **4. Reconciliation:** "now I see"; moving away from the past; relief and feeling pleased with the fact that the past has been overcome; feeling disposed toward trying new things; optimistic outlook on future and on one's own abilities

Stage **5. Trial:** new methods are tried; heatedness, anger, disappointment; lots of activity

Stage **6. Realization:** "aha!" moment; time for quiet reflection; exchange of opinions, discussion; understanding of what's being done, anger and disappointment

Stage **7. Integration:** new methods gain total acceptance; new functions obtain their meaning; new situation becomes a norm; "how did we manage to get by until now?"

For change to be successful, Kurt Lewin proposes the following 3-step model:

1. Unfreezing the old lifestyle (status quo) (preparing the consciousness of employees for the acceptance of new ideas, motivating them toward change, training of charismatic leaders, Force field analysis, preparation for change-resistance management). Status quo may be considered as a state of equilibrium. According to K. Lewin, for the implementation of change to be successful, one needs to "unfreeze" the status quo, to transform it into a new state and then to "freeze" new changes, so that they become continual. In order to upset the equilibrium, one of the three methods of "unfreezing" need to be followed:
   - to strengthen the driving forces which direct the behaviour away from status quo
   - to weaken the restraining forces which prevent one from leaving the existing equilibrium
   - to harmonize these two methods
2. *Changing* (learning new idea and practice). When "unfreezing" is over, changes need to be carried out.
3. *Refreezing* (integration of new models into real practice). Just instilling changes does not by itself guarantee that they will last. For this reason, the new situation has to be "refrozen", so it may stay. If this last step is neglected, there is a big possibility that changes will be only short-term and that employees will revert to their former state. The purpose of "refreezing" is to stabilize the new situation. When the change occurs, it acquires constancy/stability. Changes are accepted and become a norm. People form new relationships and adjust to new order.

The "unfreezing" stage is one of the major stages which is linked to the preparation for (one's own or other people's) changes until they begin. The best thing would be to create a situation in which people would desire changes. The more people feel that change is needed, the more urgent that change becomes, the more motivated these people will be accept it.

„Unfreezing" and the arousal of motivation is the process during which all "pros" and "cons" of change are considered. Any change in the organization has its "pros" and "cons" which have to be evaluated before the decision about implementing changes is taken. When considering these "pros" and "cons", one arrives at the understanding that there exist many different factors that either support or oppose the initiation of change process. This process is begun when "pros" outweigh "cons."

Kurt Lewin's Force field analysis is a helpful method that allows us to assess the "pros" and "cons" and to alter their relationship (see fig. 5)

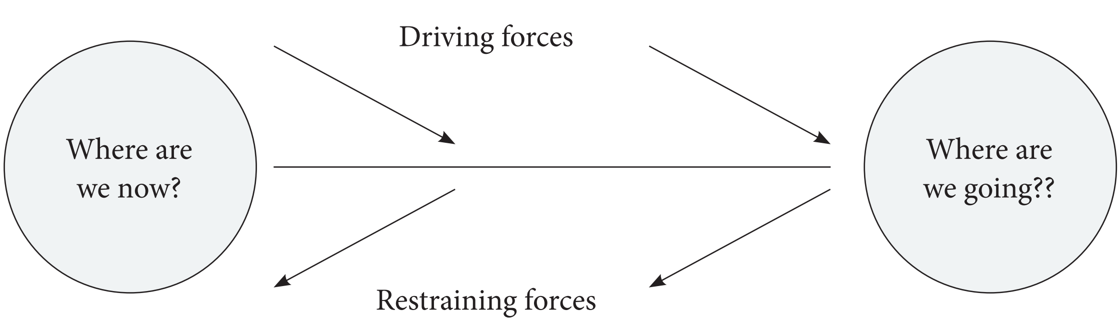

Figure 5. ***The Process of Force Field Analysis (Barrow, Brown, Clarke, 2010, p. 270)***

According to S. R. Covey (2006) the driving forces are positive, reasoned, logical, conscious, and economical. The restraining forces are, on the contrary, negative, illogical, and spurred by emotions. Both forces are totally real, and, according to the author, both should be taken into account when pursuing change.

Force field analysis studies and interprets change from organizational perspective, while balancing the impact of the driving and restraining forces. The analysis is conducted by answering, in turn, each of the following questions:

1. What is our problem (who is associated with it? How meaningful is it?)?
2. Where are we now?
3. Where are we going? (what results do we want?)?
4. What things have favourable effect on us (driving forces, i.e. all the factors that support change – organizational, individual, and motivational)?
5. What works against us (the restraining forces, i.e. all the sources of resisting change)?
6. What actions can we take so as to increase the driving forces and to reduce the restraining forces as much as possible?

The example of the Force field analysis is presented in Fig.6

DRIVING FORCES	RESTRAINING FORCES
Highly motivated labour force	Unsuitable communication system
Many satisfied employees	Fear of change
Charismatic leader	Inflexible structure of divisions
Sufficient funds to facilitate the acceptance of changes	

Figure 6. *Example of Force Field Analysis*

This method demonstrates that change depends on the balance between the driving and restraining forces (pros and cons). If the driving and restraining forces work in the opposite directions or are equal, there is no movement.

This balance may be expressed by inequality: change will not happen, if the sum of dissatisfaction with the current situation (A), the desirability of a proposed change (B), and its practicality (D) does not exceed the cost of change (X) (see Fig. 7)

$\underline{C = (ABD) > X}$

C – change
A – dissatisfaction with current situation
B – desirability of proposed change
D – practicality of the change (minimal risk/collapse)
X – cost of change

Change will not happen, if the sum of A, B, and D will not exceed its cost

Figure 7. *Management of Resistance to Change (taken from Barrow, Brown, Clarke, 2010)*

Interestingly, when responding to resistance, the removal of the negative things (or restraining forces) may be more helpful than strengthening of what is positive (or driving forces). This means that reducing the forces resistant to change is far more effective than strengthening the forces that have a positive effect on changes. C. Barrow, R. Brown ir L. Clarke (2010) suggest that instead of "putting on the boxing gloves and trying to overcome the resistance by emphasizing the advantages of change, leaders should take on a more tranquil position of judo, by allowing the employees to express their resistance, and instead of using power, to take on Zen Buddhist attitude." The authors state that resisting aggression as well as giving one's time to listening and understanding is a worthwhile occupation. Like in Samaritan ethics, we can be reconciled to the problem just by naming it.

When managing changes and trying to overcome the unavoidable resistance to them, and at the same time increasing the possibilities that changes will be implemented successfully, several aspects of this process are important:

1. The atmosphere of urgency needs to be created. The frequent problem is that it is not just employees, but leaders also, who do not feel any necessity for change. If leaders or organizations do not realize the necessity for change, they simply "boil out." The importance of change urgency is reflected in the metaphor of a boiled frog. This metaphor underlines the inability or reluctance of either people or organizations to respond to important changes that occur slowly and gradually in the environment. According to this metaphor, if you throw a frog into a pot with boiling water, it will leap out immediately. If you heat the water in the pot slowly, frog will gradually adapt to the changing temperature. It will not even feel the danger, and, without understanding that something has to be done, it will boil in the water.
2. It is necessary to create a clear vision and plan for changes, and to explain this plan to employees. Most people will be able to perceive and to understand the proposed changes only after receiving answers to many questions:
   - What does the change mean for me and my colleagues, friends?
   - What does the change mean for the company?
   - Are there any better options than the ones proposed?
   - If I intend to do differently, will I be able to do it?
   - Do I really believe that change is necessary?
   - Do I really believe the things that I hear about the way forward?
   - Is it necessary to follow that way?
   - Is there not any foul play involved, such as someone wanting to get rich at my expense?
3. It is important to identify the potential opposition and the causes for resistance. After identifying the causes, they need to be eliminated.
4. The opportunities for participation in decision making have to be created for those involved in the implementation of change as well as for those who are potentially to resist it; employees need to be included in a change as soon as possible. Not sufficient involvement in a change process may become the reason for resistance to it: the resistance is weaker whenever people become change advocates or when they are allowed to participate in making change-related decisions. Then they feel being active, not passive, agents of change.
5. To empower employees for work: to help them make a transition to new conditions and to prepare for these conditions by providing the employees with professional and psychological training and by teaching them how provide all-round assistance. An employee feels motivated when his leader generously offers him support and assistance. According to R. Hale and P. Whitlam (2009), the support may come in various forms, for instance:
   - by allocating budget
   - by organizing training

- by supplying information
- by facilitating the access to important people
- by distributing tasks

6. To inform: to ensure constant and timely briefing of employees about the process of change and the results. The information must be specific enough, accessible and clear enough for those for whom it has been designed.

The theory and practice of management, as noted by F. S. Butkus (1996), recommends the following methods of fighting the resistance:

- Education and briefing. The purpose of this method is to help employees (followers) understand the deeper reasons for the necessity of change. Thus, personal interviews are organized, special reports and publications prepared. These are used whenever the lack of information is being encountered. The method is especially useful in that the persuaded employees often discover unforeseen possibilities for helping implement change.
- Participation and involvement. This method is used when there is a lack of information, (as in the case of "education and briefing"), but in this case, the people involved in implementing the change may have more influence on the work's success.
- Incentive and support. This method applies when the introduction of innovation is bolstered by consistent attention from top management and by means of material as well as moral incentives. It is used when the problems of employee adjustment lie at the center and if the success of the change truly depends on people's adjustment.
- Manipulation. As noted by F.S. Butkus, unfortunately, it is used, when change must be carried out very quickly, without a possibility of adequately preparing for its implementation. Information is manipulated by hiding its negative part and broadcasting its positive part, and by deliberately organizing the course of events in the way which would highlight as many of its advantages as possible (in contrast to its deficiencies).
- Co-optation. It is used when change has to be carried out quickly. By co-optation, the visibility of influential people who participate in making change-related decisions is created.
- Explicit and veiled coercion, by threatening with lay-off, salary cut, loss of development prospects, and so on. This method is used when the speed of change is important, and when its initiators have enough power in their hands.

According to A. Vasiliauskas (2005), the following methods are most frequently used:

- in general assemblies of the organization, the ideas about changes, their organization and consequences are discussed; employees are persuaded that changes are necessary
- when implementing change, people are invited to participate in this process
- rank-and-file people's opinion regarding change is supported, so they can more easily adapt to the new environment
- negotiations with resistant people are arranged with the purpose of winning their support for the innovation, while bringing in material incentives, such raising a salary, providing bonuses, etc.
- the employees that may resist or do resist change are appointed to managing positions, included in special committees where they become the minority
- leaders maneuver while trying to affect their subordinates; they use special information, embellish the goals, mitigate the consequences, and, in this way, placate the people
- they exercise psychological pressure on all those who still resist change, threaten them with lay-offs, refusal of promotion or of salary increase, etc.

C. Barrow, R. Brown ir L. Clarke (2010) distinguish a few more aspects of resistance to change which leaders must keep in mind:

- leaders should foresee the effect on people, to foresee those who will consider themselves winners, and those who will consider themselves victims

- not to play down the resistance
- to identify those who have major influence;
- to use coalitions and alliances for accumulating critical change mass
- to expect the organization's inertness

V. Obrazcov (2006) states that when implementing change, one has to keep in mind the following elements of the culture:

1. **The operating rules and policies.** When implementing change, one needs to discard rules and policies that obstruct the implementation of new methods and procedures, and to create different rules and new standards for work processes.
2. **Customs and norms.** To avoid customs and norms that foster the usage of the old work methods and to accept customs and norms which would bolster new methods. For example, written explanations on how the method of information dissemination in the organization can be replaced by the direct weekly meetings of managers and employees.
3. **Training.** To avoid the training which would enhance the old methods of work. It should be replaced by the training in the new methods of work. Here it is important to create the necessary conditions, so that employees can immediately apply the new work methods.
4. **Ceremonies and celebrations.** When pursuing the successful implementation of change, it is important to organize ceremonies and celebrations which would enhance the new methods of work, e.g. rewards for individual employees, recognizing their contribution once the task is accomplished or when changes are being implemented successfully.
5. **Rewards and recognition of contribution.** It has been recommended that rewards and recognition should not be given to those employees who enhance the old methods of work. It is important to establish the connections between the rewards and the implementation of change-oriented tasks.
6. **Reports.** Replacing the reports that enhance the old methods of work with the those that support the new ones. The author suggests that reports are disseminated by new methods: using new connection channels before the beginning of changes as well as during and after their implementation.
7. **Material environment and organizational structure.** To create the environment that would foster change and the organizational structure that would consolidate change related to the process of production. For example, creating customer service teams, centralizing or decentralizing work (depending on the opportunity), to merge the subdivisions whose functions overlap.

Speaking about the strength of resistance to change, we need to emphasize that resistance to slow changes is usually weaker, since they are implemented slowly and the people are more likely to approve of them. Fast changes, which are usually the consequence of strategical initiative, provoke significant resistance even in those cases when they are implemented quite purposefully.

When starting the implementation of any change, it is important to meet four conditions: the necessity of change, a clear perspective, sufficient capacity for change and the right first steps. If at least one condition has not been met, change implementation will not be successful:

necessity of change	+	clear perspective	+	sufficient capacity for change	+	right first steps	=	results: success
none	+	clear perspective	+	sufficient capacity for change	+	right first steps	=	remaining by the board
necessity of change	+	*none*	+	sufficient capacity for change	+	right first steps	=	sweeping start, then exhaustion
necessity of change	+	clear perspective	+	*none*	+	right first steps	=	anxiety, despair
necessity of change	+	clear perspective	+	sufficient capacity for change	+	*none*	=	hectic efforts, wrong start

As a rule, transformational leaders, who go ahead encouraging change, are charismatic leaders.

3.3. CHARISMATIC LEADERSHIP

Transformational leadership can be developed by fostering a charisma, i. e. the ability to attract attention, persuade, and charm others. Translated from Greek, charisma means „God's inspired gift," ability, talent.

To become charismatic means to learn to be optimistic and to express positive emotions by one's own delight and contentment, instead of demonstrating negative emotions, such as anger, annoyance, complaint, and irritation. Charm and ability to inspire are the elements that distinguish charismatic leader from others.

A. Leigh (2013) raises important questions: can on learn a charisma, or is one born with it? What is truly a charisma? What are its major components? Is it important to possess a charisma in order to be an influential leader? Answering these questions, A. Leight (2013) asserts that charisma is partly inborn and partly, the product of the acquired knowledge being applied.

In 1947, famous sociologist Max Weber defined charisma as a trait. However, more recent studies recommend defining charisma differently – as a mixture of models of certain behaviours which can be learned. For this reason, we may assert that charisma can be developed by every individual.

The theory of *charismatic l*eadership was announced by R.J. House in 1976. It is leadership, that possesses magnetic influence upon people. The distinguishing trait of a charismatic leader is his/her attraction. The followers believe in the rightness of their leader's beliefs, unconditionally accept and are attached to him/her. People obey attractive leaders without asking many questions; they trust and obey these leaders as well as feel solidarity with their goals. According to this theory, charismatic leaders are persons who have a strong need for power, are very self-reliant and firmly convinced about the rightness of their values and ideals.

Charismatic leaders are leaders who inspire and arouse the enthusiasm of the surrounding people. It is not certain characteristics, but rather the interaction of personal characteristics and the environment that give birth to special relationships between the leaders and their followers.

Charismatic leader is a person who:

- Has a vision. It is this vision that drives charismatic personalities forward. In their own heads, they constantly hold the picture of what they are aiming at. "Vision is the fuel of charisma. The bigger you vision the more it fires your charisma to communicated, excite, and enroll others in it. In reality, vision is a rather grand word for 'knowing what you want to achieve'" (Leigh, 2011). The vision of charismatic leaders is marked by extreme element: it differs considerably from status quo. When trying to accomplish it, such leaders not only apply some unusual, non-conventional and non-traditional strategies, but also demonstrate self-devotion and take personal risks. All of this allows the followers to conceive of a leader as of a unique personality.

- Possesses masterly communication skills. One of the major charisma-creating elements, according to A. Leigh, is “the ability to persuade – through words voice and personal presence.” As noted by the author, “the popular image of the great persuader is someone with an overwhelming personality who talks tough, strongly states their position... In fact, persuasion is different. It is more like teaching than boxing. Extreme charismatic persuaders move people step-by-step to a solution, helping them appreciate why the position they advocate solves the problem best” (Leigh, 2011).
- Is emotionally warm and expressive, enthusiastic about the goals and the vision. As A Leigh notes it, when people express their enthusiasm openly and admire something, this will always excite those with whom these emotions are being shared and will help convincing them. “Some of the best leaders I know are filled with passion about the things they are doing,“ says Leighton. Leaders have greater impact when they themselves feel the significance of those things, and talk about them passionately and freely. Passion and enthusiasm, according to A. Leigh (2011), affect the emotions, thinking and even the behaviour of other people.
- Is able to do make a strong and indelible impression on others, i.e. by using his/her personal power to leave a strong imprint on the people: to influence their emotional, physical, and psychological state, to impact their thoughts, attitudes, and conduct. Such a leader is able to inspire and help others to feel empowered, enhances their feelings of importance and increases the value of tasks being done.
- Is ready to take on personal risks; is not afraid to risk in order to achieve the goal.
- Uses original strategies; pursues the goals in non-conventional ways
- Experiences minimal inner conflicts
- Raises the needs of the followers onto a higher level, for instance, onto the level of the need for self-actualization
- Motivates the followers to work more than they have initially intended to, to sacrifice their own interests for the sake of the team, the organization
- Is able to show up during crises
- Is persistent and self-supporting person
- Is extremely confident, dominates and firmly believes in the moral rightness of his/his convictions. Confidence plays a vital role in creating charisma. “If you do not admire yourself, why expect it of others?” once asked the actress Mae West (Leigh, 2011). Confidence is the power which helps influence people’s thoughts, feelings, and behaviour. If a person radiates this power, he/she is likely to make the desired personal impact upon others. This impact will be far greater than in situations when people notice his/her lack of self-confidence.

Based on the present knowledge, to be a charismatic leader one needs:

- Show passion, energy and confidence to gain people’s attention
- Bring vision and goals to life
- Use one’s personality and ideas to build relationships
- Employ outstanding persuasion and negotiating skills
- Take responsibility (Leigh, 2011)

Charismatic leaders have doubts about status quo. According to A. Leigh (2013), the people who are able to make strong personal impact, usually have enough courage to doubt status quo, to get into a conflict and raise uncomfortable questions that may even alienate some people. For a challenge to strengthen charisma, it has to be constructive, not destructive. If a person constantly complains, is unhappy, raises impossible questions, rarely approves of other proposals and, on the whole, has an image of the person too difficult to work with, people will think that his/her proposal or challenge will do little good. Constructive challenge makes one think creatively, seek the alternative, consider people’s needs and interests. Listed below are the examples of destructive and constructive challenges according to A. Leigh (2011):

Example 1

Destructive challenge:	"Your strategy makes no sense to me, how on earth did you arrive at it?"
Constructive challenge:	"Could you take me through your strategy so I can understand how you arrived at it?"

Example 2

Destructive challenge:	"Our current customer care is rubbish and you know it."
Constructive challenge:	"Our current customer care seems to have plenty of scope for improvement; do you agree?"

Example 3

Destructive challenge:	"Why did you mess up delivering this report on time again?"
Constructive challenge:	"What do you think is preventing you getting your reports in on time?"

There are several types of a charismatic leader: socialized, personalized, performing the office, possessing personal attraction, prophetic.

- Socialized. This is the leader who is out there for people. When formulating goals, he thinks primarily in terms of what the people need, not himself. The people in his group possess much autonomy and independence.
- Performing the office. Magnetism lies not with the person, but rather with the office itself. If such leaders do not possess any other type of magnetism, when deprived of their office they will also lose their magic force.
- Possessing personal attraction. The magic force of such leaders depends solely on a person. These are attractive, pleasant, smiling people, open to others and willing to communicate.
- Prophetic. This is the type of historic significance. Such leaders are called to lead people in cases of special crises.
- Personalized. These leaders focus solely on their goals. They help the group only when it helps them achieve their goals. Their subordinates are submissive, following their leader. Often the behaviour of a personalized charismatic leader is non-ethical (see table 9).

Table 9. *Examples of Ethical and Non-ethical Use of Charisma (Leigh, 2011)*

Ethical	Non-ethical
• Serve others • Use for mutual benefit • Empower people • Open up communications • Follow the heart • Interested in self	• Serve others • Use for mutual benefit • Empower people • Open up communications • Follow the heart • Interested in self

What indicates that the leader possesses charisma? Several indicators of charisma may be distinguished:

- Followers believe in the rightness of their leader's beliefs, their own convictions become like those of their leader
- Unquestionable acceptance of the leader
- Followers feel attached to their leader and obey him voluntarily
- Followers identify with and emulate their leader, are emotionally involved in the leader's actualization mission
- The goals are raised higher
- Followers are convinced that they will be able to fulfill or help to fulfill the mission

SELF-EVALUATION QUESTIONS

1. Describe the major features of transactional, transformational, and charismatic leadership.
2. What are the main differences between transformational and transactional leadership?
3. How is transformational leadership connected with charismatic leaderhip?
4. How is transformational leadership associated with change management?
5. What are the characteristics of a charismatic leader?
6. What are the types of a charismatic leader?
7. What are the indicators of a charismatic effect?
8. How would you define the concept of change?
9. What are the types of change?
10. What are the main principles of change management (stages, phases, conditions)?
11. Why do people resist changes?
12. Why do organizations resist changes?
13. What are the methods of managing resistance to change?

PRACTICAL ASSIGNMENTS

Assignment 1. Check up the level of your charisma: do you agree with the statements below. Sign each statement with either "agree" or 'disagree."

- I don't fell people really listen to me in meetings
- I get offered jobs or projects below my level of ability and training
- I hate giving a presentation or a talk
- I feel uncomfortable looking people straight in the eye when I talk to them
- People often ask me to repeat what I have said
- People fidget, interrupt or look away when I speak
- I have trouble getting my ideas accepted at work
- In informal business situations requiring small talk, I feel tongue-tied and awkward
- People often tell me I have picked the wrong time or place to bring up a certain subject
- Whenever people offer advice or suggestions on my impact, usually I say "yes, but..."
- I often fell on the defensive with people
- I find I hard to get others to co-operate with me

- I don't really care about having a high profile, it's substance that counts
- I have trouble remembering people's names, even after I've just been introduced
- I'm not a joiner, I'd rather be alone.
- In meetings I like to sit where I won't be noticed
- When I enter a room I tend to hesitate, walk slowly and keep my head down
- My facial expressions do not usually match my feelings
- I tend to be late for appointments, I'm not a good time keeper
- I find it really hard to make decisions, I have lots of self-doubt

If any of these describe you, it's time to polish your charisma.

(*source:* Leigh A. Charizma: teorija ir praktika. Vilnius, 2013)

(*English source:* Leigh, A. Charisma: The Secrets of Making a Lasting Impression, London, 2011)

Assignment 2. To strengthen you charisma, refine the stuff that fuels it: your aim. En route to clarifying what you want to achieve with your charisma, you may find it helpful to

- Decide how you would like to be seen by others, and
- Discover how you actually are seen by others

In our daily lives many of us choose to don a mask. We do not allow others to see the real person behind it. In order to strengthen your charisma, you may need to explore what your particular mask looks like, and what lies behind it. Try the Behind the mask work out, shown below.

Behind the mask work out

1. First, consider how you would like to be seen by others.
2. In the left-hand column overleaf, write five to eight descriptions. For example: happy, tough, punctual, thorough, dedicated, funny, honest, organized, clever, thoughtful, cheeky, bubbly.
3. Give careful thought to the ones you choose.
4. Next, consider how you fear you come across to others. For example, might they see you as: ruthless, ambitious, cunning, careless, rude, clumsy, late, immature?
5. Review the two lists together. What do they reveal about your likes and fears? How accurate do you think they are? Which is least desirable and which is the most?
6. Are there any surprises?

How I'd like to be seen	*How I fear I'm seen*
....	....
....	....
....	....
....	....
....	....
....	....

(*source:* Leigh A. Charizma: teorija ir praktika. Vilnius, 2013)

(*English source:* Leigh, A. Charisma: The Secrets of Making a Lasting Impression, London, 2011)

Assignment 3. Check out your Charisma Rating – how others actually do see you. This Fast Reality Check Out uses seven basic behaviours which are common to those with strong charisma. To discover your charisma rating, you need to approach people you trust to learn how they experience you.

First, complete the questionnaire below for yourself. Later you can compare your charisma rating with how others experience you.

Secondly, choose up to five people you know and trust to give you frank answers.

Fast reality check out

Please score me on the ten-point scale, with 1=low 10=high

	1	2	3	4	5	6	7	8	9	10
FLUENCY – speaks fluently and well										
CONFIDENCE – willing to accept alternative views, open to challenges, not defensive, able to be spontaneous										
PRESENCE – intensely alert to the present situation; shows gravitas; demonstrates stature and substance										
AUTHENTICITY – true to oneself; not putting on a front; reliable and dependable										
COURAGE – willing to be different; to challenge and question; think outside the box; take risks										
PASSION – shares personal values; energised; openly committed; enthusiastic; engages other people										
DEMEANOUR – upright physical bearing; well-turned out, always looks stylish and distinctive										
What do you think works well about how I come across to people?										
What do you think works less well about how I come across to people?										

Analyzing your rating

1. Total the values shown by the ticks in each column. If a tick is in column 3, for example, this counts as three in you calculations. The maximum score possible for each completed questionnaire is 70 (7 x 10).
2. Divide the score by 70 and multiply by 100, to arrive at their Charisma Rating for you.

   Example:
   Score: 45
   Maximum possible 70
   Charisma Rating = 45 : 70 x 100 = 64%
3. If five people completed the questionnaire, then combine all their scores and divide by that number:

   Example:
   Score for 5 people: 200
   Maximum possible 350 (5 x 70)
   Charisma Rating = 200 : 350 x 100 = 57%

Interpreting your Charisma Rating

The best possible Charisma rating is 100 per cent. It would be surprising if you achieved it; few people do. Scores over 75 per cent suggest you have a strong charisma and should probably concentrate on building further on your particular strengths. Scores under 75 per cent suggest you would benefit from working on selected areas of your charisma, including both strengths and weaknesses.

Next, review the answers to the two open-ended questions at the end. Can you identify any patterns or common themes in the various answers?

There is no single best way to achieve a strong Charisma Rating, for example, always smiling, having a noble bearing, giving eye contact, talking eloquently and so on. Instead, a good rating will stem from a unique blend of behaviours or traits. These are like colours on an artist's palette.

(*source:* Leigh A. Charizma: teorija ir praktika. Vilnius, 2013)

(*English source:* Leigh, A. Charisma: The Secrets of Making a Lasting Impression, London, 2011)

Assignment 4. Challenge work out. 4 užduotis. Pratybos IŠŠŪKIS

1) Change the following challenges from destructive into constructive ones.

"You couldn't be more wrong. We just don't do it that way."

....

"It's happening again. This team is wasting time on yet another pointless debate."

....

"If you can find a better supplier than us let men know."

....

"This agenda is nonsense, why don't we focus on the really important issues?"

....

"Well, it may inspire you, but it doesn't inspire me."

....

2) Create three real constructive challenges for others in your life.

....

....

....

....

....

(*source:* Leigh A. Charizma: teorija ir praktika. Vilnius, 2013)

(*English source:* Leigh, A. Charisma: The Secrets of Making a Lasting Impression, London, 2011)

Assignment 5. CASE ANALYSIS
The Vision Failed

High Tech Engineering (HTE) is a 50-year-old family-owned manufacturing company with 250 employees that produces small parts for the aircraft industry. The president of HTE is Mr. Barelli, who came to the company from a smaller business with strong credentials as a leader in advanced aircraft technology. Prior to Mr. B, the only president of HTE was the founder and owner of the company. The organizational structure at HTE was very traditional, and it was supported by a very rich organizational culture.

As the new president, Mr. B sincerely wanted to transform HTE. He wanted to prove that new technologies and advanced management techniques could make HTE one of the best manufacturing companies in the country. To that end, Mr. B created a vision statement that was displayed throughout the company. The two-page statement, which had a strong democratic tone, described the overall purposes, directions, and values of the company.

During the first 3 years of Mr. B's tenure as president, several major reorganizations took place at the company. These were designed by Mr. B and a select few of his senior managers. The intention of each reorganization was to implement advanced organizational structures to bolster the declared HTE vision.

Yet the major outcome of each of the changes was to dilute the leadership and create a feeling of instability among the employees. Most of the changes were made from the top down, with little input from lower or middle management. Some of the changes gave employees more control in circumstances where they needed less, whereas other changes limited employee input in contexts where employees should have been given more input. There were some situations in which individual workers reported to three different bosses, and other situations where one manager had far too many workers to oversee. Rather than feeling comfortable in their various roles within HTE, employees began to feel uncertain about their responsibilities and how they contributed to state goals of the company. The overall effect of the reorganization was a precipitous drop in worker morale and production.

In the midst of all the changes, the vision that Mr. B had for the company became lost. The instability the employees felt made it difficult for them to support the company's vision. People at HTE complained that although mission statements were displayed throughout the company, no one understood in which direction they were going.

To the employees at the, Mr. B was an enigma. HTE was an American company that produced U.S. Products, but Mr. B drove a foreign car. Mr. B claimed to be democratic in his style of leadership, but he was arbitrary in how he treated people; he acted in a nondirective style toward some people and he showed arbitrary control toward others. He wanted to be seen as a hands-on manager, but he delegated operational control of the company to others while he focused on external customer relations and board of directors matters.

At times Mr. B appeared to be insensitive to employees' concerns. He wanted HTE to be an environment in which everyone could feel empowered, but he often failed to listen closely to what employees were saying. He seldom engaged in open, two-way communication. HTE had a long, rich history with many unique stories, but the employees felt that Mr. B either misunderstood or did not care about that history.

Four years after arriving at HTE, Mr. B stepped down as president after his operations officer ran the company into a large debt and cash flow crisis. His dream of building HTE into a world-class manufacturing company was never realized.

QUESTIONS

1. If you were consulting with the board of directors at HTE, what would you advise them regarding Mr. B's leadership from a transformational perspective?
2. Did Mr. B have a clear vision for HTE, and was he able to implement it?
3. What would you tell Mr. B to do differently if he had the chance to return as president of HTE?

(*source:* Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)
(*English source:* Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 6. CASE ANALYSIS
Her Vision Was a Model Research Center

Ms. Adams began as a researcher at a large pharmaceutical company. After several years of observing the way clinical drug studies were conducted, she realized that there was a need and opportunity for a research center not connected with a specific pharmaceutical company. In collaboration with other researchers, she launched a new company that was the first of its kind in the country. Within 5 years, Ms. Adams became president and CEO of the Independent Center for Clinical Research (ICCR). Under M. Adams's leadership, ICCR grew over a 10-year period to become a company with revenues of $6 million and profits of $1 million. ICCR employed 100 full-time employees, most of whom were women.

Ms. Adams wants ICCR to continue its pattern of formidable growth. Her vision for the company is to make it a model research center that will blend credible science with efficient and cost-effective clinical trials. To that end, the company, which is situated in a large urban setting, maintains strong links to academia, industry, and the community.

Ms. Adams and her style have a great deal to do with the success of ICCR. She is a free thinker who is always open to new ideas, opportunities, and approaches. She is a positive person who enjoys the nuances of life, and she is not afraid to take risks. Her optimistic approach has had a significant influence on the company's achievements and its organizational climate. People employed at ICCR claim they have never worked at a place that is so progressive and so positive in how it treats its employees and customers. The women employees at ICCR feel particularly strongly about Ms. Adams's leadership, and many of them use Ms. Adams as a role model. It is not by accident that the majority (85%) of the people who work at ICCR are women. Her support for women's concerns is evident in the type of drug studies the company selects to conduct and in her service to national committees on women's health and research issues. Within ICCR, Ms. Adams has designed an on-site day care program, flex-time scheduling for mothers with young children, and a benefits package that gives full health coverage to part-time employees. At a time when most companies are searching for ways to include more women in decision making, ICCR has women in established leadership positions at all levels.

Although Ms. Adams has been extremely effective at ICCR, the success of the company has resulted in many changes that have affected Ms. Adams's leadership at the company.

Rapid growth of ICCR has required that Ms. Adams spend a great deal of time traveling throughout the country. Due to her excessive travel, Ms. Adams has begun to feel distant from the day-to-day operation of ICCR. She has begun to feel as if she is losing her handle on what makes the company "tick." For example, although she used to give weekly pep talks to supervisors, she finds that she now gives two formal presentations a year. Ms. Adams also complains of feeling estranged from employees at the company. At a recent directors meeting she expressed frustration that people no longer called her by her first name and others did not even know who she was.

Growth at ICCR has also demanded that more planning and decision making be delegated to department heads. This has been problematic for Ms. Adams, particularly in the area o strategic planning. Ms. Adams finds the department heads are beginning to shift the focus of ICCR in a direction that contradicts her ideal model of what the company should be and what it is best at doing. Ms. Adams built the company on the idea that ICCR would be a strong blend of credible science and cost-effective clinical trials, and she does not want to give up that model. The directors, on the other hand, would like to see ICCR become similar to a standard pharmaceutical company dedicated primarily to the research and development of new drugs.

QUESTIONS

1. What is it about Ms. Adams's leadership that clearly suggests that she is engaged in transformational leadership?
2. In what ways has the growth of ICCR had an impact on the leadership of Ms. Adams?
3. Given the problems Ms. Adams is confronting as a result of the growth of the company, what should she do to reestablish herself a a transformational leader at ICCR?

(*source*: Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)

(*English source:* Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 7. CASE ANALYSIS
Company's X experience

The company's X experience is interesting, because it shows that leader alone having a clear vision and being decisive is not enough; others also need to join them. This company barely survived the recession of 1980 – 1981. After a massive rescue operation, which was conducted by the government in order to save the company from bankruptcy, the latter needed to demonstrate some completely different ways of "how things are done here." In 1981, at the beginning of culture change, an intensive communication was conducted. The director Kasparas Petrauskas was actively involved in it. He formulated a vision, prepared visual material, and stood on company's the upper store with a loudspeaker announcing very important news at every possible turn. The employees were nodding their heads in approval, yet the company realized that virtually nothing was changing.

Petrauskas knew that everything must change. However, he could not force the organization to moving fast enough. He felt disappointed by that. In order to change the behaviour, vision and values had to be laid out, recreated, established, and transmitted by constant reiteration. Petrauskas had to do something that would help employees understand the reasons for change, the same way he himself understood them. Petrauskas organized the major training program for the company's 2000 managing employees, calling it "thinking expansion." All company's leaders, "from top to the bottom" participated in the program. The training took three years, and the program – 5-6 days. Its goal was to make employees understand that changes must occur. This event is now considered a turning point. The employees realized that there is a real external danger. The world does not owe the company its life. After classes, the employees would say: "I've got it." In this way, the training program helped the company X to create a common language.

Part of this "common language" was summarized in a glossy pamphlet "The Way of the Company X," which was distributed by Kasparas. In it, the philosophy of the company X was outlined by seven commitments:

- to changes
- to customers
- to skill
- to teamwork
- to accomplishment
- to personnel development
- to creation of the model productivity

People would look upon this pamphlet with skepticism, yet later it received the recognition, and would be handed to each newly hired employee.

ASSIGNMENT

1. Please expand the aspects of change management in a given situation.
2. What did Kasparas Petrauskas do for the pamphlet to receive the company's recognition?

(the name and surname of the CEO were created; the analysis prepared on the basis of Barrow C., Brown R. Clarke L. Verslininko kelias į sėkmę (original title Vilnius, 2010)

Assignment 8. CASE ANALYSIS

The company X is facing changes. Rolandas Kavaliauskas has been appointed as its new president. Speaking about his former experience of leadership over the company Y, Rolandas said, "It is easier to maintain the status quo than to lead people into what's new, with all the uncertainties and fear of the unknown caused by the occurring changes."

Although Kasparas Petrauskas, at that time the CEO of the company X, had announced that "all of our business has changed, is changing and will change," in the opinion of the employees, the changes were a temporary and unnecessary disruption of the current state. They expected that once the leadership makes everything "right," changes will be over and life will return to its former state. They did not want to understand that change was inevitable for the company to survive; for them, it was too costly.

With the arrival of changes, not only work productivity decreases. Changes are also costly in emotional sense – they are painful. Here are some of comments by the company's employees:

Fear: "I do not think that the company's management understands how afraid the people are."

Losses: "We can see how teams are dismantled, relationships terminated, and that there is no effort to preserve our department."

Discomfort: "We are feeling overwhelmed."

Stress (too much load): "Earlier on, we were working hard and having fun; people would laugh. Now we no longer have that."

ASSIGNMENT:

Give recommendations on how to reduce resistance to change (the names and surnames were created; the analysis prepared on the basis of Barrow C., Brown R. Clarke L. Verslininko kelias į sėkmę (original title Vilnius, 2010)

Assignment 9. USA oil company decided to reorganize into two independent oil and gas companies. They had to move elsewhere and hundreds of employees had to change geographical place and personal surroundings. Top managers were surprised with such significant resistance on the part of their employees. Their consultant commented on the situation in the following way: "The logic of changes was not obvious, since the organization was making huge profits. There was no clear-cut evidence that anything had to be changed."

QUESTIONS:

1. Should the top managers be surprised with the significant resistance on the part of their employees?
2. Please suggest a plan, concrete steps for managing resistance to change.

(based on the source: Barrow C., Brown R. Clarke L. Verslininko kelias į sėkmę. Vilnius, 2010)

Assignment 10. CASE ANALYSIS

Determining the leadership style of subdivision managers of "XX" company

"XX" is the biggest private company whose industry traditions reach back to the 18th century. The company gradually changed its process of production and currently has been oriented towards producing computer hardware for electronics industry. The company employs 500 people. At the present, the company faces structural changes, with human resource management being introduced alongside the new information technologies. According to the new strategies, the responsibility for personnel, training, and development is delegated directly to managers and workshop foremen. "XX" has three subdivisions: A, B, and C.

When the former chief executive officer (CEO) had retired, the top management of the group of the companies, hired the new CEO who had experience in the area of services. The new CEO emphasized that employees are the most important asset of the company. He presented the declaration about the "XX's" personnel policy. The declaration focused on the importance of each employee and on his/her responsibility to pursue the company's policy. This declaration gave a particularly high estimate of such employee characteristics as dedication, creativity, and flexibility. In a few months after the appointment of the new CEO, the organization began a new campaign which emphasized better quality of the production and greater responsibility of personnel. Thus, currently, the management, on the one hand, stresses the importance of decreasing the costs and increasing the profit, but on the other, it emphasizes the importance of personnel as its major resource.

Among the employees, there are several middle-aged men, mostly from middle management, who have great expertise in industry culture and who follow the authoritarian style of leadership. The responsibility for personnel is delegated to managers directly. The turnover of personnel in the company has not been significant, especially now, when the situation in the marketplace is not very favourable. Two-thirds of the employees are blue colour workers, while the rest is made up of administration and specialists. Half of the employees are women. The company hired several new engineers both men and women.

The group of researchers from the nearby university has conducted studies at XX company. Their final report states that workers have too many functions and a greater need for competencies, while others are involved in more routine and monotonic work tasks. The report is marked by the conclusion that the work of the less educated, middle-age employees is becoming increasingly routine.

Researchers note that many middle-aged, low education women are concerned with work situation. Meanwhile, specialists are involved in increasingly complex and skilled task. The evaluation of employee attitude shows that their motivation and dedication to work varies with each department.

Here are some of the examples from the study:

Ona, an equipment operator, presents a typical training situation when a supplier of new equipment conducts a two-day employee briefing on how to use this equipment: "Of course, the company's investment into the training of our employees is a very good thing, however, all the while, we also have to carry out the usual production tasks. Besides, the handbooks on the use of the equipment are in English..."

Giedrius, the equipment operator working different shifts, was a little irritated at hearing the study questions about the possibilities of training at the workplace: "All of these talks about daily training make no sense. What is this training? You just feel happy enough with being able to complete the task on time. Training – don't they do it when taking courses?"

Ula who works for the administration says about the computer classes: "The courses that I had to take? Well, after returning back to my workplace, I had problems with using the instructions that I had received from my instructor. When taking that course, I felt as if he was telling me incomprehensible things. Sometimes I would feel really stupid. This course had little connection with my real work."

Simas, a middle-aged specialist and the leader of a project group says: "There are plenty of project groups in our department. We organize various work-related meetings with these groups, while trying to spread competency in the organization and to share the accumulated knowledge with everybody. Sometimes keeping up with training and development stuff is a difficult business, particularly for the older people. You have to spend your free time reading and developing yourself. Yet, I would say, it is worth it."

In an attempt to respond to structural changes, the leadership initiated regular work-place meetings.

The Meeting of Subdivision Managers in August

In the meeting, three subdivision managers shared their experience.

The manager of subdivision A, called Vilius, was delighted about the leadership's intention to increase the feelings of responsibility among the personnel. He immediately began organizing regular work-place meetings for his subordinates. In addition, he initiated the program of work rotation among the different production work places in his subdivision. "It's so interesting to talk to the employees. They really fascinate with their abilities," said he. True, as of now, these meetings have not yet yielded any specific results, but the subdivision manager is confident: "As you know, many of our employees have worked in our factory for a long time, therefore, it would not be honest to expect from them some quick adaptation to the new conditions," he said.

The manager of subdivision B Ruta explained the difficulties she had encountered while organizing the work-place meetings. With total lack of enthusiasm, she said: "You cannot teach new tricks to an old dog." She meant the fact that many of her subordinates were attached to authoritarian leadership that had been entrenched in the industrial community. According to Ruta, from the early childhood they were taught to do whatever had been commanded – neither more nor less – and she did not see any other solution. Ruta told her colleagues that she had designed the work-place meetings for informing her subordinates about her own as well as the management's decisions.

The manager of subdivision C Petras said that it's time for the company to start thinking about the future. Yet there is no need for organizing the work-place meetings in his own department. "We have functioned long enough and well enough as a team," he said and began listing the inventions proposed by his "guys". Petras admitted that not all of his employees were as active in generating new ideas. He regretted about the inability to implement a greater part of the innovations proposed by his subordinates. Petras also discussed some economic problems. As a summary, he said: "When employees are showing the initiative, we should not be stingy at providing bonuses or opportunities for their personal development. Since these people are giving so much effort, we will break the ice, sooner or later."

The Meeting of Subdivision Managers in January

Work-place meetings in subdivisions were conducted each month. In January, subdivision managers got together to share their impressions.

Ruta informed in writing about her not being able to participate in the meeting. On the phone, she questioned the meaningfulness of having or participating in such meetings. "I am not trying to defend myself," she said, "but if you had a work schedule like mine, you would not have time even for a cup of coffee with your colleagues." In Ruta's opinion, everyone will soon realize that there is no room for democracy in the company XX.

Petras experienced stress. His subordinates were in the process of resigning, as they had been hired by the competitive company for better paid jobs and appointed to project management positions. "We were not able to offer them the same kind of salary," said Petras. Yet the worst thing seems to be the fact that the other employees in the same subdivision do not understand the innovations, proposed by the leaving "guys." Thus, things will have to be started anew. If this keeps repeating itself, the budget issues will become a concern. Petras finished his observation with an irony: "No doubt, it is very important to foster the climate of creativity at the work-place. However, if it does not encompass the whole team, then we are walking on thin ice... There is a high possibility that those new people will leave you... And if you fail to receive the needed help from the management, then things may turn really bad."

Vilius looked perplexed. On the one hand, he felt sad because his "democratic strategy" did not work as expected. Although his work-place meetings were taking place regularly, they contained very few suggestions as to what the subdivision should do in order to face future needs. On the other hand, he had recently attended a seminar in which the famous American manager Bill Bragman presented his Management By Contract theory. Vilius brought back Bragman's book and after reading it, realized that he had been a weak leader. In the future, he is going to lay out some clear and accurate solutions, to be precise in explaining his ideas to the subordinates. Following this, he will make a contract with each employee, so that they may know what exactly is expected of them.

ASSIGNMENT.

1. Following the information about leadership styles, presented in chapters 2 and 3 of this handbook, define the styles used by the company's XX subdivision managers (your answer must be supported by citations from the case analysis).
2. Is the leadership style used in those situations effective? What should it be? Find the most appropriate style for each subdivision manager.

(*source:* Lipinskienė D. Organizacinė elgsena. Klaipėda, 2013)

Assignment 11. You are supposed to make a decision based on one of the two alternatives: A or B. These alternatives are two different teams. You have to choose the stronger and better one.

1. Name the problem. ____
2. Who else is going to be affected by the decision? Do those people need to be involved? ____________________
3. What other factors do we need to consider? ____________________________
4. List the restraining forces ("cons")

______________________________________ ___________
______________________________________ ___________
______________________________________ ___________
______________________________________ ___________
______________________________________ ___________

Total score ___________

5. List the driving forces ("pros")

______________________________________ ___________
______________________________________ ___________
______________________________________ ___________
______________________________________ ___________
______________________________________ ___________

Total score ___________

6. Measure the strength of both sides on the scale of 10. The higher the score, the stronger the alternative.
7. Add up the scores and announce the winner.

FOR FURTHER STUDY

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Chapter four

TEAM LEADERSHIP

The purpose of this chapter: to provide theoretical knowledge and practical skills which would enable to:

- *DEFINE* the stages of team formation
- *DESCRIBE* the principles and styles that reflect leadership behaviour in the team
- *DESCRIBE* the characteristics of a successful team
- *DEFINE* the empowerment and the empowering leader
- *DEFINE* and *DESCRIBE* the features of an enabling environment
- *IDENTIFY* how the empowering leadership is expressed in a concrete situation
- *IDENTIFY* and *EXPLAIN* the problems that emerge in a group as well as the processes that take place there
- *IDENTIFY* the elements that suppress the effectiveness of team's work
- In accordance with the manager's/leader's behaviour, IDENTIFY the team leadership style being applied
- *FORMULATE* goals (tasks) in accordance with the requirements presented
- *APPLY t*he Johari window model in specific situations for the improvement and development of interpersonal relationships

Main definitions used in this chapter:

Team formation stages. These are the stages that are passed through by all groups willing to function as teams. The stages as known as forming, storming, norming, and performing

Empowerment. It is (1) an attempt to increase the individual's motivation and self-confidence by providing him/her with the necessary information, resources, and knowledge; (2) the creation of suitable environment that would prompt the individual toward expanding his/her scope of knowledge and competence, while creating the appropriate conditions for the expression of autonomy, freedom, responsibility, etc.

Empowering leader. A person who by creating the enabling environment makes the followers to believe in their abilities, be disposed toward continuous training, be independent and committed to the organization (group, staff), and have high motivation for work. Such a leader is able to inspire them for their work and to ensure their satisfaction with what they do.

Effective system of rewards. The reward system that is marked with the following features: it is clear, simple, specific, meaninful to an employee, able to meet employee needs and expectations. It is perceived as being fair, with the feedback built-in, and encompassing both monetary and non-monetary rewards.

Communication. Conversation which facilitates the exchage of information.

Johari window. A model designed for better understanding of one-self, for enhancing the effectiveness of interpersonal communication, and for the development of mutual relationship.

Conflict. Disagreements between two sides (people or groups) concerning different opinions, views, interests, values, goals, the methods of achieving those goals, the information at one's disposal, the different interpretation of that information, and other reasons.

Decision-making. Setting the direction for the actions necessary for solving a specific problem by formulating possible alternatives and by choosing the best one.

According to P. G. Northouse (2009), the group or task force leadership has become one of the most popular and rapidly expanding areas of leadership theory and scientific research. Teams are organizational groups consisting of members who are interdependant, have common goals, and who must coordinate their actions, so as to reach their goals. The examples of such groups are project management teams, specialized groups, labour subdivisions, permanent committees, quality teams, and improvement teams.

Although every team is a group, not every group is a team. In management's theory and practice, four **stages of team formation** are distinguished:

1. ***Forming.*** The stage description: observing other members of the group, trying to understand how to behave in the group, what and how each member will have to act, discussing about things that are not related to the task, trying to answer questions like: Why am I here? How do I fit in? What is expected of me? Why are others here? How much influence will I have on the others? How will I cope with my future assignment? How do others view me? Do I like this place?
2. ***Storming.*** The stage description: role distribution among the members, team leaders emerge, team norms and interpersonal relationships are formed, there are many disagreements and conflicts, members argue, disagree, and compete among themselves. They do not seek the consensus, but rather object and blame the leader, they are not focused on the task. The questions that arise: Who is the leader here? Why do I have to do it? How open can I be in this place? Is sharing the information worth it? Maybe it is better to keep silent?
3. ***Norming.*** The stage description: finding the best ways to work and to communicate, group members learn how to work together, developing team norms, establishing the focus, solving the problems, making the decisions. The leader acts more like a consultant, is engaged in an open and sincere conversation. The members listen to each other, adhere to the rules of communication and work. They feel and are proud of being a part of the team, have confidence in themselves and in the other members of the team.
4. ***Performing.*** The stage description: orientation toward constant improvement, leadership takes turns, high degree of trust and cohesiveness, tasks are performed together, enthusiastic participation in common activities, sharing of experience, providing regular feedback, learning from common mistakes, constructive response to criticism, interest in the success and difficulties of the others, providing mutual help.

Team leadership is the ability to organize and direct the activities of other team members toward the completion of the task and the accomplishment of the goal (Stoner 1999). It is the leader's effect on the group of individuals that have common purpose and that strive for common focus in order to accomplish the task. According to Northhouse (2009) the leader's responsibility is to act in a way which would facilitate the effective work in the group.

When studying team leadership, three leadership structures are often singled out: an external leader of the team, an external facilitator, and a leader chosen in the team.

External leader is usually appointed by the top management of the organization. Such a leader posseses the authority sanctioned by laws, also allocates tasks, gives instructions, issues commands, and provides support as well as rewards. This is why it his him, and not the members of the team, that govern the activities of the team. As a rule, such a leader is not the member of the team but remains, at least, at one-step distance from the team's tasks.

Another type of leadership is that of an *external facilitator* (or coordinator, consultant). This is usually a person appointed by the organization. His/her function consists of encouraging the team to work on its own, to set goals for itself and to pursue them. The facilitator, as a rule, is not the member of the team. He/she does not carry out team tasks, yet neither does he/she control or manage. Instead, the facilitator advises and consults, so that the team may fulfill the functions assigned to it.

A leader chosen in the team is the member of the team who works together with the other members of the team while providing leadership. Such a leader may emerge spontaneously or may be elected by the team's members, or each of the team members may temporarily occupy leadership position on a rotation basis. He/she understands team norms and relationships better than the above mentioned leaders (Raižienė, Endriulaitienė, 2008).

Team leadership influences a team in four aspects:

1. cognitive (leader helps team members understand problems that they encounter)
2. motivational (leader helps the members feel that they can act and achieve the goals. This is done by setting high performance standards and helping the team meet them)
3. emotional (leader helps the team overcome stressful situations by setting clear goals, tasks, and strategies)
4. coordinational (leader helps to coordinate the team's activities by assigning team members with the roles that would correspond to their skills, by offering clear strategies, using feedback and helping to adjust to changes) (Raižienė, Endriulaitienė, 2008).

Team leadership is directly related to leader's behaviour in the team. This behaviour is reflected in the leadership principles (see table 10) and management styles.

Table 10. ***Theories of Leadership Principles***

Leadership by the rules	Leadership by the goals	Leadership by the values
Keeping the rules Punishing for mistakes Control as the essence Everybody is equal	Reaching the goal Marketplace needs Evaluating employees Measuring success	Creating values Customer needs Responsibility Creativity as the basis
Clear procedures	Quality Well-defined methods	Personal visions Cohesive team
A person is just an employee	A person as means to a goal	A person as a goal
Work principle: to do	Work principle: to know	Work principle: to be

D. Goleman, R. Boyatzis, and A. McKee (2007) distinguish six styles of leadership: visionary, coaching, affiliative, democratic, pacesetting, and commanding. They maintain that the effective leaders (or managers) vary these styles depending on the situation, i.e. they use sometimes one, sometimes the other style. The use of the first four styles creates the kind of resonance that allows us to achieve good work results; the other two (pacesetting and commanding) although useful, should be used, according to the authors, with caution.

Visionary style. The leader who follows the vision lets the employees understand what their contribution to the process of fulfilling the vision is. He/she also explains the importance of this contribution. When the employees realize the essence of the vision, they understand much better how to accomplish it and what is expected of them. The understanding that everyone is striving after the same goal, places responsibility on the whole team: people feel proud about belonging to such a team. This style helps to improve the emotional environment and changes positively many organizational areas. For example, the leader who has a vision sets the direction for group's activities, yet does not tell how to achieve the goal. In this way, the employees are given an opportunity to apply the innovation and to experiment. In a nutshell, D. Goleman and others (2007) assert that such a style fosters the creation of common long-term organizational goals and strategies.

Although the visionary style is very effective, it is not applicable in every situation. For instance, it cannot be used when a leader works with the team of experts or employees that are more experienced than the leader himself; such people may consider the leader's stance as pompous or simply inappropriate for the specific task. The unsuitable leadership style may provoke the resistance and lead to poor work results. Yet another exception: when the leader with a vision acts arrogantly and becomes domineering, he/she can destroy the equality among the team members.

The leader who uses *coaching* style devotes his attention to the personal development, rather than to accomplishing the task. According to D. Goleman and others (2002), "the style generally predicts an outstandingly positive emotional response and better results, almost irrespective of the other styles a leader employs. By making sure they have personal conversations with employees, coaching leaders establish rapport and trust. They communicate a genuine interest in their people, rather than seeing them as simply tools to get the job done. Coaching thereby creates an ongoing conversation that allows employees to listen to performance feedback more openly, seeing it as serving their own aspirations, not just the boss's interests... Coaches help people identify their unique strengths and weaknesses, tying those to their personal and career aspirations. They encourage employees to establis long-term development goals, and help them to conceptualize a plan for reaching those goals." According to Goleman, coaches also clearly show what their responsibility, as leaders, is, and what the role of employees in the process will be. Since employees understand that the leader is not alone responsible for preparing the development and career plan, and that they themselves also play a certain role, it is clear that the coaching style will be the most useful when applied with regard to the employees that show initiative and are eager to develop. This style is not suitable if the employees lack motivation, if they need some excessive feedback or personal direction. In addition, this style is not appropriate when the leader lacks the experience or sensitivity to help the employee.

The distinguishing feature of the *affiliative* style is the open sharing of emotions. According to Goleman and others (2002), the leaders who use this style, "tend to value people and their feelings – putting less emphasis on accomplishing tasks and goals, and more on employees' emotional needs. They strive to keep people happy, to create harmony and to build team resonance."

The *democratic* style is most appropriate when the leaders are not certain as to how they should act and when they find it useful to hearing the employee opinion. The democratic style is very useful even when leaders have a clear vision, since it assists in implementing that vision or supplies the ideas about how to create a new vision. The basis of the democratic style is a triad of emotional intelligence abilities: teamwork and collaboration, conflict management, and influence. People who have strong communication skills are very good listeners, and listening is the key characteristic of the democratic leader. Such leaders are truly interested in the problems of the employees and are available to listen. They act as team members, instead of looking down on the others. They know how to solve conflicts and create a sense of harmony.

Leaders who apply the *pacesetting* style hold to high performance standards and show the example of quality work. They want to do things in the best and fastest way, and require the same of others. D. Goleman and others (2002) note that such a leader "quickly pinpoints poor performers, demands more from them, and if they don't rise to the occasion, rescues the situation himself." The authors also maintain that "if applied excessively, or in the wrong setting, the pacesetting approach can leave employees feeling pushed too hard by the leader's relentless demands." Another drawback of this style is that the leaders with this style expect that employees " know themselves what to do" and thus are not clear about guidelines. According to the authors, in such a case, "followers often have to second-guess what the leader wants. The result is that morale plummets as employees see their leader as driving them too hard – or worse, feel the leader doesn't trust them..."

The motto of the leader who uses the commanding style is: „Do it because I say so!" Such a leader demands immediate compliance to the commands, yet fails to explain the reasons for it. If subordinates do not carry out the orders, the leader starts threatening them. Instead of empowering them, he/she tries to strictly control every situation. Therefore, when providing feedback – if it is provided at all – such a leader stresses only poor results and fails to notice what the employees did well.

The commanding leaders reduce the employee trust, weaken the feelings of confidence and pride in the work being done, i.e. they eliminate the things that should have prompted the employees to productive work. This style of leadership suppresses the indispensable ability of a leader to convince the people that they are reaching for the common goal. Instead, the employees are left feeling less committed or even alienated from the common goal.

Despite all the drawbacks, according to D. Goleman (2007) the commanding style may be important. For instance, the commanding style may be effective when the company has been hit by crisis (at least in the beginning, when there is an attempt to eliminate harmful work habits and to encourage employees to use now methods of work). The same, according to Goleman (2001) applies "during a genuine emergency, such as fire in the building or an approaching hurricane... leaders with a take-control style can help everyone through the tumult. Moreover, when all else has failed, the style sometimes works when dealing with problem employees."

As already mentioned, in D. Goleman's opinion (2007), effective leaders do not confine themselves to just one style. They vary their styles depending on the situation. How can we know when and what style of leadership one should use? For example, when facing product circulation problems, there is a need for a leader who is able to apply visionary style, so that the company may increase its profits. Such leaders possess a clear, inspiring vision which can prompt positive changes. On the other hand, when there is a need for prompt decision, such as initiating important changes, the leader has to use the commanding style, and later choose the other. If company's employees cannot agree among themselves, take on new responsibilities or generate new ideas, the leader must behave in a democratic way. When he/she has to work with the team of employees that know their job well and that are highly motivated, the leader may use the pacesetting style.

P. G. Northouse (2004) has proposed an instrument which should help us understand a very complex phenomenon of team leadership, starting with the leader's decisions, moving to the action, and ending with the focus on the team's effectiveness, i.e. the team leadership model (see pic. 8)

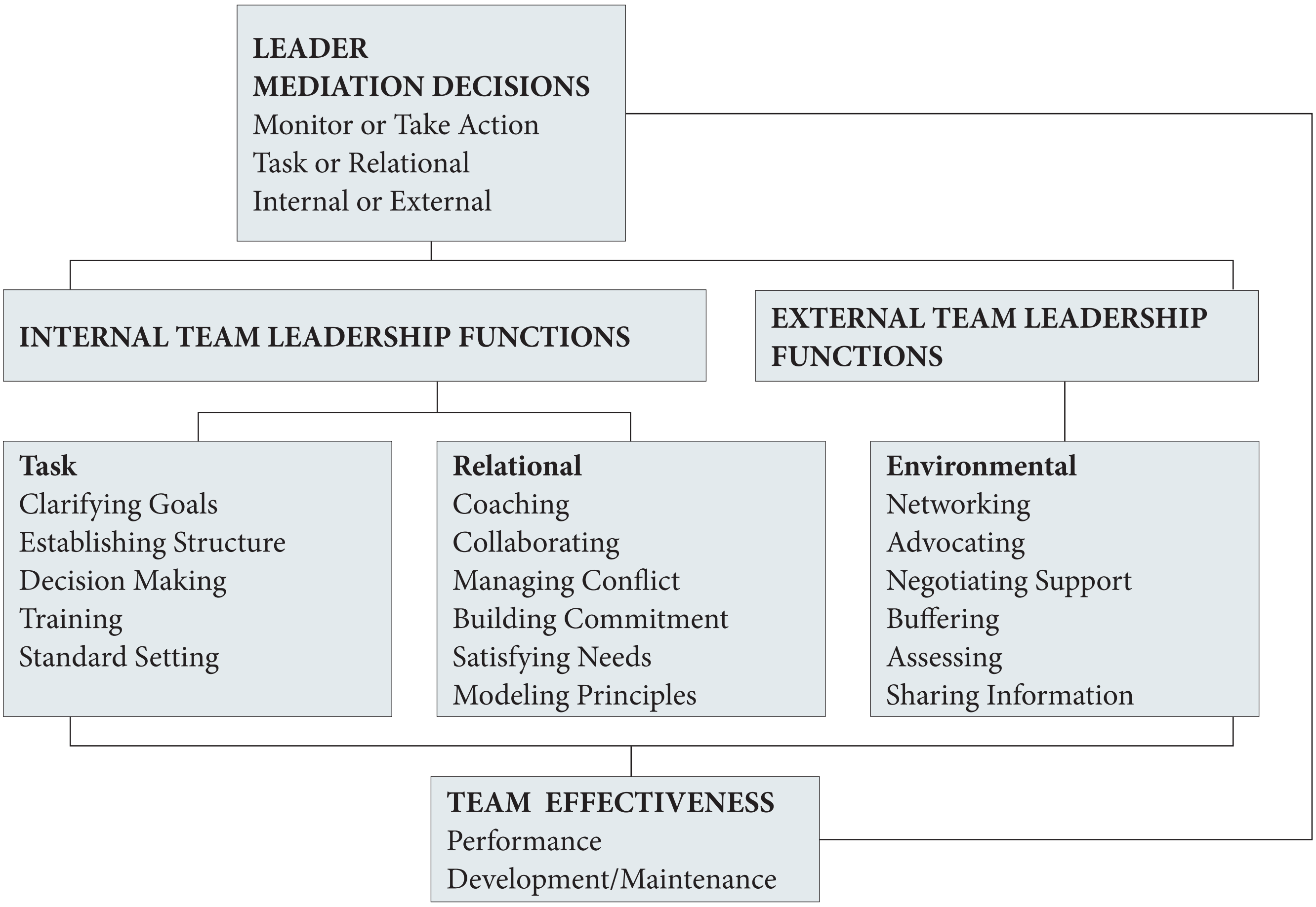


Figure 8. *Hill's Model for Team Leadership (Northouse, 2004, p. 217)*

The Model for Team Leadership is based on the statement about functional leadership, namely, that the leader's task is to observe the team and then take all the necessary action that would ensure its effectiveness.

The first box of the leadership model contains the list of decisions that leaders should make when trying to decide whether to intervene or not. If the decision is yes, the leaders should consider how to improve the work of the team. First, they need to decide whether to continue observing the team or to interfere into its activities by taking action. Following this, they should determine what the common task or relationship function of the necessary intervention is (i.e. should the team be helped with carrying out the assignment, or does it need an assistance with supporting the relationships?). Finally, they should decide what type of intervention is needed – the internal (intervention into the team itself) or external intervention (intervention into the team's environment).

We should mention that not every team's activities are effective. Larsen and LaFasto (1989) studied effective teams and noticed that there are several characteristics related to the effectiveness of a team, regardless of the team's type (Northouse, 2009). Six major characteristics may be distinguished:

1) ***Clear, attractive goal.*** Team's goals must be very clear, so that everyone knows when the aim has been accomplished. Groups often fail because are given undefined assignments. Goals must be attractive and motivating, so that team's members believe in their significance and importance.

Goal-setting helps employees understand the expected results and point out the areas on which they should concentrate. Speaking about the formulation of goals and tasks and about their effective accomplishment, the SMART method is recommended. *SMART* is an acronym made of the first letters of the words that describe the following goal-formulation principles: *specific, measurable, achievable, realistic, timed.*

Specific – the goal should be specific and clear, i.e. what specifically needs to be done. E.g. "Writing down a 40 page annual report", but not "Trying to write the longest possible report."

Measurable – the goal must be measurable, i.e. the criteria for assessing the results (once the work is done) should be outlined clearly. E.g. "Increasing the output by 10% this month as compared to the last month's output", but not "Working more effectively or more productively this month." It is important to remember that the goals that cannot be measured cannot be implemented.

Achievable – the goal must be reachable. It may be formulated as a challenge, however, it is important to ensure that it can be implemented. R. Hale and P. Whitlam (2009) state: "Set achievable goals, yet do not be afraid of challenges." According to these authors, if the goals are measured by the individual effort in reaching them they should be realistic and achievable. However, there needs to be a balance between the reality and the necessary effort which proves one's motivation. If, from the standpoint of an employee, the goal is not realistic or not achievable, the employee will either lack the motivation for achieving it or will do his/her best to achieve it, yet will foresee the coming failure. This is why the goal needs to be turned into a challenge, so that it raises the employee's motivation, while assuring him/her of the fact that it can be achieved.

Realistic – while formulating goals and tasks, it is important to weigh the possibilities, i.e. to answer the question: "Do we have enough the material, informational, human, or other resources that are needed for accomplishing this goal (or these tasks)?"

Timed – the goal has to be set into a time-frame, i.e. its beginning and end should be outlined. F. Malik (2005) notes that the anticipated time-frame for accomplishing the goal depends on the difficulty of the task: the more difficult it is, the closer its deadline should be.

Thus, goals need to be challenging, yet achievable; they need to challenge us to put in the effort, yet also match our real possibilities. Also, the goals have to be meaningful – the implementation of the goal should look meaningful to the employees. This means that team leaders should spark the interest of team members in the goal (or task), show the significance of achieving this goal (or task) for themselves as well as for the organization, family, or society.

According to R. Hale and P. Whitlam (2009), goals describe:

- the situation that will exist after the desired results are accomplished
- the time period during which these results need to be accomplished
- the resources that are necessary for accomplishing the desired result

The desire to accomplish is significantly stronger when the tasks match the precise and measurable standards. G. Felser (2006) distinguishes several such standards:

- The quantity standard or the goals which are directed at it. E.g. completing the assignment during the planned time period (day, week, etc.).
- The quality standard or the goals which are directed at it. E.g. the accomplishment of certain results, making a contract with specific clients, etc.
- The combinations of quantity and quality, e.g. in the established time-frame, reorganizing some things in such a way as to remove the causes for the accumulated customer complaints.

In addition, goal must be positive. T. Misiukonis (2013) gives several examples of positive and negative goals:

Negative: I want to lose weight.
Positive: I want to feel better about myself.
Negative: I want to stop worrying about how I will be accepted by the colleague at my new workplace.
Positive: I want to create better relationships with my colleagues at the workplace.
Negative: I do not want to see my relationships with the manager getting worse.
Positive: I want to improve my relationships with the manager.

2) ***The structure that would encourage the pursuit of results and that would provide opportunities.*** Teams must discover the most suitable structure that would allow them to accomplish their objectives. Such

problem-solving teams as specialized groups must have a structure that would underline trust, so that others are willing and able to contribute. Such creative teams as advertisement groups require an emphasis on the autonomy, so that everyone is free to risk and no team member is constrained by the excessive control. Such tactical teams as ambulance crews also need clarity, so that everybody knows how he/she is expected to act. In addition, the study results by Larson and LaFasto (1989) indicate that every team needs defined member roles, a good communication system, methods of evaluating individual results and the knowledge that opinions should be based on facts (Northouse, 2009).

3) ***Competent team members.*** Since they make the whole, individual team members must possess the necessary expertise that would assist in accomplishing team's goals. Such members also have to possess interpersonal and team-related skills. Besides, the members need to have such work-related characteristics as openness, willingness to be supportive, penchant for action and positive disposition. The personal traits and characteristics of team members should encourage interdependance and psychological compatibility. It is important that each member of the team possesses some characteristics or expertise that others are lacking, if these are important for the team's work. Individual members should complement each other.
4) ***Common commitment.*** As Northouse observes (2009), it is a mistake to label task forces as teams when they are being treated merely as a mixture of people. Excellent teams are marked by the sense of unity or common identity. Team members act in one accord like a well-tuned mechanism. They help each other and abide by the principle: "One for all, all for one."
5) ***Collaborative climate.*** For the team to work effectively, its members should be able to collaborate with each other. One of the most important team characteristics is joining of individual actions into one whole. Effective team leaders foster the climate of collaboration by insuring safe conditions for communication, by demanding collaboration and rewarding it, by directing team effort toward the solution of problems, and by managing the needs of their own control. A good collaborative climate is when members are able to focus on the problem, listen to and understand each other, not to be afraid to take risks and be ready to work for the sake of each other. According to Larson and LaFasto, in order to create the atmosphere conducive for collaboration, we need to create trustful relationships that are based on honesty, frankness, consistency, and respect (Northouse, 2009).
6) ***External support and recognition.*** Hackman has noticed that a frequent mistake is when teams are given complex assignments without the organization's providing any help, necessary for the completion of the assignment (Northouse, 2009). No matter how good the goals may be or how strong the commitment on the part of team members is, they will do little good if there is no sufficient money, equipment or other similar resources. Also, organizations often ask their teams to perform difficult tasks without providing any compensation (bonuses or increased salaries).

4.1 THE EMPOWERING LEADER

By creating the enabling environment, empowering leaders inspire their followers with motivation for work, endow them with strength and power to carry it out, foster their commitment to the organization, and ensure the followers' satisfaction with the work. Empowerment aims at encouraging employees to develop their competence and to perform their tasks well. The outcome of empowerment is an employee who is confident in his/her own abilities and has motivation for work as well as for his/her constant development.

The enabling environment fosters greater power and freedom to choose and accept the innovation. It is marked by the real and concrete opportunity to participate in decision-making processes. The employees are empowered to act and work in such a way as to reduce the leader's interference to the minimum. The followers are provided with all the necessary conditions to work on their own, to express their creative powers, and to present new ideas regarding the work improvement. In the enabling environment, the main purpose is to have followers on the front lines of their assignments, while increasing the scope of their influence in the sphere of work.

There are two perspectives on the empowerment:

- Empowerment as an attempt to increase the individual's motivation and his/her self-confidence by supplying him/her with the necessary information, resources, and knowledge
- Empowerment as the creation of the appropriate environment which would stimulate the person toward expanding his/her knowledge and competence. This is done by creating the appropriate conditions for expressing one's autonomy, freedom, responsibility and so on.

Very often empowering leaders are compared to team coaches, since coaches are the ones who create the possibilities for their team's play by highlighting the ideas and abilities of their team members/players. The leader's task is to create such work conditions that people are willing and able to work on their own, to define and solve problems.

Employees will feel empowered toward action when they are surrounded by the environment that inspires them with power and desire to improve. However, it has to be noted that the real enabling environment is created for each employee individually (what empowers one individual, will not necessarily empower the other).

Thus, the empowering leader creates the enabling environment, i.e.:

- Ensures the accessibility of material, human, and informational resources.
- Clearly formulates goals and tasks. The empowering leader allows team members to voice their opinion when individual goals are being set. In this way, he/she ensures the approval of the members and stimulates their active participation in pursuing the goals. Besides, the leader makes sure that the individual goals of team members are specific, measurable (in terms of time, scope, quality, means, etc.), achievable, but requiring additional effort. The leader checks whether the team members agree with the goals, and subsequently, sets the deadline for meeting the goals.
- Provides the employees with responsibility and autonomy, and also with the possibility of controlling their own work and being involved in the organizational decision-making.
- Communicates effectively. Ensures effective feedback.
- Creates the psychological conditions that are based on parity relationships. Such conditions, in the enabling environment, allow employees to feel well, increase their motivation, encourage them to be more confident about self and about their own abilities, help to adjust to changing requirements (and to respond to them appropriately). When creating the psychological conditions, the employees have the goal explained to them; they are also equipped with all the necessary work-related information. Feedback and an adequate work-load are ensured, positive climate created, freedom to risk and to innovate underlined. Also, the reflection on work is emphasized and opportunities to learn from experience and mistakes provided. The formation of positive relationships is targeted. These relationships could be described with the following characteristics: relationships parity, sincerity, warmth; constructive conflict management; the atmosphere of trust, the assessment of mistakes as an opportunity for learning and development, impartiality, mutual support; entrusting and encouraging others with personal responsibility and autonomy, refusal to control; the acceptance of criticism without becoming defensive, displaying enthusiasm. The leaders who create positive climate allow the followers to express their doubts, are open to their ideas, take time to generate the ideas together with them, and cooperate in seeking the answers to their questions. Such leaders tend to think: „What if it succeeds? Why not take a look at it and see if this strategy can be changed? How could this idea increase the productiveness?" The followers of the leader who fails to ask these kinds of questions quit sharing their doubts with him/her. They no longer engage in creative and innovative thinking, loose their enthusiasm for work (in which case, productivity may drop), leave this leader alone to follow the one who will allow them to question things.
- Creates an effective and motivating system of rewards. Such a system should be clear, simple,

specific, and meaningful to an employee. The empowering leader creates a suitable system of rewards that motivates the followers to constantly pursue the goals of the organization (team, group). Motivation consists of many-sided influences that inspire one for meaningful work. The strength of the followers' initiative depends on how well it matches their needs. Therefore, the motivating system of rewards is primarily directed at meeting the needs:

1. Meets the needs and expectations. The reward must match the needs and expectations of a concrete employee. Leaders should understand that the spectrum of human needs is very broad and does not confine itself to material things. The following are some possible needs: economic, material ones, promotions (career), recognition and respect, relationship with the leader, content of work, responsibility, accomplishments at the work-place, cooperation, and collaboration.
2. Offers each employee meaningful rewards. Different people value different things or value the same things differently. Employees need to be assured that their efforts and the results they arrive at will be rewarded, and that the rewards will be meaningful. For this reason, the leader needs to find out what kind of a reward is valued by the employees (what the needs are) and to point out clearly what should be accomplished, so that the employee may expect the reward and see whether the required results are achievable.
3. Is perceived as fair. The received reward must be perceived as being fair in comparison with how much effort was put by the employee and with what his/her contribution is in relation to the other employees who do the same or similar kind of work, or even different work. Valuing and rewarding different contributions is important. Contributions may be the following: work performance (results), effort, work complexity, freedom of action (independence), skills being possessed, different personal characteristics, traits. In short, one may say that we can evaluate traits, i.e. what the persons is, behaviour, i.e. how the person is performing the work, results, i.e. what results were accomplished, and competence, i.e. what the person is capable of, knows, what is his/her attitude, motivation, and values.
4. Provides feedback. It is difficult to find a more effective incentive than development or success, the person's perception that he/she succeeded in accomplishing something. Leaders who fail to provide their followers with the feedback about their accomplishment and development, take away their motivation from them as well as suppress their development and initiative.

Thus, the reward systems consist of many elements that could be used in stimulating and strengthening employee activities. D. Ulrich ir W. Brockbank (2007) maintain that the effective systems of reward are marked with the following features:

- they are linked with the work's effectiveness
- they offer valuable rewards not only to the giver but also to the receiver
- they encompass the rewards that may taken away if the employee's performance is not effective
- they encompass non-monetary rewards that are valued by the receiver
- they provide feedback immediately after the desired results have been accomplished or when the desired behaviours have been displayed

The leader provides feedback and evaluates not only the individual's performance, but also that of the whole team. How should one evaluate team's work? An evaluation is done by assessing the behaviour/process and the results both on the level of an individual (his/her input in the team) and that of a team (team's performance).

Individual level:

Behaviour assessment	Result assessment
Personal characteristics Ability to talk to people Participation in the team Communicational abilities	The professional aspect of suggestions and recommendations The completeness of work Written reports

The reward should be provided for such actions as training new colleagues, exchanging information with the other members of the team, helping to solve conflicts in the team, developing new skills needed by the team.

Team level:

Behaviour assessment	Result assessment
Open and honest communication The effectiveness of meetings The level of understanding of the team's mission Well-defined roles Decision-making processes	Quality and completeness of works. Their number The number of happy consumers The cost of team project

The effective assessment systems, according to D. Ulrich ir W. Brockbank (2007), is distinguished by the following characteristics:

- distinguish between well-performing and poorly-performing teams as well as individuals
- are simple, yet complete, evaluate both results and behaviour, including one's ethical stance; record past activities and provide some important prognoses for future activities as well
- borrows data from other sources, so that these data are considered reliable by the people being evaluated and that different views may be taken into account

4.2 COMMUNICATION AND FEEDBACK

In a nutshell, communication maybe defined as interpersonal interaction in which the exchange of information takes place.

L. Jovaiša (1993) defines communication as a function of social interrelationships among people with the exchange of scholarly, production and other experience. He also notes that the term may include interpersonal or group activities among individuals as they share with each other verbal as well as non-verbal signals. Such an activity is labeled by the author as communication. Communication is an interpersonal process which involves the exchange of experience and inner thoughts (Baršauskienė, Janulevičiūtė – Ivaškevičienė, 2005).

Communication within an organization (and also within any other group) is a process that takes place between two or more people as they exchange information, knowledge, opinions, and ideas. This process unites the actions of separate organizational elements in the name of common purpose (Sakalas, Šilingienė, 2000).

How does the information exchange take place? S. Stoškus, D. Beržinskienė (2005) distinguish four main elements of the information-exchange process:

- *information sender* is a person who generates ideas or collects and transmits information
- *message (information)* is the information being transmitted
- *channel* is the means of transmitting the information
- *information receiver* is the person for whom the information has been designed and who interprets it

When trying to facilitate effective communication, a significant role is played by feedback. In the process, a receiver of information becomes its sender, and a sender of information becomes its receiver.

The elements that condition the effectiveness of communication can be divided into four groups:

1. Environmental influences (things found in the environment and environment itself (noise, light, temperature and so on) must facilitate the exchange of information, not vice versa)
2. The peculiarities of information being transmitted (what kind of information is it: interesting or not interesting, useful or not useful, meaningful or not meaningful, clear or unclear, etc.).
3. The way information is presented. It is important to present just as much information as it is needed and to avoid the redundancy. The information should be clear enough. Also, important is to choose the appropriate means and channels for communication, to control communicational barriers (distortion and filtering of the information, the unsuitable time for transmitting information, differing perceptions). The empowering leader passes on the information personally, especially if there are difficulties with transmitting it or if it can have significant influence on a specific follower. Also, such a leader transmits the information in creative ways (thus there is a greater possibility that the follower will pay attention to it) and asks for feedback.
4. The way information is received. When trying to maintain a high-level dialogue, **listening skills** play an important role. S.R. Covey (2007) outlines five ways of listening (see table 11).

Table 11. ***Listening styles (Covey, 2007)***

Listening styles	
5. Empathic listening	Another person's attitude
4. Attending	Personal attitude
3. Filtering	
2. Pseudo listening	
1. Ignoring	

Of the five ways of listening, presented in table 11, only empathic listening allows us to understand truly the one who is talking. The emphatic listening requires us to go beyond our own views and value systems, to step into a territory of a view that the other person may hold and temporarily to suspend our tendency to evaluate and to judge.

The things that a person experiences before the new information is provided influence our understanding of that information. Most of the communication problems are caused by semantics. People may see the same facts, but they interpret the meaning of those facts primarily on the basis of their personal experience. People see the world not as it is, but as they themselves are.

Empathy, i.e. when people listen to one another and really pay attention to it, while trying to look at the situation through the eyes of the other, eliminates the problems of semantics (the use of words and terms) and understanding (data interpretation) very quickly. This happens because, in such a case, we listen from the standpoint of the other person trying to understand how that person uses the words and definitions, and how he/she interprets their meaning and data. Understanding does not mean the approval, but only the ability to see through the eyes of the other person, with the heart, mind, and spirit. To be understood is one of the deepest needs of human soul. It is only when this need has been met, that all the effort can be put into solving general problems. If this big need remains unmet, ego will start its own fight.

Empowering leaders listen actively and emphatically; they try not only to see but also to hear the other; they seek first to understand, and then to be understood. *Active listening* consists of certain listening skills that help us hear the other.

The skills of active listening:

- Pure listening (listening without interrupting)
- Paraphrasing (reiterating the essence of what the speaker has just said)
- Reflecting the feelings (naming the feelings, expressed by the speaker, and the causes of those feelings)

Emphatic listening – is not a kind of "active" listening in which we keep answering something to the speaker. Is rather, as noted by S. R. Covey (2006), the desire first to understand. When listening emphatically, we look into in the world of our conversation partner; we see things as he/she sees them and start to understand his/her paradigms and feelings. Moreover, it is not just hearing or registering words. Communication experts have arrived at the conclusion that words transmit only 10 percent of the information. Thirty percent is transmitted through different sounds, and 60 percent through body language. Emphatic listening is listening with eyes and heart.

Feedback. Two kinds of feedback are possible:

1. Feedback on the results.
2. Feedback provided during the process. This feedback lets us know whether a person, when pursuing the goal, is following the right way, or whether he/she should add more effort, or change work strategy.

The sources of feedback may be the very people who perform and manage the operations, leaders who react appropriately to the achievements of their subordinates, co-workers and colleagues that respond to each other as they should, also technical equipment (e.g. computer) that is used to accomplish the goal.

Constructive feedback.

G. Felser (2006) distinguishes the following features of constructive feedback:

- Feedback must be well-balanced. What went well? What could have been done better? Begin with the positive things.
- Feedback must be specific, i.e. related to the action that has been performed. Such remarks as "Your report was not convincing" is not specific enough nor useful, because the person does not receive the information on what he/she should improve on in order to do better next time. Far more useful would be saying, "When reading your report, you sounded too quiet and you looked at your notes rather than at the audience. For these reasons, your report did not sound convincing to me."
- The action should be evaluated by feedback as soon as it is performed, i.e. when the impressions of its provider and receiver are still fresh.
- Feedback should be expressed by means of personal observation and understanding, e.g. by using personal pronoun "I" or "me", since others can see the same action in a completely different way.

Development of interpersonal relationships.

In order to understand oneself better, to have more effective interpersonal communication and to develop mutual relationships, Johari window has been used. This model was created by two American psychologists, Joseph Luft and Harry Ingham, in 1950 and is useful for illustrating interpersonal relationships and group dynamics. In relationships with others, two dimensions are distinguished. The first is what I know about myself, the second – what others know about me. In the light of these dimensions, as communication takes place, four elements emerge: arena, blind self, facade, and potential (see fig 9):

1. Arena (or Open self). This is what I know about myself and what others know about me.
2. Blind self is what others know about me, but I myself do not know.
3. Facade (or Hidden self) is what I know about myself, but others do not know.
4. Potential (Unknown self) is what neither I nor others know about myself.

	Known to self	Unknown to self
Known to others	Arena (OPEN SELF)	BLIND SELF
Unknown to others	Facade (HIDDEN SELF)	Potential (UNKNOWN SELF)

9 fig. ***Johari window***

The Johari window's boxes, in reality, are not as regular and as equal as the picture my suggest. Their size depends on the personality of each individual and on the extent to which mutual relationships have developed. With any of the boxes becoming bigger, others become respectively smaller (see pic. 10).

Sample 1

	Known to self	Unknown to self
Known to others	Arena (OPEN SELF)	BLIND SELF
Unknown to others	Facade (HIDDEN SELF)	Potential (UNKNOWN SELF)

Sample 2

	Known to self	Unknown to self
Known to others	Arena (OPEN SELF)	BLIND SELF
Unknown to others	Facade (HIDDEN SELF)	Potential (UNKNOWN SELF)

10 fig. ***The dynamics of the Johari window***

According to R. Hale ir P. Whitlam (2009), at the beginning of a relationship, the Arena (open self) is not big, since a person brings out only a limited amount of the information, i.e. some facts, bits of personal biography, "safe" personal information. The upper right part locates the blind self. It shows what others know about the person that is not known to the person himself. This may include habits and things that have effect on others. The bigger the blind self, the wider the box is. Frequently, people with a big blind self are the ones who do not understand what influence their behaviour has upon others. Further on, the lower left part of the Johari window contains the things which a person knows about himself, but keeps hiding from the others. This is called "a facade" because it is behind the facade that the person's true personality is hidden. The size of the box, depending on a person, may also change. At the beginning of a relationship, this box is bigger because personal information is concealed. For example, it would be unusual for someone to reveal his/her convictions, point of view, and faith during the first meeting. Such information, with regard to people, is revealed selectively, when the relationship becomes closer. The main idea of the fourth box of this model, the one called "a potential" is that when seeking to implement his/her potential, a person has to reduce the size of the "facade" and of the blind self.

Since it is the open self that facilitates the most effective relationships, this area should be expanded. When looking at pic. 10, one can see that it can be enlarged by reducing the other boxes, namely, the blind self and the hidden self ("facade"). The blind self may be reduced by receiving feedback from others, i.e. by asking them questions about self, by listening and observing the reactions of other people. By paying attention to responses, it is possible to change the behaviour in the direction which would be significant for others. The hidden self ("facade") can be reduced by revealing to others more information about self (opinions, values, attitudes, etc.). By forcing ourselves to reveal more of our own selves, we create the environment of trust and openness.

4.3 CONFLICT

Conflict – what is it? It is a disagreement between two sides (people, groups) regarding different opinions, views, interests and so on. Conflicts may arise for various reasons:

- Information-related conflict may arise when to sides have different facts
- Perception-related conflict may arise when two sides have the same information but perceive it differently or interpret the same facts in different ways
- Two sides may be pursuing different goals
- Two sides may be pursuing the same goals in different ways or by different methods
- Values (conflict over values, morality)
- Roles
- Common resources
- Personality (the conflict of desires, differences, interests, relationships may arise)

M. A. West (2011) distinguishes three types of team-related conflicts: over tasks (e.g. "what new product we should produce"), over processes (e.g. "it's your responsibility to do this, not mine", "my workload is considerably bigger than hers. This is not fair."), and interpersonal conflicts (e.g. "your gruffness irritates me!"). In the author's opinion, conflicts are especially harmful when they are taken personally, when team members attack each other and disparage each other's skills, abilities, or work. This causes harm both to participants in the conflict and the whole team. All team members must act decisively in order to prevent such conflicts from happening and ensure that the roles and responsibilities are both clear and fair enough.

There are three approaches to conflict:

- Traditional: conflict needs to be AVOIDED
- Human resource: conflict has to be ACCEPTED
- Interactional: conflict needs to be ENCOURAGED. Realizing that conflicts are a natural expression

of people's behaviour and of their development, leaders view them with understanding. If conflicts are of a constructive nature, they may even be desired in the team. "Leaders do not avoid, suppress or deny conflicts, but rather try to see their value" (Warren Bennis).

A constructive conflict is a rational, non-emotional process. The participants try to find ways to solve it; they take responsibility for the consequences. Constructive conflict is useful, since it opens up the possibility for people to get to know each other, to find out more about the other person's needs and how those needs can be met (it is the source of developing relationships), to clarify the situation and, consequently, to improve the relationship. It is also an opportunity to ease up tense relationships, to unite, to become closer, to develop the sense of "us", to advance forward, to eliminate the stagnation. According to A.M. West (2011) a constructive team-related conflict is the source of quality and creativity. If the conflict is of a destructive nature, it will cause the team to perform poorly or even disband, especially if that conflict becomes personal.

A destructive conflict is non-productive. It is marked by the overflow of emotions, blaming and defensive stance. Destructive conflicts are unhelpful because they develop and intensify, while getting further away from their major cause. Meanwhile, problems remain unsolved, negative relationships more intense, and some groups even disband. Such conflicts do not stimulate a quest; they are marked by increased tension and hostility; the employees tend to widen up their disagreements, to include more and more people in them.

Some possible tactics for resolving conflicts:

- Physical, emotional withdrawal, suppression
- Tactics of "win-lose" ("I win, you lose; you win, I lose")
- Compromise
- Tactics of "win-win"

The constructiveness of conflict resolution is determined by the tactics of "win-win", whose philosophy is collaboration, rather than competition or fight. S. R. Covey (2006) notes that the tactics of "win – win", or "let's win together" rely on the belief that there is a third alternative, namely, "This is neither your, nor my way. It is our way."

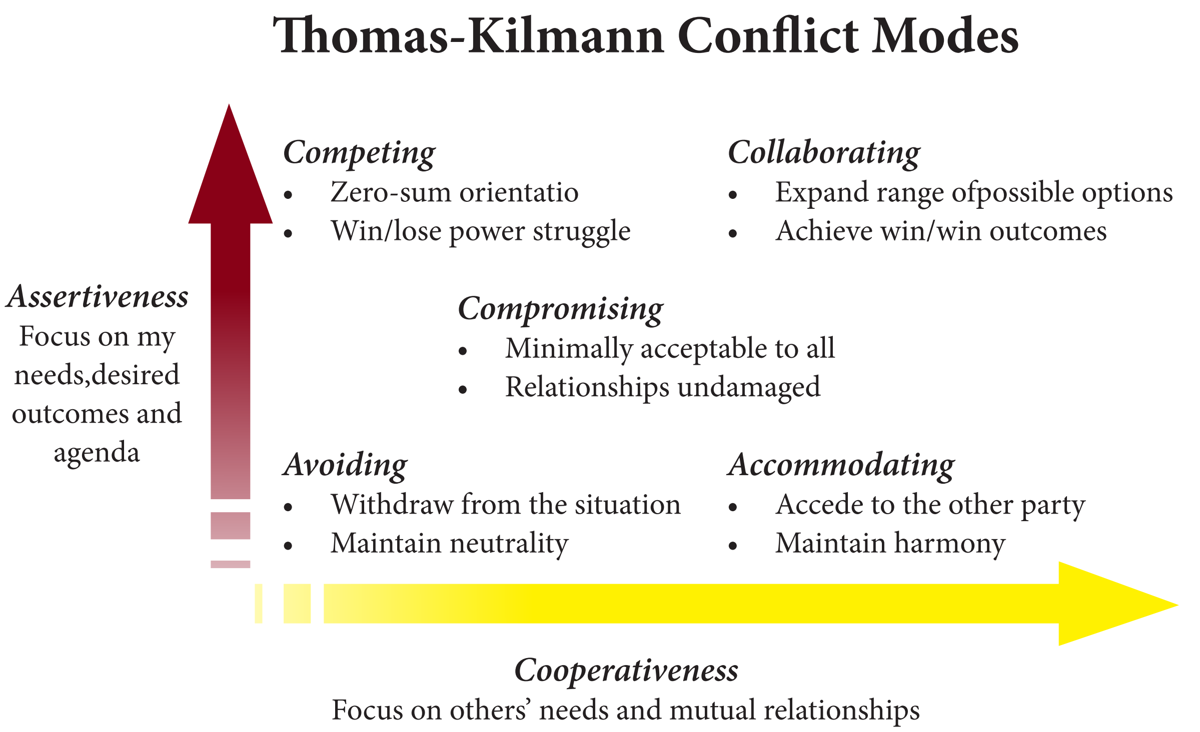
Steps to "win-win":

- Emotional control
- Proposal of the rules that both sides should adhere to during conflict resolution
- Clarifying the positions
- Clarifying the hidden desires and interests
- Proposal of alternatives
- Acceptance of the alternative that is mutually beneficial

How should conflicts be solved?

The behaviour of participants in the conflict is defined by two aspects: persistance, i.e. when we seek to satisfy our own needs and interests, and when retaining good relationships with the others is not important, and *cooperation*, i.e. when retaining good relationships with the other person is very important and when we seek to meet the needs and interests of that other person (Robbins, 1993). Depending on the strength of these two forces, conflicts may be solved in five following ways (see fig. 11):

1. competition (win-lose);
2. accommodation (yielding, supression, lose-win);
3. avoidance (retreating, inaction, lose-lose);
4. compromise (mutual concessions);
5. collaboration (win-win).



11 fig. ***Conflict resolution styles***

In the case of *avoidance*, the participants in the conflict do not defend their rights nor consult anyone about some possible resolution. Recognizing the existence of a conflict, the participant may respond by emotional (e.g. keeping silent) or physical (leaving the room) withdrawal or suppression of the conflict. Thus, one will deprive himself/herself of an opportunity to influence the situation. If conflict is being solved by avoidance, neither side is satisfied, and the conflict is not resolved. Therefore, there is a possibility of it occurring again.

It is possible to give the other person what he/she wants and to *accommodate* oneself to him/her. In such a case, the result is "you win – I lose" because one side receives what it wants, while the other does not. When trying to solve a conflict by way of accommodation, the position of the opponent is taken into account, while one's own interests are not defended. Since the individuals who use this strategy try to maintain good relationships with their opponents at any cost, they often deny the existence of the conflict. Sometimes this becomes more important than defending one's own interests.

When applying the *competition* style of conflict resolution, the primary concern is with satisfying and expanding one's own interests as well as with accomplishing certain goals, while imposing the decisions that are favourable to one's own self upon the other. The competing participants in the conflict try to win at any cost and, if they succeed, the needs of their opponents remain unmet. For these reasons, the latter may carry within themselves resentment that is likely to spill out during the next conflict.

Compromising seeks to arrive at the decisions that would satisfy both sides in the conflict, yet with both of them sacrificing something for the sake of it. This method has to do with mutual concessions, and "splitting into half" is considered the best solution, i.e. when each participant has to sacrifice something, we arrive at the compromised result. When a compromise is reached, there are neither clear winners nor losers. Consequently, the needs of neither side are entirely met.

The most effective way to solve conflicts is *collaboration*, i.e. when each side is willing to satisfy the interests of all sides involved, starts cooperating and pursuing mutually beneficial results, when creative solutions are sought for and when the participants find the alternative that would satisfy the interests and needs of both sides. Sometimes, this is called a decision to "win-win" (both sides win). Such a decision is ideal, since it satisfies both sides, and their relationships become stronger due to the successful conflict resolution. By working together, both sides try to solve the problem and to sort out their differences, rather than accommodating themselves to different views. When trying to solve a conflict in this way, one needs to take time in order to clarify different positions, desires, needs, and to communicate constructively, i.e. to be able to express one's own position and listen to the opposite opinion, to take into account the interests of everyone, consider all possible alternatives of conflict resolution. Solving conflicts in this way requires mutual relationships that are based on trust, openness, tolerance, concern not only for one's self but also for the others. This gives rise to mutual respect and to sincere exchange of ideas. Mutual learning and search for creative ways of solving problems takes place (Robbins, 1993; 2006; Barvydienė, Kasiulis, 2001, West, 2011 and others).

It must be noted that there is no single way of solving conflicts that would suit every situation. Each situation requires the method that is most appropriate to it.

Avoidance is used when the question sounds trivial or when there are more important questions, when one side thinks that there are no possibilities of satisfying its interests, when, once the conflict has been resolved, potentially destructive outcomes outweigh the benefits, and when others are able to resolve the conflict more effectively. *Accommodation* is most appropriate when conflict is not deep or when its outcome is particularly important to the opponent, or when the probability of defending one's own interests is very small. It is also best used when one of the sides understands that it was wrong and wants to get an opportunity to be heard or to prove the validity of its arguments, when the issues are more important to others, when there is a desire to allow the employees to grow by learning from mistakes, when harmony and stability are particularly important. The competition is most appropriate when the decision needs to be made quickly and there is enough power to do it, when one feels that there is no other choice, when there is a critical situation that demands immediate response, when questions are very important and require unpopular action (e.g. reducing costs, implementing unpopular rules, applying discipline). *Compromising* is appropriate when there is a need for a temporary solution to complex questions or when the solution has to be arrived at very quickly, when the goals are important, yet not worth taking more decisive means that could have disruptive consequences, when the opponents, with equal powers, are targeting mutually contradicting goals. It may also be used as an alternative if collaboration or competition are not possible to achieve. *Collaboration* is used when there is a need for uniting different perspectives, when the commitment to organizational interests has to become a consensus, when there is an attempt to identify the feelings that disrupt good relationships.

4.4 DECISION MAKING

What is decision making? Decision-making can be defined as setting of the direction for the actions necessary to solve a specific problem by formulating possible alternatives and by choosing the best one. A problem may be defined as a situation in which the real situation differs from the desired one.

Decision making process consists of the following stages:

1. Emergence of the reasons for making a decision
2. Formulating (naming) the problem
3. Search for possible alternatives for the decision (formulating and assessing alternative decisions)
4. Making the decision on the basis of the most suitable alternative (selecting an alternative)
5. Implementation of a selected alternative
6. Managing implementation of the decision

There are two sides to decision making: not only decision itself, but also its implementation needs to be taken into account. Effective leaders turn decision implementation into a part of the decision making process (Malik, 2005). Good leaders think about it during each stage of decision making process. They consider in advance as to what employees in the organization will resist the implementation of the decision, what these employees should know in order to understand the decision and to implement it properly. For these reasons, the leaders involve these employees in decision making as well.

Participation in decision making

F. Malik (2005) notes that cooperation is the only way to use the expertise, possessed by the organization, to its full extent. Leaders who desire to make good and appropriate decisions, look for the ways how to use their employees' expertise and mental abilities to their fullest capacity.

There are several important reasons that explain the benefits of participation in decision making and in generating new ideas. First, team members, because of their different experiences and outlooks, may bring in some unexpected ideas. Thus, the diversity of ideas being generated increases. Second, team members participate in the processes of generating ideas, their selection, and decision making. Consequently, their commitment to approving accepted decisions increases. Third, many team members would argue that suggesting ideas in the context of a team is fun and that humour itself my evoke creativity. Still, it is recommended that before offering their ideas to the team, team members take time to formulate them individually. This recommendation is based on the observation that the groups which engage in brainstorming often fail to arrive at synergistic results. When explaining it, M. A. West (2011) notes that while, during brainstorming, some people talk, the others do not have an opportunity to that, and this obstructs their ability to generate ideas. Besides, after someone has suggested some especially good idea, other members may be too shy to suggest what, to their minds, may sound like a primitive idea. If each member takes time to formulate his/her ideas individually before the ideas are evaluated and picked out by the team, he/she will have a possibility of presenting all of his/her ideas.

Starting with 1958, research results have attested to the fact that people who work individually can offer more ideas than groups. Frequently, the adherents of team work argue that the ideas offered by a group are better than those offered by separate individuals. However, scientific research does not provide any evidence for such a view. On the contrary, there is much evidence that it is when working on their own that many people offer better ideas (i.e. greater number of good ideas).

Nevertheless, group decision making also has positive sides. According to S. Stoškus, D. Beržinskienė (2005), group decision making has some advantages over the individual one for the following reasons:

- because it provides an opportunity for an exchange of information and for its better use
- because of the increased motivation to make high quality decisions
- because of a possibility of generating new information that is needed for decision making
- because of the greater reliability as it comes to group information

Decisions should be accepted in groups when:

- there is a need for evaluating various opinions, views, and ideas
- decisions have to do with a certain group of organization's members
- employees themselves have to implement the decisions that were accepted
- there is a desire to avoid standard decisions
- there is a desire of increasing the employee motivation (Šimanskienė, Seilius, 2009)

T. Misiukonis (2013) lists the mistakes related to decision making, which influence the quality of accepted decisions and of the process itself:

Mistake 1. Delay. Employees wait till they receive necessary information ("I need to check it for the fourth time and then I..."). They procrastinate with their trial attempts ("I ought to have a suitable opportunity... I think I'd better wait till Fall...), wait till others make the decision for them ("OK, I will do it, but only when my boss lets me know whether I am needed here or not...), have a bad habit of putting things on hold ("Today is not the day, I should wait till tomorrow...).

Mistake 2. Impulsiveness. Employees accept an alternative too quickly ("I think I can do it. Even though I have not done it before, I will do it now..."), reject the alternative too soon ("No, A does not sound appropriate, I like B better..."), are influenced by some preconceived notions (Yes, I can do A, but I already know that A will not work...").

Mistake 3. Underestimating control. Employees make an assumption that they are in control of a certain situation ("I will really do A. It depends only on me."), or make the assumption that situation is not under their control ("I would do A, but I will not succeed because I do not think that others will like it."), or they believe that the decision lies with them, not with someone else ("I will do A, even though my boss has already talked about it..."), or place all the blame on fate ("Whatever... if it does not succeed, then that's how it's been destined").

Mistake 4. Following distorted information. Employees underestimate the importance of information they have or, on the contrary, attribute too much importance to it ("So what? If others failed, that does not mean that I will fail also."), rely on their experience and "count the odds" ("My experience proves that A will not go through, and even if it does, the odds of success are small), do not consider alternatives or consequences ("Whatever happens, A alternative is, at this time, the best of the worst"), use distorted information ("I would do A, but three people told me that...").

Mistake 5. Vagueness of values. Employees do not sort out whether the accepted decision matches what they want ("I will do A, although I do not want it"). They underestimate the negative consequences (I will do B, even if it hurts or even if I look bad. I still believe that B is the best alternative), let the values of other people determine theirs ("I would do A, yet I believe that my boss will by unhappy about that"), it is not clear what are the things that really matter to them ("I do not yet know whether this is the right decision, but thinking logically, it should not be bad.").

Consensus, i.e. decisions that are made by common agreement, has great significance for the end result as well as for the end of a decision making process. These decisions will always have more chances to be implemented than other decisions (Malik, 2005). Still, it happens that the people who take part in this process are eager to avoid arguments and conflicts, consequently, they try to reach an agreement too quickly and too early.

However, F. Malik (2005) observes that when making decisions and implementing them, the important thing is not an agreement, but rather *differences of opinion*. Long-range consensus arises not from pursuing agreement, but from effacing the differences in opinion.

Realizing that quick agreements, in reality, hide different viewpoints that will crop out sooner or later, leaders avoid arriving at consensus quickly. On the contrary, they encourage different opinions, so that later they may reach an agreement which would remain steady after the decision is implemented.

Differences of opinion, obviously, provoke challenges from others. Team leadership ensures that these challenges are constructive.

The data collected by Tjosvold and other scholars attests to the fact that when teams diligently study contrary opinions and discuss them in the context of cooperation, the quality of decisions and the effectiveness of a team increase significantly (West, 2011). Such differences encourage changes in one's attitude, stimulate a search for new information, ideas as well as for the ways to include differing positions into the discussion.

Constructive challenges, as maintained by M. A. West (2011), are necessary for creativity, independent thinking, insurance on quality, professional development, and team building. These challenges consist of

- study of differing opinions
- unbiased consideration and understanding
- concern for joining the ideas together
- concern for high quality decisions
- tolerance for diversity

Constructive challenge exists wherever there is an atmosphere of team collaboration, common tasks, and when members are aware of personal abilities and processes of mutual influence.

Constructive challenge is absent when a team is marked by the atmosphere of competition, when tasks are not the most important thing, when team members have doubts about each other's personal abilities, and when the processes of trying to dominate are in operation. In such cases, employees may provoke each other's alertness only when they try to win the dispute, rather than search for the best solution.

How can we stimulate constructive challenge in a team? According to M. A. West (2011), constructive challenge may be stimulated by teaching team members how to examine and combine different ideas, how to analize impartially the views of all team members, while creating a possibility for emergence of creative ideas. It is important to encourage independent thinking by studying the views and suggestions of all team members, because it reduces the tendency to accommodate oneself to the view of the majority. When examining the views of other team members, we should base our assessment on the quality of those views, rather than, for example, on the official status of the person who has proposed the idea. Team leader may encourage members to study differing opinions, by asking them to define carefully their position and to explain how they arrived at the decision on those particular questions. Moreover, employees should ask their colleagues to tell them whether they trust or have doubts about their position. The team members who adhere to a different view should try to get to know more about the different position of their colleagues and try to formulate it in their own words as clearly as possible. Employees may search for the ways to integrate differing opinions. A leader should train team members to strive for an agreement by combining team ideas (whenever possible) rather than by reducing the challenge with such methods as voting, since the latter only postpones the challenge till later.

Another obstacle to constructive challenge is the distrust of team members with regard to the competence of other members. Having doubts about the competence of one's colleagues, gives way to destructive conflicts about team's decisions. Consequently, the quality of such decisions suffers. Team leaders should avoid encouraging such discussions and if they notice the problem of competency coming up, they should work on this question confidentially. Leaders also ought to encourage the employs to respect each other's abilities and commitment. In this way, every employee will know that disagreements are not attacks on each other's professionalism. In addition, not only the leader but also every member of the team should foster the atmosphere of collaboration, which is marked by trust, mutual support, security, and professional outlook on work.

Methods of decision making in a team

The participation of team members in decision making and pursuit of consensus may be ensured by the use of a variety of methods.

Brainstorming. This is a method of decision making when separate individuals or group members, trying to to solve a specific problem, search for as many ideas as possible. There are two stages of brainstorming: idea generation and their systematization as well as evaluation

1. Idea generation (using creative thinking). This stage begins with speaking out any ideas that are related to the problem. The motto of this stage is "Quantity against quality", i.e. team members offer as many ideas as possible – including those that may sound utopian, absurd or fantastic. As noted by M. A. West (2011), sometimes wild and crazy ideas may contain a kernel of a totally different and productive new outlook on work or questions that have emerged in the team. The goal of this stage is to present the ideas without being necessarily concerned about their quality. The ideas are evaluated later, but, at this stage, participants accept every suggestions. Criticism or evaluation of the ideas being presented is not allowed, except in those cases, when things need to be clarified. The participants should freely contribute as many ideas as they can and try to utilize each other's ideas in order to generate new ones.

All the ideas for brainstorming are recorded by a moderator on a dashboard. The moderator's major goal at this stage is to encourage the participants to express their ideas freely and without any criticism. The duration of this stage: 15-45 minutes, excluding the break. The stage is completed once the participants run out of suggestions or start repeating them again. Once all the ideas have been shared and written down, the next step is to discuss and to evaluate them.

2. Systematization and evaluation of the ideas (using analytical thinking). At this stage, the ideas that were written on a board are grouped together, systematized, and evaluated with an eye on their tangibility, possibilities for implementation, and their compatibility with the goals, conditions, and needs. The selected ideas are developed further.

Negative brainstorming is a particularly useful method for focusing attention on the task and for encouraging critical thinking in teams. It is helpful when examining a new suggestion or when evaluating and developing the present goal, methods of work, strategy or practice (West, 2011). This method consists of three steps:

Step 1. When somebody suggests an attractive idea, the team begins brainstorming, searching for all possibly negative aspects or consequences of this idea. This negative brainstorming should be as uninhibited as the classical positive brainstorming. Its purpose is to create a list of all possibly negative ideas, no matter how crazy or unreal they might sound.

Step 2. Team members select 4-5 most conspicuous critical remarks and examine them in more detail. At least one of them should sound crazy or unreal.

Step 3. The team considers how the idea or existing practice could be improved on, so as to take into account all the critical remarks. Thus, this third step is essentially constructive because the team tries to improve on the new or current practice and to counter its biggest criticisms.

It may happen that, in the process of negative brainstorming, some fundamental defects or difficulties will be discovered, which, in the team's opinion, cannot be overcome. Then one can discard the idea or current practice. Still, this is one of the advantages of the process, as it allows the team to detect unsuitable ideas and viewpoints early on.

This method is helpful when the idea reaches the phase of decision making and implementation. Not only does it point out the deficiencies of the idea, before the latter gets implemented, but it also stimulates constructive criticism. Negative brainstorming clearly shows that employees criticize ideas and practices, not people. When negative brainstorming is practiced often enough, team members, in the opinion of M. A. West (2011), begin to agree that "criticism of ideas is the way to improve on them." This is a good practice.

Fund of recorded ideas. This method is a version of brainstorming. Team members sit down around the table with blank sheets of paper on which they write down their ideas. Once they have written 5-10 ideas, the participants push the sheets to the middle of the table. Then each participant takes the other's sheet and adds to it new ideas. In this way, people are encouraged to formulate new ideas by using the suggestions of others (West, 2011). This system is especially helpful when team members find it difficult to come together at the same time. The sheets with ideas can travel among team members and be supplemented. One productive version of this method has appeared after the emergence of computer network systems. In the process of „virtual brainstorming", a file is created which can be accessed by all members of the team. In the upper part of the file, one writes in the name of a problem or question, and the team members write in their ideas or suggestions regarding the ideas suggested by their colleagues. The advantage of this method is that it does not require of team members their getting together in order to do brainstorming. Besides, everyone can see the results of this process.

Concept map is a schematic aid that visually presents the understanding of group members (or separate individuals) about the problem being solved, the phenomenon analyzed, the task at hand and so on. Later, in the course of active discussions, individual concept maps are used to create one common concept map that reflects the best ideas and/or the best decision. S. Baleviciene, P. Juceviciene ir B. Stanikuniene (2003) list the following major rules for drawing a concept map:

- Concept map always has a hierarchy.
- Concepts must be joined with arrows that are tagged with one or several words (the joining words may be such as *is, when, then, has, consists of* and so on.). The arrow shows which direction a statement is read. A statement is a notional connection between two or more concepts that are joined with an arrow (arrows).
- A specific concept on the map may be marked only once.
- Concepts on the map are used in the nominative case.

Concept maps are useful in that they allow to gather many ideas, the alternatives of problem solving. In addition, they help to develop the selected alternative while harmonizing various concept maps. Concept maps are helpful not only in accepting decisions, but also in clarifying conflicts, administrative problems, collecting the most valuable ideas and suggestions from employees (e.g. about safety at the work place, an effective system of reward, etc.) (Lipinskienė, 2013).

The ideas (alternatives of problem solving) selected on the basis of ***plus – minus*** method are evaluated by two criteria: strong and weak sides of the solution. This is a traditional, well-known and commonplace method by means of which pluses and minuses of all solution alternatives are considered and then the alternative is chosen, the one with most advantages and least deficiencies to it. A line is drawn down the middle of the sheet, thus dividing it into two halves. On one side, the advantages of all the alternatives are written, on the other – its drawbacks. Then the results are summed up. It should be noted that each alternative has both a plus and a minus. A more accurate assessment of pluses and minuses can be done by measuring the alternatives on the basis of a selected score system. E.g. 0 – very weak "plus" or "minus", 1 - "plus" or "minus" of average strength, 2 – very strong "plus" or "minus." In this way, one may get different results which may cause a different decision.

The technique of nominal group ensures that all group members participate in a decision making process. This technique consists of four steps. First, each team member, individually, writes down his/her ideas on the problem presented. Second, all the ideas are written down on one sheet of paper. This is done in sequence by allowing each participant to speak out. Third, each idea gets discussed and its main point gets clarified (if it is not clear enough). Both positive and negative sides of the idea are considered. Fourth, each member of the group selects 5-7 ideas which, in his/her opinion, are the most suitable and relevant, and evaluates their importance by scoring them. Then 3-4 ideas, the ones with the highest score, are chosen.

When making decisions and evaluating their appropriateness, it is important to consider them from different perspectives. The processes of evaluating the situation from different perspectives, focusing on the problems, and directing the thinking process in a needed direction are assisted by the *Six Thinking Hats* method, developed by E. de Bono in 1980. This method may be used individually or together with the team. In the case of working in a team, its purpose is to structure the work of team members, so that the creative potential of all the group members is effectively utilized in generating and evaluating the ideas for solving the problem. In accordance with this method, the group's work is distributed in a way which allows all the group members to think in the same direction at the same time and to avoid the situation when some generate the ideas while others critique and evaluate them at the same time. The problem is solved by using the hats of a different colour which indicates how a thinking process should proceed. In the method of *Six Thinking Hats*, thinking is divided into six different modes, i. e. the hats of six different colours are used.

The six thinking hats are the following:

- White hat. This hat requires the avoidance of any emotions. It is has to do with the information at one's disposal as well as with the lack of that information. With this "hat on", one evaluates the facts, past events, and answers the questions: "What kind of information do we have at our disposal? What information do we need? What information do we lack? How to get the needed information?". The suggestion of "putting on" the white hat means that the leader expects from his/her subordinates objectivity and unbiased opinions, that he/she invites them lay out only the "naked" facts and figures.

- Red hat. This hat has to do with feelings, emotions, and intuition. With this "hat on", problems are evaluated on the basis of intuition and emotions. The latter are expressed freely, without any inhibition. An opportunity to express one's feelings and mood without explaining it is presented. The question it raises is "What feelings does this or that situation arouse within me?". The red hat is "put on" in rare cases and only for short periods of time (30 seconds at most) in order for the group to express their emotions which, in contrast to the black and yellow hats, do not require any justification.
- Black hat. The thinking with the black hat "on" is necessary for evaluating the risks, the negative sides of the decision, its drawbacks and the things that might not work. The questions raised are "Is this true? Will it go through? Why should this be possible? What are the reasons for its success?"

- Yellow hat. It helps to think positively, see the value and the benefits of the idea, even when the idea does not sound likeable. The person who has "put on" the yellow hat, becomes an optimist, appreciates the strengths, searches for positive perspectives, yet must also substantiate his/her illusion (like in the case of the black hat): "Why is this good? What are the advantages of it? For whom will it be useful?".
- Green hat symbolizes energy and creativity. With the green hat "on", suggestions are offered and new ideas as well as alternatives considered. No criticism is allowed. The green hat fosters the talk about the changes in present ideas and thinking about opportunities. With this hat "on", the thinking processes are unleashed and each member uses his/her creative energies and efforts.
- Blue hat. It controls the process, sums up the results. It is worn by people who moderate meetings and discussions. For example, when there is a lack of ideas, people are asked to "put on" the green hat. The blue hat is usually "put on" by the leader of the group, who does not participate in the discussion directly. He/she observes and presides over the group's work, i.e. depending on a situation, points out which hat the group members should "put on." In order to achieve a specific goal, one could use the sequence of 2-3 hats. For example, the yellow hat, accompanied by the black one, may be used for evaluating the idea. The black hat, followed by the green one, may be used for improving on the idea as well for pointing out its deficiencies and, subsequently, for removing them.

Nevertheless, as pointed out by M. A. West (2011), the quality of team decisions may be worse, due to the operation of some social processes. The author lists several such processes:

- Strong propensity on the part of the team to focus on the information that is familiar to all team members even before the discussion, and to ignore the data that is familiar to only one or two members of the team
- Shyness and doubts of team members about the necessity of expressing their opinion or sharing their ideas
- Due to the effect of social conformism, team members suppress their opinion and the information that contradicts the majority's view
- Duo to the lack of communication skills, team members may be unable to express their views and the information they have
- The team may be dominated by individuals whose talking, arguments, remarks, etc. are taking too much time. Long talks on the part of such team members also inhibit the generation of new ideas and the voicing of these ideas in the team. Therefore, the number and the quality of the ideas generated by the people who work on their own may surpass those generated in the team
- Egocentric members of the team may be reluctant to consider the opinions of other members, or to take into account the opinions that do not coincide with theirs. And conversely, the opinions of some team members about their status and hierarchy may be overestimated and receiving too much attention

- Social loafing effect. It is a tendency of people in the team to work less diligently than if they were working on their own. i.e. when their personal contribution could be measured and evaluated. The employees are less active in the meetings designed for improving the quality, if they believe that their contribution is chocked by the results of the whole team.

To overcome these problems, Rogelberg, Barnes-Farrell, and Lowe suggested a strategy, called "the step-ladder technique" (West, 2011). According to this strategy, each member of the team presents his/her view without any prior acquaintance with the opinions of other members. The purpose of such a strategy is create a larger picture of various ideas the members may hold, before starting to sort out the problem or make the decisions as a group. This technique can be applied when using emails. Before sending a document with his/her opinions to the rest of the team, each member has enough time to think through the problem or question, and to offer his/her decision regardless of the other members. Being ignorant of the decisions that the other members have suggested, each employee emails his/her perspective on the problem, idea or actions being planned. The final decision of the team is not considered until all the team members have shared their opinions. Only then all the members, as a group, discuss the suggestions and draw conclusions. Such a technique provides each employee with enough time for thinking through a specific problem.

This way communication is encouraged. All the team members are able to share their viewpoints and suggest more ideas, since the processes of social conformism have been reduced to the minimum.

This method of decision making also limits the effects of social loafing because the process emphasizes individual accountability, and individual members can no longer hide behind the contribution of others. And since each team member is required to contribute his/her viewpoint without knowing what others have suggested, it is likely that there will be disagreements. Consequently, the quality of decisions and discussions should improve. In addition, as noted by M. A. West (2011), the team constantly hears fresh ideas that have not been affected by a daily routine. This, in turn, encourages it to study and examine differing opinions with greater energy. There has been enough data to indicate that such examination of differing opinions in teams allows for better quality decisions.

Another reason for poor decisions is the so-called desire "to get over with it as soon as possible," i.e. the tendency to accept the first acceptable decision, instead of trying to come up with more of them and then choosing the best one. By refusing to accept any decisions until each member has expressed his/her viewpoint, the number of team's possible solutions and alternatives is increased to the maximum.

"The stepladder technique" increases the chances that each member will be heard.

The following is a shortened form of "the stepladder technique" suggested by the author:

1. For 10 minutes, all the team members examine the problem and find possible solutions to it
2. For another 10 minutes, the members work in pairs, in isolation from the rest of the team, each one getting ready to present and discuss their decision
3. The other 10 minutes are given for two pairs to come together, to share their decisions, and to discuss through them. This process continues until the whole team is together.
4. The whole team considers the suggestions which, in turn, are followed by the final discussion. Then the final decision is made. The preparation of one, best, decision should take approximately 40-60 minutes.

It must be noted that participation in decision making and the application of the methods disccussed in this chapter enhance not only the team's creativity, but also its ability to innovate. According to M. A. West (2011), innovation is a broader concept than creativity: creativity means new ideas whereas inovation requires that creative ideas be implemented in a team, organization or society. Creativity consists of generation of ideas; innovation – of putting these ideas to practice. Therefore, innovation encompasses both creativity and implementation. Team's innovativeness, which influences the number and quality of new ideas, depends on the factors listed in the Team Innovation Model (see fig. 12).

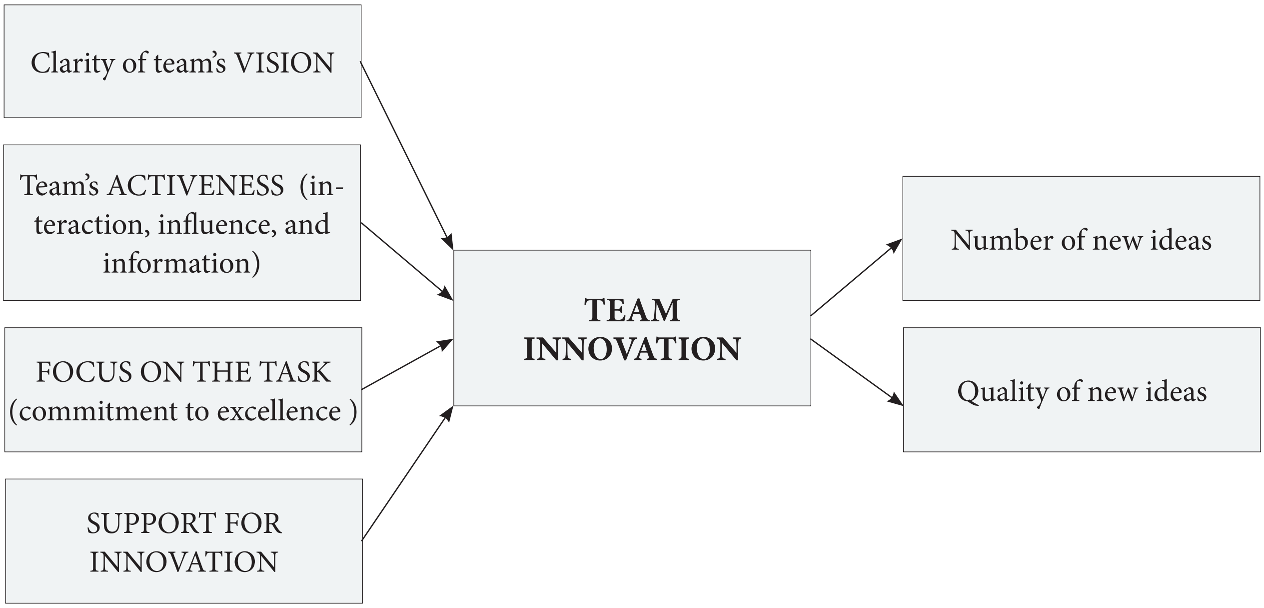


Fig. 12 ***Team innovation model (West, 2011, p. 123)***

From the model, it can be seen that the level of team's innovation is determined by the common vision, focus on the task (commitment to excellence), safe activeness, and the acceptance of innovation. The level of the innovation, in turn, determines the number and quality of ideas. According to this model, the high activeness of team members means the low resistance to change and the high level of innovation. The more actively are employees involved and influence team's decisions, interact with those who approve of changes, and share information, the more likely will they be interested in the results of these decisions and will offer new and improved methods of work. The level of security in the team is another important thing. The team members will tend to risk more by proposing new methods of work, if they perceive the team climate as non-threatening and benevolent.

Besides, the level of team innovation increases when its members expect, approve, and practically support the attempts to instill new and better methods of work. Employees may reject and ignore the ideas, or they may support them with word and in practice. It is harder to detect the lack of support in the teams that respond to new ideas with enthusiasm, but which do not take any action to ensure their implementation, or in the teams whose members passively resist the innovation.

In summary of the ideas, discussed in this chapter, we can say that the success of decision making is proved when each member of the team understands the viewpoint of the others and supports the accepted decision because it was accepted honestly and in an open discussion. One may assert that most decisions in a team are accepted in the way of consensus, when it becomes clear that each team member approves of the decision and is ready to act on it, that decision making process involved all the team members and everyone accepts the responsibility for decision making. The formal voting is reduced to the minimum, since the team does not acknowledge the principle of the majority as the most suitable basis for action. The team members understand well and recognize the team's goals and tasks that are discussed freely with the other members until they agree on one common formula. When the team members have a right to participate in setting up goals and making the decisions, they are more committed not only to the implementation of those decisions, but also to the team itself.

SELF-EVALUATION QUESTIONS

1. What are the stages of team formation? Describe them briefly.
2. Describe the leadership principles and styles that would reflect the leader's behaviour in a team.
3. What indicates that a team performs successfully?
4. What is the role of empowering leaders in a team? Comment on this.
5. What are the features (characteristics, conditions) of the enabling environment? Describe them briefly.
6. What elements influence the effectiveness of communication?
7. What does SMART goal mean?
8. What characteristics mark the system of rewards formed in the enabling environment?
9. What are the things that the leader should consider while evaluating the team's work?
10. Which kind of conflict – constructive or destructive one – should be encouraged in a team? Why?
11. What are the ways to solve conflicts? How do they differ?
12. What stages does the process of decision making consist of?
13. List and describe in brief the methods that stimulate one's active participation in decision making.
14. What is the purpose of Six Thinking Hats method?
15. What is the purpose of negative brainstorming?
16. What obstacles to the team's effective decision making should a leader be aware of? How could these obstacles be removed?

PRACTICAL ASSIGNMENTS
Assignment 1. CASE ANALYSIS

Can This Virtual Team Work?

Jim Towne heads up a newly formed information technology team for a major international corporation. The team is composed of about 20 professionals who live and work in Canada, the United States, Europe, South America, Africa, and Australia. All members of the team report ot Jim Towne. The team is a virtual team and is connected primarily using technology (videoconference, group decision support ware, e-mail, and telephone) The team has met twice in a face-to-face setting to set goals and plan. All of the team members are quite competent technically in their respective areas. Some team members have a long and valued history with the company; others have recently become members of the company through a corporate merger. The team members have never worked together on any projects previously.

The task of the team is to develop and implement new technology innovations for all of the business units of the corporation globally. The team is excited about the importance and the innovative nature of their assignment. They respect each other and enjoy being part of this team. However, the team is having difficulty getting off the ground, and the members report being extremely overloaded. Most team members travel to business sites at least 2 weeks each month. The travel is important, but it causes team members to get farther and farther behind.

There is one half-time secretary for the team, located in New York. Her responsibility is primarily to organize travel and meetings of team members. Team members are working on several projects at once and have great difficulty finishing any of the projects. One team member has 500 e-mail messages that have yet to be read because each team member sends copies of all messages to everyone on the team. Jim Towne feels under great pressure to prove that this team can work and provide a valuable function to the organization.

QUESTIONS

1. Which of the characteristics of team excellence, as discussed in the 4th chapter of this handbook, are lacking in this team?
2. What specific leadership functions should Jim Towne implement to improve the team? Why?

(*source:* Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)
(*English source:* Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 2. CASE ANALYSIS
Starts With a Bang, Ends With a Whimper

A faculty member, Kim Green from the Management Department, was asked to chair a major university committee to plan the mission of the university for the next 20 years. Three other senior faculty and seven administrators from across the campus were also asked to serve on this committee. The president of the university Dr. Sulgrave, gave the committee its charge: what shoud Northcoast University be like in the year 2020? Dr. Sulgrave told the committee that the work of this task force was of utmost importance to the future of the university and the charge of this committee should take precedence over all other matters. The task force was allowed to meet in the president's conference room and use the president's secretary. The report of the committee was due in 2 months.

The task force members felt very good about being selected to such an important team. The team met on a weekly basis for about 2 hours. At first, the members were very interested in the task and participated enthusiastically. They were required to do a great deal of outside research and gathering of information. They would come back to the meetings proud to demonstrate and share their research and knowledge. However, after a while the meetings did not go well. The members could not seem to agree on what the charge to the group meant. They argued among themselves about what they were supposed to accomplish and resented the time the committee was taking from their regular jobs. Week after week the team met but got nothing accomplished. Attendance began to become a problem with people skipping several meetings, showing up late, or leaving early. Group members stopped working on their committee assignments. Kim Green didn't know what to do because she didn't want to admit to the university president that they didn't know what they were doing. She just got more and more frustrated. Meetings became sporadic and eventually stopped altogether. The president was involved in a crisis in the university and seemed to lose interest in Kem Green's committee. The president never called for the report from the committee, and the report was never completed.

QUESTIONS

1. Which characteristics of excellence, discussed in ch. 4 of this handbook, were lacking in this task force?
2. Which characteristics of excellence were evident in this task force?
3. How would you assess Kim Green as a leader?

(*source:* Northouse P. G. Lyderystė: teorija ir praktika. Kaunas, 2009)
(*English source:* Northouse, P. G. Leadership: Theory and Practice. Thousand Oaks: Sage, 2004)

Assignment 3. Fill in the blank with an appropriate leadership style (visionary, coaching, affiliative, democratic, pacesetting)

The Right Style at the Right Time

Joan was appointed the general manager of a major division at a global food and beverage company, while the division was in deep crisis. It had not made its profit targets for several years and lost about $50 million. Morale among top management was miserable; the atmosphere was filled with mistrust and resentment. Joan's goal was clear: turn the division around.

Joan, being a good leader, implemented changes flexibly, switching among styles. From the start, she realized she had a small window to establish rapport and trust – and that she urgently needed to learn about what wasn't working. During her first week, she had meetings with each member of the management team. She sought each person's understanding of the current situation from a business and organizational standpoint. But her focus was not so much on how a given manager diagnosed the problems as on getting to know each of them personally. Using ____________ style, she explored their lives, their dreams, and aspirations.

Joan also applied ________________ leadership style, looking for ways she could help each of them get what they sought for his or her career. For instance, one manager who would often receive feedback signaling that he was poor team player confided his worries to her. He thought he was actually a good team member, therefore he felt he had to dispel these complaints if he were to succeed at the company. Recognizing that this was a talented executive and a valuable asset to the company, Joan made an agreement with him to point out ways he undermined his team abilities. She sensed that he could sometimes be abrasive, inadvertently saying something that would anger someone – and she promised to take him aside after a meeting where she saw this happen, to help him recognize the behaviour by himself.

Joan continued these one-on-one meetings with each manager and then with the whole management team. Her goal was team building, so that everyone would own whatever solution emerged for the business problems. Using ____________________ leadership style, she encouraged everybody to express their frustrations and complaints freely in, as she put it, a „kind of cleansing of everything that's wrong."

After the meetings, the group was ready to focus on solutions, and Joan asked each person to propose three specific ideas about what should be done. As Joan clustered the suggestions, a natural consensus emerged about priorities for the business, such as cutting costs. As the group came up with specific action plans for each priority, Joan got the commitment and buy-in she sought.

With that vision for the future in place, Joan shifted into the ___________________ style of leadership, appointing specific executives who would be responsible for each follow-up step. For example, the division had been dropping prices on products but getting no increase in volume; one obvious solution was to raise prices a bit. The previous vice president for sale had dithered, letting the problem fester; the new sales vice president now had specific responsibility to adjust the price point to fix the problem.

Over the following months, Joan continued to lead mainly with _____________________ style, continually articulating the group's new mission in a way that reminded each person of how crucial he or she was to achieving it. As the plan started being put in place, Joan felt the need of an occasional shift in the _________________________ style, if someone failed to meet his or her responsibility. As she put it, "I had to be brutal about this follow-up on what we had to do. It was going to take discipline and focus."

Seven months later, the research team interviewed Joan again. Her division was $5 million dollars ahead of its yearly profit target. It was the first time the division had met its target in five years.

(based on the source: Goleman D., Boyatzis R., McKee A. Lyderystė: kaip vadovauti pasitelkiant emocinį intelektą. Kaunas, 2007)

(English source: Goleman D., Boyatzis R., and A. McKee. Primal Leadership: Realizing the Power of Emotional Intelligence. Boston: Harvard Business School Press, 2002)

Assignment 4. CASE ANALYSIS

Janet, a brilliant leader in a large insurance company, stepped into a sleepy division with the force of a tornado – and absolute intolerance for the old ways of doing things. For people on the team who didn't agree with her plans, she had one clear and very public message: there is no room for you here; find something else to do. Little did Janet realize she had mobilized a force for a new cause in her team – to see her fail at any price. Within a matter of months, what had been a reasonably successful division began performing miserably, and within a year it was dismantled.

QUESTIONS

1. What caused the dismantling of the division? What were Janet's mistakes?
2. What is Janet's leadership style (visonary, coaching, commanding, etc.)?
3. What is your opinion about the level of Janet's emotional intelligence and about its impact on the dismantling of the division? How should she have conducted herself?

(based on the source: Goleman D., Boyatzis R., McKee A. Lyderystė: kaip vadovauti pasitelkiant emocinį intelektą. Kaunas, 2007)

(*English source:* Goleman D., Boyatzis R., and A. McKee. Primal Leadership: Realizing the Power of Emotional Intelligence. Boston: Harvard Business School Press, 2002)

Assignment 5. CASE ANALYSIS

You, as a manager, are about to meet with the employee who has a huge potential. The following are the facts about this person:

- She is described as a potential fidget
- She lacks confidence, especially when talking to the people higher in rank
- She tends to underestimate her strengths

When talking with you, this persons looks very nervous. It is possible that she feels threatened by your rank. At the beginning of the conversation, she will not be inclined to open up and will let you lead the conversation.

Gradually, she starts opening up and revealing more information about herself. One of the things that you find out is that, in the past, she has had some problems related to psychological health. Her request is to keep this fact just between the two of you. Besides, she notes that this problem reoccurs, but she thinks that the situation is under control.

Furthermore, she mentions that her lack of confidence may be related to health problems, but that there is no direct evidence of that. She expresses a strong desire to receive some help in dealing with the lack of self-confidence because she perceives it as a possible hindrance.

She is clearly reluctant to be recognized by others as an employee with great potential, since she thinks that this may provoke some resentment among others. Consequently, she asks you not to reveal it to anyone that you are her consultant.

QUESTIONS:

1. Which boxes of the JOHARI window become bigger and which become smaller in this situation?
2. Assess this situation on the basis of Hersey and Blanchard leadership model. Determine the employee's readiness level and the best leadership style to be applied with regard to her.

(based on the source: Hale R., Whitlam P. Efektyvus veiklos valdymas: kompleksinis metodas, kaip atskleisti geriausias jūsų darbuotojų savybes. Vilnius, 2009)

Assignment 6. CASE ANALYSIS
Tough Fighter

Caroline was a marketing director who worked very hard and was loved by everyone. Caroline's boss recommended her a program of self-development as soon as he had noticed that she needs to change her leadership style and organize the work in a different way. Caroline was told to "delegate others with the work more often," and such words caused her anxiety. She was an expert in her field, and her team trusted her. She worked in an environment dominated by men, and big workloads were taken for granted by everyone. Caroline did not believe in the possibility of changing anything in this situation, and thought that self-development would be of little help.

When the specialists of self-development program met with Caroline, she had been immersed in her work up to her ears, and this started to take its toll on her health. The most important thing was that Caroline had always wanted children, but this contradicted her current life-style. Caroline realized that she would not be able to perform her work duties and to raise children simultaneously. Her work demands were too high.

As the first step in self-development program, Caroline shared her story. This simple action helped Caroline understand the limitations of her own thinking, since she heard herself speaking about the situation openly. For example, during this self-development course, Caroline became aware that she does not really have a goal, and if there was one, it was just the goal "to survive." She also realized that constant fighting is probably not the best choice because it looked like more and more things were demanded of her. Consequently, Caroline decided that she must find a better way. She started dreaming about "a better job", and then she felt a desire to do such a job. In short, she got the feeling of an opportunity once again, decided to get rid of daily trivialities and give her attention to a strategy. For these reasons, Caroline had to find a way how to get rid of many ad hoc questions which seemed to stuff her email box and consume her whole day. She wanted to create the company's marketing strategy, rather than solve its daily problems. And the happy coincidence was that her boss wanted the same thing!

Furthermore, Caroline interviewed several of her colleagues who performed similar duties in the same organization. She also interviewed her manager. For her questionnaire, she selected the people whom she knew well and whose opinion was important to her. She also selected those with whom she had somewhat more distant relationships. Having received feedback from just five people, Caroline was already able to make a picture of self, the picture which was very different from the one that she herself had had. Caroline's self-perception was changing. She could see that people were perceiving her as kind, committed, and hard-working. They appreciated her expertise and saw her experience as being highly significant. They also perceived Caroline as "a lonely fighter" or a person who, as things would get tougher, worked and fought on her own. The coworkers were convinced that Caroline does not want to admit her fighting hard and that she is avoiding asking others for help. In their opinion, Caroline stood "somewhat apart" from the team. She was a person who allowed the team "to follow behind." Although some of the responses were not particularly nice, they changed Caroline's perspective significantly. Now Caroline knows more clearly what kind of person she is, therefore, she finds it easier to make decisions about personal change.

Having considered the feedback, Caroline changed her perspective on the situation and on the things she had wanted to change there. She admitted that, as things got harder, her inner "lone fighter" was making all the decisions on her own. This was enough to make Caroline take a different look at herself. That was not some kind of unexpected idea which would turn everything upside down. Rather, Caroline became aware of the fact that she had ignored how hard she works. It was as if she was still turning millstones with her hands. Having looked around, Caroline saw that she could have chosen automatic millstones which do not require continuous oversight. Moreover, Caroline realized that she did not like working together with her team; that was both part of the problem and the way to its solution. As long as Caroline "did everything by herself", her team was not happy as it was unable to take on more responsibility. The team members wanted to contribute more to the planning of marketing activities and to the decision making.

Caroline found it difficult to make the decision. However, she was greatly assisted by the increased self-awareness. Having understood that she was reacting to a pressure, i.e. fighting alone, Caroline began recognizing this more often. While trying to get rid of her habit of doing everything by herself, she, for example, started training herself into informing others about her plans, meeting with her team more often, and discussing with the colleagues the things that she had found to be important. Her team managed to integrate into the common work naturally, and the people began offering their assistance which Caroline was able to accept. In this way, she found out which areas of work should be entrusted to others, so that she herself can give more of her time to the formation of strategy. Consequently, those areas were given over to the team members.

QUESTIONS:

1. Explain the dynamics the JOHARI window with regard to Caroline: how did each part of this window change?
2. By applying the method of the JOHARI window, explain why Caroline changed her perspective on the situation and on the things she had wanted to change there.
3. What positive changes and outcomes occurred as a result of the JOHARI window dynamics?

(based on the source: Starr J. Saviugdos vadovas: asmeninio ugdymo pagrindai ir įgūdžiai. Vilnius, 2009)

Assignment 7. CASE ANALYSIS

One day Stephen noticed that his wife is very gloomy. “What’s wrong?” he asked. “I’m so discouraged,” she answered. “Mornings with the kids before school are awful. I feel that if I were not here telling them what to do next, nothing would ever happen. They’d never get ready. They’d never get out of bed! I don’t know what to do..”

The next day Stephen decided to observe what is really happening at home. His wife went into each room several times, knocking on their doors and saying, “Honey, it’s time to get up. Wake up.” At last, they got up. She turned on the shower for the one who had the toughest time getting up. For the next ten minutes Stephen’s wife returned to the shower repeatedly and said “Time to get out.” “I will!” came the defensive answer. Finally, the daughter turned off the shower, went to her room, and covered her body with the towel to warm up.

Ten minutes later, Stephen’s wife says again: “Honey, you’ve got to get dressed. Come on.”

“I don’t have anything to wear!”

“Wear this.”

“I don’t like those clothes. They’re ugly!”

“What do you want to wear?”

“My jeans – but they’re dirty.”

The emotional conversation continued until all three were called downstairs half-hour later. The wife continued to prod the children from one thing to the next, warning that the car pool would be coming any minute. They finally got out the door wit a hug and a kiss, and Mom was exhausted. Stephen felt exhausted just having watched her all morning.

Stephen thought, “No wonder she is sad. These kids don’t know they’re capable of anything themselves because we’re always there reminding them.” That tapping on the shower door became a symbol of how we had unintentionally enabled their irresponsibility.

One evening he called the family together and suggested a new approach. “I’ve noticed that we are having quite a time with our mornings.” Everyone started laughing knowingly. Stephen asked, “Who likes the way things are going?” No one raised a hand. Then Stephen said, “I want to tell you something that I want you to really think about. Here it is: you have within you the power to make choices. You can be responsible.”

Then he went through a series of questions: “How many of you can set an alarm clock yourself, and then get up on you own each morning?” Children looked at their father like, “Dad, what are you doing?” Stephen said, “No, really, how many of you can do this?” Each raised a hand. “How many of you can decide how long you have to shower, and then turn off the water by yourself?” They all raised their hands. “How many of you can choose the clothes you want and then get dressed yourself?” It was getting to be fun because they all thought, “I can do that.” “How many of you are capable of checking out what clothes you have the night before, and if the clothes you want are dirty, can do a load of your clothes in the washer?” “I can do that.” “How many of you have the power to make your own bed and get your room cleaned up without being asked or reminded?” Everyone raised a hand. “How many of you can be downstairs on time for breakfast?” Children all raised a hand. Then Stephen said, “Okay. What we’re going to do is to write all this down. We’re going to create a plan for our morning.”

Children wrote down all the things they wanted to do and worked out a schedule. The daughter with whom the parents were having the greatest struggle was the most excited. She wrote a schedule down to the very minute. The parents became their source of help on some things. It was decided on how and when the children would be accountable and what the consequences would be. The positive consequences were that everyone would be a lot happier in the morning – especially Mom. And everyone knows that a happy Mom means a happy family! The negative consequences to not getting up on time and completing all their responsibilities on their own was that they would go to bed a half an hour earlier for a few days. This seemed fair, since lack of sleep usually makes it more difficult to get up. Each child signed their agreement, ate a bowl of ice cream, and went off to bed. The parents thought, “Okay. We’ll see what happens.”

The next morning Stephen and his wife were still in bed when they heard an alarm go off and light click on in one of the children’s rooms. Their daughter with whom they had the toughest time ran to the shower, turned on the water, and got in. Stephen and his wife smiled at each other. They had hopes it would work with her – but earlier than necessary? Within fifteen or twenty minutes, she had done everything that usually took an hour and a half, and whe even had time to get her piano practicing done. It was a great morning. The other children did the same thing.

After the kids were out the door, the wife said, “I am in heaven. But the real test is, will it continue? I can see them getting really excited about one morning, but will it go on?”

More than a year passed. Though there had not always been quite the same enthusiasm of that first morning, the children, with only occasional exceptions (which were followed by earlier bedtimes for a few days), all gotten up and done everything on their own. The family also found it helpful to come together every few months to evaluate how they are doing and to renew their commitment.

It was wonderful to see the children grow in their sense of “I can do this. I have the power. I am responsible.” The parents tried not to remind. It was a profound lesson, and it totally changed the nature of the family’s life in the morning.

QUESTIONS

1. How and why did the children’s attitude and habits change? What aspect of leadership was at work in this case?
2. Which actions on Stephen’s part can be attributed to the actions that characterize leaders?

(based on the source: Covey S.R. 8-asis įprotis: tobulybės link. Vilnius, 2007)

(*English source:* Covey, S.R. 8th Habit: From Effectiveness to Greatness, New York: Free Press, 2005)

Assignment 8.

1) Define the following goals by applying SMART method:
   a) to increase sales ....
   b) to shorten the time-frame for product creation …...
   c) to create more output . ...
   d) to enhance the quality services delivered ....
   e) to sharpen the abilities of team leadership ....
   f) to form an excellent team ....
   g) to improve communication skills ....
2) Listed below are the goals of the company "Autoglass." Are they compatible with the requirements of the SMART method? If not, reformulate them in the way that they are compatible.

The marketing goals: the company's market share should be no smaller than 25 percent of the United Kingdom's market. This may be achieved by developing and expanding the network of the branches, and by acquiring the companies of the competitors.

Financial goals: to reach at least 20 percent of asset profitability, while ensuring that, within the established time-frame, the profitability of the new branches and acquired companies equals 25 percent of the asset profitability achieved in the existing network of the branches.

Performance goals: one employee should, on average, repair no less than 30 car windshields per month; this should be made a norm by improving the training and employee hiring policies.

Social goals: to invest half of the percent of the returns into the projects of social reconstruction, e.g. " Project Fullemploy."

(based on the source: Barrow C., Brown R., Clarke L. Verslininko kelias į sėkmę. Vilnius, 2010)

Assignment 9. CASE ANALYSIS PRECISION PRODUCTS, INC.

Helen spent more than 100 hours last month reading through CV's, conducting first interviews, verifying biographical facts, and conducting the second interview. She shortened the list to 50 possibilities, with the list "A" containing the names of four suitable candidates for sales management position in the new area of sales. When Helen stood up at the head of the conference table in the president's office, she knew that she was ready.

As folders got distributed to each of the men, the president and four vice-presidents turned their faces to Helen.

"Gentlemen," she began, "we have four, best qualified candidates here. I, personally, interviewed each of them at least twice, and each of them surpasses the requirements listed in the work description. If you open up your folders, I may be able to answer you questions concerning the candidates."

„John Eagle!" exclaimed Howard Peterson.

„Yes, sirs, the Navajo Indian, who, after graduating from Stanford, started a business that had to do with the reservations. Recently he passed on this business to his relatives. At the time of sales, he received 300 000 dollars from the business and had already had 43 Navaho Indians among the employees. He speaks English, Spanish, and Navajo language."

Howard, turned to the new page with another candidate.

"The other one is Douglas Ironwood," said Helen. "A year ago, he received a Bachelor's diploma in Business from California State Bakersfield. He worked at his father's oil equipment store since he was very young and now would like to develop further."

"Howard, look at this!" exclaimed Carl Preston, the sales vice-president. "It says here that he is a champion of Blue Oak Country Club. A person like him could give a lot to our golf team. Did you check it, Helen?"

"Yes, that's true," said Helen, "he can play golf."

"We will come back to him," said Howard. "Who's next, Helen?"

" Marcus Wright is a disabled veteran of Vietnam war. He lost his arm when leading his regiment out of the ambush. He was awarded silver and golden stars for keeping his men. Using his military document, Marcus received a Master's degree at the George Washington University. He served as a consultant at one of our competitor's companies, but now he expects to serve our company at the managerial level."

"He has a military record. Who's next?"

"Johnette Vasquez," Helen continued. "She received a Master's diploma in Business Administration form USC three years ago. Since then, she worked as IBM sales manager as well as a district sales manager. She knows that we are no match for her current salary."

"How much does she currently make?" Howard asked.

"Her credit shows that she earns about 80000 dollars a year," Helen answered.

"You know, Howard, for us, she could be two in one," said Carl Preston, "both a woman and a Hispanic. The Equal Employment Opportunity Commission would approve of that."

Having turned to Helen, Howard said, "Please arrange us a lunch with each of the candidates next week, and make up a schedule as soon as possible. By the way, good job, Helen."

QUESTIONS

1. Which of the candidates presented would be your first choice? Why?
2. Which candidate would be your last choice? Why?
3. What is your opinion regarding the sales vice-president Carl Preston's words about "two in one?" Do you agree or disagree?

(source: Harvey D., Bowin R. B. Human Resource Management: An Experiential Approach. New Jersey, 1996)

Assignment 10. CASE ANALYSIS
What Caused That Fiasco?

Emily Page, human resources director at Bayshore Technical Products Corporation, was annoyed and disappointed. In an effort to involve employees more directly in improving quality and productivity, she had encouraged the company to initiate a program called "Employee Participation in Quality and Productivity Improvement" (or the "EP program" for short). Things had not gone well, and Emily was discussing the results with Sterling Jones, a consultant who had been hired by the company president, Mark Andrews. The hope was that Sterling would be able to help get the EP program back on track. Mark had given him only a short briefing and then referred him to Emily. As Mark put it, "It's really Emily's program. She got us going in this direction, and we're behind her, but I want her to be the company expert as well as the coordinator of the EP effort."

"We started with groups of about twelve employees in each of three departments," Emily explained to Sterling. "One group is coming up with good recommendations, but the other two have really bombed out. In fact, one group doesn't meet anymore. Apparently a couple of outspoken people started dominating that group and nobody else could get a word in edgewise. People lost interest, and almost everyone dropped out. With only two or three people showing up and the rest making excuses, there didn't seem to be any point in continuing."

"What about the other two groups?" Sterling asked.

"Well, take the group that's limping along," Emily began. "They've been meeting for an hour each week for two months now, but I can't say that they're really accomplishing anything. They seem to be floundering, and I think they're pretty discouraged. At the supervisor's suggestion, the members elected one of the hourly workers as the chairperson, but I don't think she knows much about running meetings. The group that is beginning to generate really good ideas seems to be working well together. My hunch is that it's because they like the supervisor, who also seems to know how to run meetings."

"Well, it seems to me that maybe you've made a better start than you realize," said Sterling. "One group seems successful, and one group can probably be salvaged. I'd have to do some informal chatting with the supervisor and the employees in the disbanded group to see if anything can be done to resurrect it. But before I go poking around in the organization, I've got quite a few questions for you. For example, who's behind this program so far? What's the prevailing leadership style in the organization? Is the union involved? How much training have group leaders had? Who reviews recommendations? What do employees see as the end product of the program?"

"I guess you're covering all the angles," Emily responded. "Let's start with who's behind the program. But before we finish talking today, I hope you give me some ideas on how we could have avoided that one fiasco."

QUESTIONS

1. Why was the exercise in concerns and appreciations Linda's first assignment to the group?
2. What seem to be some of the values and assumptions of an organization development program?

(*source:* French W. Human Resources Management. Boston, 1990)

Assignment 11. Read about the situation presented below and about its five endings. Identify the conflict resolution style (competition, avoidance, accommodation, compromise, collaboration) in each of the endings.

The "YY" division of "XX" organization is always full of employees. Some of them are running to and fro, others calmly look at their computer monitors or stacks of paper.

Dainius was sitting at his work-place and, somewhat tense but well-focused, was writing the annual report which was due at the end of the day. Dainius knew that usually his boss calls up before the end of the work day, asking for the report. Another thing which Dainius knew full well was that the boss does not like waiting, therefore, the report must be lying on his table no more than a few minutes after the call.

One day, Tomas, whose desk was near Dainius', decided to have some fun. He tied Dainius' shoelace to the desk. Suddenly the telephone rang, and Dainius got hold of the receiver. Having received the boss' instructions to bring in the report, Dainius jumped out of his desk to the door, yet unsuccessfully – he went down to the floor with a bang. That was noticed by everyone in the division, causing their laughter.

Ending 1.

Embarrased, Dainius began untying his shoelace in order to free himself from the desk. Then, trying to ignore the giggling and laughter, he grabbed the freshly printed report and left the division, going straight to his boss.

Ending 2.

Dainius was furious. He got even more so when he found himself unable to take hold of the shoelace and free himself. He quickly glanced across the room, searching for the culprit: "Who did this?" All he could see was his laughing coworkers. At last, he got free, went up to Tomas and yelled at him: "What were you thinking, you, moron!?", and hit his face with a fist.

Ending 3.

Still thinking about the upcoming meeting with his boss, Dainius turned to Tomas and angrily looked him up. "Very nice, Tomas," said Dainius. "Perhaps you could lift up the desk and clean up this mess, because I have to hurry up to my boss?"

Still laughing and feeling happy about his successful trick, Tomas did not object. He agreed to clean everything up.

Ending 4.

Dainius understood what had happened. He looked around and saw that everyone had been looking at him and laughing. Having controlled himself, albeit with a difficulty, Dainius said, "Well, perhaps this had to happen, since I was always in such a rush to my boss."

Ending 5.

Dainius understood what had happened. He heard the voices and saw the laughter of others. He was feeling stupid. Besides, he started panicking as he had realized that he would fail to submit the report on time. Dainius turned to the laughing Tomas. "Very funny, Tomas," said he. "We all had a good time. Well, what shall we do now, with all this mess? You do know that I do not want to be late for meeting with my boss."

Tomas managed to control himself and looked up Dainius straight in the eye. "Okay, I will clean up everything. Run to your boss, otherwise you will be late."

(*source:* Lipinskienė D. Organizacinė elgsena. Klaipėda, 2013)

Assignment 12. CASE ANALYSIS
The Team That Coordinated the Retail

Helen was the leader of a coordination team for a big oil company's retail department. Jeffrey, the youngest and least experienced member of her team, had been in the company for less than a year. Later Helen discovered that, unbeknown to her, he was carrying out a big project for which he had been hired. Not only this, but he was also working with several retail centers in a nearby town and was using team resources for that. When Helen let Jeffrey know how indignant she felt about his behaviour, their communication was broken.

A meeting with the department head Petra was organized, in which the feelings on both sides were examined. Each side was given an opportunity to express its opinion. Helen was angry, as she felt that Jeffrey had betrayed her trust by not giving her enough information. She felt deceived. Jeffrey said he felt disappointed that Helen had not allowed him to carry out this project when he first shared about it. He felt annoyed with the fact that he must obey Helen's instructions.

Then Petra encouraged them to examine that facts over which they had a quarrel. Jeffrey insisted that he had once mentioned this project to Helen, whereas the latter asserted that he had never brought it up, despite the fact that they had meetings every week.

QUESTIONS

1. What are the problems that arose in this case?
2. What conflict resolution style (styles) are being applied here?
3. How should this conflict be resolved?

(based on the source: West M. A. Efektyvus komandinis darbas.Vilnius, 2011)

Assignment 13. Find out what is your conflict resolution style.
Thomas Kilmann conflict resolution style questionnaire

In each pair of statements, circle the letter that describes you best. Think back about some personal conflict or conflict situation that you were once in.

1. A. There are times when I let others take responsibility for solving the problem.

   B. Rather than negotiate the things on which we disagrees I try to stress those things upon which we both agree.

2. A. I try to find a compromise solution.

   B. I attempt to deal with all of his and my concerns.

3. A. I am usually firm in pursuing my goals.

   B. I might try to soothe the other's feelings and preserve our relationship.

4. A. I try to find a compromise solution.

   B. I sometimes sacrifice my own wishes for the wishes of the other person.

5. A. I consistently seek the other's help in working out a solution.

   B. I try to do what is necessary to avoid useless tensions.

6. A. I try to avoid creating unpleasantness for myself.

   B. I try to win my position.

7. A. I try to postpone the issue until I have had some time to think it over.

   B. I giv I give up some points in exchange for others.

8. A. I am usually firm in pursuing my goals.

   B. I attempt to get all concerns and issues immediately out in the open.

9. A. I feel that differences are not always worth worrying about.

   B. I make some effort to get my way.

10. A. I am firm in pursuing my goals.

    B. I try to find a compromise solution.

11. A. I attempt to get all concerns and issues immediately out in the open.
    B. I might try to soothe the other's feelings and preserve our relationship.

12. A. I sometimes avoid taking positions which would create controversy.
    B. I will let him have some of his positions if he lets me have some of mine.

13. A. I propose a middle ground.
    B. I press to get my points made.

14. A. I tell him my ideas and ask him for his.
    B. I try to show him the logic and benefits of my position.

15. A. I might try to soothe the other's feelings and preserve our relationship.
    B. I try d I try to do what is necessary to avoid-tensions.

16. A. I try not to hurt the other's feelings.
    B. I try to convince the other person of the merits of my position.

17. A. I am usually firm in pursuing my goals.
    B. I try to do what is necessary to avoid useless tensions.

18. A. If it makes the other person happy, I might let him maintain his views.
    B. I will let him have some of his positions if he lets me have some of mine.

19. A. I attempt to get all concerns and issues immediately out in the open.
    B. I try to postpone the issue until I have had some time to think it over.

20. A. I attempt to immediately work through our differences.
    B. I try to find a fair combination of gains and losses for both of us.

21. A. In approaching negotiations, I try to be considerate of the other person's wishes.
    B. I lean I always lean toward a direct discussion of the problem.

22. A. I try to find a position that is intermediate between his and mine.
    B. I assert my wishes.

23. A. I am very often concerned with satisfying all our wishes.
    B. There are times when I let others take responsibility for solving the problem.

24. A. If the other's position seems very important to him, I would try to meet his wishes.
    B. I try to let him to settle for a compromise.

25. A. I try to show him the logic and benefits of my position.
    B. I In approaching negotiations, I try to be considerate of the other person's wishes.

26. A. I propose a middle ground.
    B. I am nearly always concerned with satisfying all our wishes.

27. A. I sometimes avoid taking positions that would create controversy.
    B. If it makes the other person happy, I might let him maintain his views.

28. A. I am usually firm in pursuing my goals.
    B. I usually seek the other's help in working out a solution.

29. A. I propose a middle ground.
    B. I feel that differences are not always worth worrying about.

30. A. I try not to hurt the other's feelings.
    B. I always share the problem with the other person so that we can work it out.

Counting the score. Count your score. In the table, circle the letters which you have circled in the questionnaire. The style that has received the highest score is your dominant conflict resolution style.

No.:	Competition	Collaboration	Compromise	Avoidance	Accommodation
1.				A	B
2.		B	A		
3.	A				B
4.			A		B
5.		A		B	
6.	B			A	
7.			B	A	
8.	A	B			
9.	B			A	
10.	A		B		
11.		A			B
12.			B	A	
13.	B		A		
14.	B	A			
15.				B	A
16.	B				A
17.	A			B	
18.			B		A
19.		A		B	
20.		A	B		
21.		B			A
22.	B		A		
23.		A		B	
24.			B		A
25.	A				B
26.		B	A		
27.				A	B
28.	A	B			
29.			A	B	
30.		B			A
Total of Circled Letters in the Column:					

(source: Lipinskienė D. Organizacinė elgsena. Klaipėda, 2013)

FOR FURTHER STUDY

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SUMMARY

This handbook has been designed for students, instructors, and for all of those interested in the questions of leadership and change management. Its purpose is to help the readers assimilate some major theoretical knowledge about leadership, its different styles, and change management, and also to enable them to apply this knowledge in practice by managing organizational change and by rallying and directing the followers (employees) toward the organization's goals.

The first chapter of the handbook analyzes the concept of leadership by comparing it to the concept of management and by discussing the differences between these two concepts. Further on, different leadership theories are introduced. Each of them answers the questions: how to become a leader, i.e. what characteristics, traits or abilities are necessary for it? How to conduct oneself in different situations? How to attract, convince, charm, and inspire others, and how to increase their enthusiasm? What actions should be taken in order to make team activities effective? How to communicate, resolve conflicts, and make decisions in a team? The handbook devotes special attention to the question of change management (chapter three). Consequently, it describes different types of change, stages of change management, causes of resistance to change, and the ways to reduce that resistance.

Diana Lipinskiene
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