

Management, Leadership and Charisma

“Business after all, is nothing more than a bunch of human relationships.” Lee Iacocca

Dr. John W. Marinucci; CIA, CFE, CCR, CPSI

Leaders

“More important than the actual decision is that it is delivered in a business-like timeframe.”
Tony Soprano

Some researchers who have studied leadership in organized settings tend to state that people endowed with authority are leaders.

- Are all supervisors & managers in organizations leaders?
- Are the terms “leadership” and “management” Interchangeable?

Differences exist between management and leadership.

Leadership and management

- Leadership and management are two distinctive and complementary systems,
- Each has its own function and characteristic activities,
- *but* both are necessary for the management of complex organizations.
- Management is about planning, controlling, and putting appropriate structures and systems in place,
- **Whereas leadership has more to do with anticipating change, coping with change, and adopting a vision.**

Kotter (1990, What do leaders really do? Harvard Business Review, 68, 103-111.)

Leaders and managers

"Think not... Do."
Yoda (Star Wars)

Difference between management and leadership:

- Managers are seen as fairly passive people-centred operators intent on keeping the show on the road,
- Whereas leaders seem to be more solitary, proactive, intuitive, emphatic, and are attracted to situations of high risk where the rewards for success are great.

Zaleznik (1986, Managers and leaders: Are they different? Harvard Business Review, May/June, 54)

Leadership Definition

"Leadership is a force that creates a capacity among a group to do something that is different or better. This could be a more creative outcome, or a higher level of performance. In essence leadership is a change agent and could entail inspiring others to do more than they would otherwise have done, or were doing."

Management

"You only know what you know."
Raphael S. Marinucci

By contrast, management is a force more preoccupied with planning, coordinating, supervising, and controlling routine activity, which of course can be done in an inspired way.

Managerial leadership could be viewed as an integral part of the managerial role, its significance grows in importance as one moves up the organizational hierarchy.

Leadership theories

Study of leadership-not new:

"The study of leadership rivals in age the emergence of civilization, which shaped its leaders as much as it was shaped by them. From its infancy, the study of history has been the study of leaders – what they did and why they did it."

(1990, Bass and Stogdill's Handbook of Leadership. 3rd Ed. p.3)

The "Trait" Approach

- Early research into leadership
The search for 'the great man'.
- Personal characteristics of leaders emphasized -
Thinking was leaders are born not "made".
- All leaders were supposed to have certain stable characteristics that made them into leaders.
- The focus was on identifying and measuring traits that distinguished leaders from non-leaders or effective from ineffective leaders.
- Sought to derive a profile of an 'ideal' leader that could serve as the basis for selection of future leaders.

Some Leaders...

"In the end, you're measured not by how much you undertake but by what you finally accomplish."
Donald Trump

- Gen. Colin Powell
- John F. Kennedy
- Martin Luther King Jr.
- Lee Iacocca
- Sun Tzu
- Miyamoto Musashi
-
-

Some *More* Leaders...

- Adolph Hitler
- Mussolini
- Attila the Hun
- Ganges Khan
- Tony Soprano
-
-

“What use is an unloaded gun?”
Tony Soprano

Characteristics of a Leader

- Physical features
 - Height, physique,
 - Appearance and age
- Ability
 - Intelligence, knowledge, and fluency of speech
- Personality
 - Dominance
 - Emotional control and expressiveness
 - Introversion-extraversion

“Think! The big...
...picture.”
Tony Soprano

So is it Charisma?

Beginnings: Greeks, religious context, Weber.

Charismatic skills influence leadership style and effectiveness.

Important for transformational leadership.

Hard to define and measure.

“The skilful employer of men will employ the wise man, the brave man, the covetous man, and the stupid man.” - Sun Tzu

Early humans and charismatic leaders

Appropriate conditions for effective charismatic leaders.

Good charismatic leader: advantage for the group and advantage for the leader.

If there are innate charismatic skills they are likely to provide evolutionary advantage.

Charisma – Formalization I.

4 I-s (transformational leadership; Bass, 1993) :

- Idealized influence;
- Inspirational motivation;
- Intellectually stimulating;
- Individual consideration.

"Pay attention even to trifles." Miyamoto Musashi

Charisma – Formalization II.

5 behavioural aspects (Conger & Kanungo, 1998):

- Vision and articulation;
- Sensitivity to the environment;
- Sensitivity to member needs;
- Personal risk taking;
- Performing unconventional behaviour.

Charisma – Formalization III.

Skills:

- vision;
- persuasive speaking;
- dominant body language;
- good listener;
- trustworthy and esteemed;
- good organizer and commander.

Attitudes:

- strong sense of responsibility;
- strong self-confidence;
- strong ethical beliefs;
- ready to provide support;
- willingness for sacrifice;
- ready to challenge the rules

+ Individual's Experience

Charisma Can Carry the Day...

Charismatic leader is effective in appropriate environment.

Such conditions:

- high risk;
- high unpredictability;
- rapid changes;
- little institutionalization.

*"If you don't know where
you're going, you will wind
up someplace else."*
Yogi Berra

But what about the long-haul?

The dark side of the charisma

Over expression of charismatic skills: stigma.

Lack of other leadership skills: possible catastrophe for the followers.

*"The force is strong with
this one..."*
Darth Vader

Leadership style

Disillusionment follows...

- Lack of empirical evidence for the existence of a 'leadership trait profile' – Jury remains out on Charisma...
- Led to a new emphasis on studying leadership style - meaning what leaders actually do.
- In this approach, effectiveness of leaders is dependent on the exerted leadership style.

Whereas the trait approach focused on stable personal characteristics, which were usually thought to be largely innate, the style approach implied that leadership is a behavioural pattern, which can be learned.

"What do we mean when we say leadership?"
Tony Soprano

Leadership style

"Being responsible sometimes means pissing people off."

Gen. Colin Powell

Whereas the **trait** approach focused on stable personal characteristics,

- Usually thought to be inherent or innate,

The **style** approach implied that leadership is a behavioural pattern, which can be learned.

Situational or Contingency Leadership

Situational Leadership holds that the effectiveness of a given leadership style is contingent on the situation.

Implying that certain leadership behaviours will be effective in some situations but not in others.

Ponder an Army unit Lt. having a participatory management style – during a heated fire-fight a RETREAT order being considered in committee ... Sometimes decisive, clear and direct orders are necessary!

Transformational leadership

Transformational leadership:

- Emphasis is on visionary, creative, innovative people who are capable of getting others to share their dreams
- Down-playing self-interest and able to co-operate with others in reshaping the strategies and tactics of the organization.
- Add the qualities of the pursuit of high standards, taking calculated risks, challenging and changing the existing organizational structure,
- Even including the potential for the use of directive tendencies (when considered appropriate).

So What's Missing?

"If you choose not to decide, you still have made a choice."
Rush (song lyrics)

What separates GREAT leaders from mediocre leaders?

What causes us to **allow** ourselves to be led?

Why wouldn't we want to work for Tony Soprano – isn't he a great Leader?

The world According to Nucc...



What separates GREAT leaders:

Honour,

Integrity, and

Virtue...

"Outstanding leaders go out of their way to boost the self-esteem of their personnel. If people believe in themselves, it's amazing what they can accomplish."

Sam Walton

Never conditional, situational or negotiable

Conclusions

*"Distinguish between gain
and loss in worldly matters."
Miyamoto Musashi*

1. Charismatic skills are important for effective leadership.
2. Other leadership skills are important too, their lack can be catastrophic for the leader and the followers.
3. If there are innate charismatic skills they are likely to give "evolutionary advantage" to their holders.
4. But it's more about what we do - and how we do it!
5. True leadership requires Honour, Integrity and Virtue in ALL our actions, vision and pursuits.
