



BSB60915 - ADVANCED DIPLOMA OF MANAGEMENT (HUMAN RESOURCES)

Study Support materials for

BSBMGT605 - Provide Leadership Across the Organisation



STUDENT HANDOUT

This unit applies to senior managers who have a role in inspiring and motivating others to achieve organisational goals and to model professionalism in their organisation and industry. Leadership is seen in the context of the organisational mission. Business ethics are also addressed in this unit.

The unit may relate equally to leadership of a small to medium sized organisation or to a business unit or area in a large organisation.

ELEMENT	PERFORMANCE CRITERIA
1. Communicate organisational mission and goals	1.1. Clarify objectives, values and standards in accordance with organisation's strategic direction 1.2. Establish linkages between organisational objectives, values and standards and the responsibilities of relevant groups and individuals 1.3. Ensure media and language used is appropriate to individuals and group circumstances 1.4. State clear expectations of internal groups and individuals and explain in a manner which builds commitment to the organisation 1.5. Address expectations of the organisation 1.6. Investigate incidents promptly and communicate results clearly to relevant groups and individuals
2. Influence groups and individuals	2.1. Build trust, confidence and respect of diverse groups and individuals, through positive role modelling, and effective communication and consultation 2.2. Embrace, resource and effectively implement improvements to organisational and workplace culture 2.3. Demonstrate understanding of the global environment and new technology in work activities 2.4. Ensure actions convey flexibility and adaptability to change and accessibility 2.5. Ensure consultation and participation in decision making occurs with relevant groups and individuals where appropriate 2.6. Ensure decision making takes into account needs and expectations of both internal and external groups 2.7. Ensure decision making occurs in accordance with risk management plans for all options, and within appropriate timeframes 2.8. Ensure that the organisation is represented positively in the media and community
3. Build and support teams	3.1. Assign accountabilities and responsibilities to teams consistent with their competencies and operational plans 3.2. Ensure teams are resourced to allow them to achieve their objectives 3.3. Empower teams and individuals through effective delegation and support for their initiatives 3.4. Create and maintain a positive work environment 3.5. Encourage teams and individuals to develop innovative approaches to the performance of work
4. Demonstrate personal and professional competence	4.1. Model ethical conduct in all areas of work and encourage others to adopt business ethics 4.2. Adapt appropriate interpersonal and leadership styles to meet particular circumstances and situations 4.3. Set and achieve personal objectives and work program outcomes 4.4. Ensure self-performance and professional competence is continuously improved through engagement in a range of professional development activities 4.5. Participate regularly in industry/professional networks and groups



Leadership, an act or series of acts that moves people in a certain direction can no longer be displayed by a lone, heroic individual. Instead, we need to recognize that leadership can come from anyone who displays leadership as an occasional, discrete act of influence. Yes a leader must provide direction, but the person at the top isn't the only person who can provide it.

The ideal leader has vision, charisma, integrity, emotional intelligence, an inspiring delivery and sterling character. But if there are leaders who don't fit this image, then we cannot use our ideal to define leadership in general

Direction and Support: It's harder than you think

Providing direction is more than just issuing directives, says Ann Phillips, a senior consulting partner with The Ken Blanchard Companies.

"Leaders often believe they are providing direction when they tell people to 'Do this, and then do that, and be sure to get it done by this date,' but that is only part of providing direction—and probably the lowest form of the behavior."

The same is true when it comes to supportive behavior, says Phillips. "Managers feel as if they know what supportive behavior is and usually have their own ideas about what it looks like. But without instruction, most people default to behavior that consists mainly of encouragement.

"People are good at encouraging others with phrases such as, 'You can do it. We're glad you're here. We believe in you. Use your best judgment.' But they miss out on all of the other supportive behaviors that are just as important such as listening, sharing information, and facilitating self-directed problem solving."

"So folks are good at telling people what to do and then cheerleading them on to accomplish the task. And that is the one-two, 'I want you to do this, and I know you can handle it' combination that most people are getting in terms of direction and support from their managers. On the surface this may seem reasonable, but it is a style that only works well for direct reports who are already accomplished at the task. For people who are new to a task or are running into problems or are unsure of themselves, it's a style that actually hinders progress—and can be damaging to overall growth and development."

As Phillips explains, "A delegating style works great if you've got someone who is a Self-Reliant Achiever on a task, but if the direct report is at any of the other stages of development—Enthusiastic Beginner, Disillusioned Learner, or Capable, but Cautious, Performer—you're going to run into problems. Leaders have to provide the right levels of direction and support and it has to be more than 'Here's what I want you to do and I'm confident that you can handle it.'"

How to get started

For managers looking to increase their ability to offer direction and support for their people, Phillips has a couple of recommendations.

- **Recognize your own default settings.** A considerable 54% of managers use only one style when it comes to providing direction and support for their people—either Directing, Coaching, Supporting, or Delegating. Each of these styles is great if it is a match for what the direct report needs. Each is also a hindrance if it is the wrong style for the situation. What is your default style as a leader?
- **Expand your repertoire of directive behaviors and your willingness and ability to use them.** Become more skilful at goal setting and showing how. Learn about setting SMART goals—Specific and measurable, Motivating, Attainable, Relevant, and Trackable—and have current goals in place for each of your direct reports. Provide direction on how to do a task. It's not micromanaging if a person is a beginner and doesn't have experience.
- **Expand your repertoire of supportive behaviors and your willingness and ability to use them.** Improve your listening skills and share information to facilitate self-directed problem solving. Listen with the intent to learn, to be influenced, and to understand—not just respond. Share information. People recognize that information is power, yet many managers still try to maintain control by keeping information to themselves even though it undermines employee development.

Start today

The amount of direction and support people receive from their manager impacts the efficiency and quality of their work. Without it, people are left to their own devices, have to fake it until they make it, and learn primarily through trial and error.

Eventually people get there—but it comes with a cost, says Phillips. "It's one of the toughest types of issues to address because on the surface everyone's putting on a brave face and pretending that everything is okay. But if you scratch a little underneath you'll see the level of dissatisfaction that's costing organizations billions of dollars in untapped productivity, creativity, and innovation."

"Managers have the ability to bring out so much more from their people. Find out where your people are at with their tasks. What do they need from you in terms of direction and support? Improve your skills in both of these areas and see what a difference it makes."

Good leaders are made not born. If you have the desire and willpower, you can become an effective leader. Good leaders develop through a never ending process of self-study, education, training, and experience (Jago, 1982).

To inspire your workers into higher levels of teamwork, there are certain things you must **be**, **know**, and **do**. These do not come naturally, but are acquired through continual work and study. Good leaders are continually working and studying

Company managers have to learn how to manage people, too...

Managing a business or department is more than keeping an eye on costs, receipts and the bottom line. Managers today need human resource skills, particularly those working in small to medium-size companies without HR managers. Even some larger companies are cutting back on HR to give managers more ownership of people issues. That might see them providing coaching and guidance, undertaking performance appraisals and dealing with discipline and grievances. They might also often carry out tasks such as recruitment and selection or pastoral care. Legal and regulatory issues in the area of human resources administration such as industrial relations and workers compensation might have to be farmed out to more qualified people but the managers would still play some role.



Definitions of Leadership

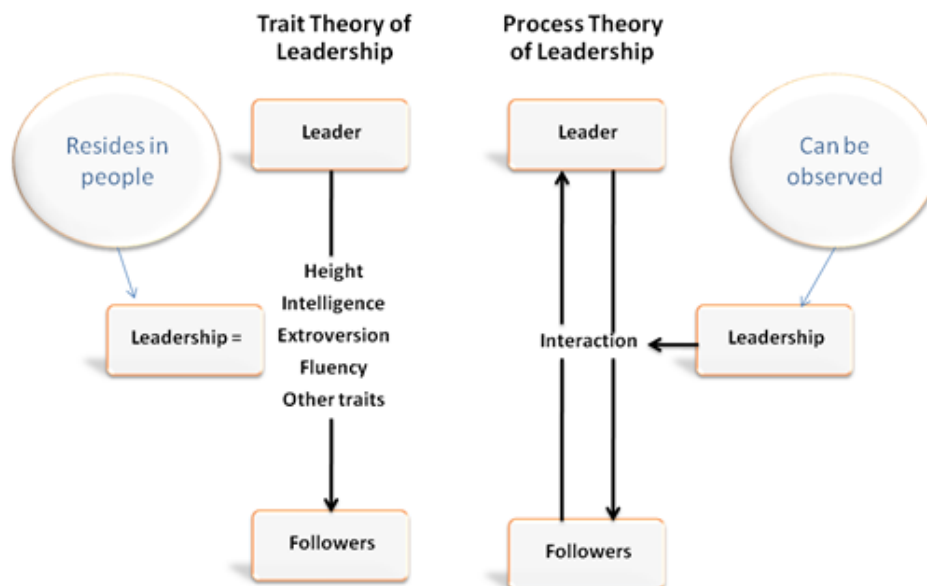
Leadership is a process by which a person influences others to accomplish an objective and directs the organization in a way that makes it more cohesive and coherent.

Another popular definition of Leadership is a process whereby an individual influences a group of individuals to achieve a common goal (Northouse's (2007, p3).

The U.S. military has studied leadership in depth. One of their definitions is a process by which a soldier influences others to accomplish a mission (U.S. Army, 1983).

Note that all three definitions have one process in common — a person influences others to get something accomplished

Leaders carry out this process by applying their leadership knowledge and skills. This is called *Process Leadership* (Jago, 1982). However, we know that we have traits that can influence our actions. This is called *Trait Leadership* (Jago, 1982), in that it was once common to believe that leaders were born rather than made. These two leadership types are shown in the chart below (Northouse, 2007, p5):



While leadership is learned, the skills and knowledge processed by the leader can be influenced by his or hers attributes or traits, such as [beliefs](#), [values](#), [ethics](#), and [character](#). Knowledge and skills contribute directly to the *process* of leadership, while the other attributes give the leader certain characteristics that make him or her unique.

Skills, knowledge, and attributes make the *Leader*, which is one of the:

Factors of Leadership

There are four primary factors of leadership (U.S. Army, 1983):

Factors of Leadership



Leader

You must have an honest understanding of who you are, what you know, and what you can do. Also, note that it is the followers, not the leader or someone else who determines if the leader is successful. If they do not trust or lack confidence in their leader, then they will be uninspired. To be successful you have to convince your followers, not yourself or your superiors, that you are worthy of being followed.

Followers

Different people require different styles of leadership. For example, a new hire requires more supervision than an experienced employee does. A person who lacks motivation requires a different approach than one with a high degree of motivation. You must know your people! The fundamental starting point is having a good understanding of human nature, such as needs, emotions, and motivation. You must come to know your employees' *be, know, and do* attributes.

Communication

You lead through two-way communication. Much of it is nonverbal. For instance, when you “set the example,” that communicates to your people that you would not ask them to perform anything that you would not be willing to do. What and how you communicate either builds or harms the relationship between you and your employees.

Situation

All situations are different. What you do in one situation will not always work in another. You must use your judgment to decide the best course of action and the leadership style needed for each situation. For example, you may need to confront an employee for inappropriate behavior, but if the confrontation is too late or too early, too harsh or too weak, then the results may prove ineffective.

Also note that the *situation* normally has a greater effect on a leader's action than his or her traits. This is because while traits may have an impressive stability over a period of time, they have little consistency across situations (Mischel, 1968). This is why a number of leadership scholars think the *Process Theory of Leadership* is a more accurate than the *Trait Theory of Leadership*.

Various forces will affect these four factors. Examples of forces are:

- your relationship with your seniors
- the skill of your followers

- the informal leaders within your organization
- how your organization is organized

Bass' Theory of Leadership

Bass' theory of leadership states that there are three basic ways to explain how people become leaders (Stogdill, 1989; Bass, 1990). The first two explain the leadership development for a small number of people, while the third one is the dominant theory today. These theories are:

- Some personality traits may lead people naturally into leadership roles. This is the Trait Theory.
- A crisis or important event may cause a person to rise to the occasion, which brings out extraordinary leadership qualities in an ordinary person. This is the Great Events Theory.
- People can choose to become leaders. People can learn leadership skills. This is the Transformational or Process Leadership Theory. It is the most widely accepted theory today and the premise on which this leadership guide is based.

Management versus Leadership

While management and leadership have a great deal in common, such as working with people and accomplishing the goals of the organization, they do differ in their primary functions (Kotter, 1990):

Management's main function is to produce order and consistency through processes, such as planning, budgeting, organizing, staffing, and problem solving.

While **leadership's** main function is to produce movement and constructive or adaptive change through processes, such as establishing direction through visioning, aligning people, motivating, and inspiring.



Boss or Leader?

Although your position as a manager, supervisor, lead, etc. gives you the authority to accomplish certain tasks and objectives in the organization (called *Assigned Leadership*), this *power* does not make you a leader, it simply makes you a *boss*. Leadership differs in that it makes the followers *want* to achieve high goals (called *Emergent Leadership*), rather than simply ordering people around (Rowe, 2007). Thus you get *Assigned Leadership* by your position and you display *Emergent Leadership* by influencing people to do great things.

Total Leadership

What makes a person want to follow a leader? People want to be guided by leaders they respect and who have a clear sense of direction. To gain respect, they must be ethical. A sense of direction is achieved by conveying a strong vision of the future.

When people are deciding if they respect you as a leader, they do not think about your attributes, rather, they observe what you *do* so that they can know who you really *are*. They use this observation to tell if you are an honorable and trusted leader or a self-serving person who misuses authority to look good and get promoted.

On the other hand, self-serving leaders are not as effective because their employees only obey them, not follow them. They succeed in many areas because they present a good image to their seniors at the expense of their workers.

Good leadership is honorable character and selfless service to your organization. In your employees' eyes, your leadership is everything you do that effects the organization's objectives and their well-being.

The Two Most Important Keys to Effective Leadership

According to a study by the Hay Group, a global management consultancy, there are 75 key components of employee satisfaction (Lamb, McKee, 2004). They found that:

- Trust and confidence in top leadership was the single most reliable predictor of employee satisfaction in an organization.
- Effective communication by leadership in three critical areas was the key to winning organizational trust and confidence:
 1. Helping employees understand the company's overall business strategy.
 2. Helping employees understand how they contribute to achieving key business objectives.
 3. Sharing information with employees on both how the company is doing and how an employee's own division is doing.

So in a nutshell — you must be **trustworthy** and you have to be able to **communicate a vision** of where the organization needs to go.

Principles of Leadership

To help you *be*, *know*, and *do*, follow these principles of leadership (U.S. Army, 1983).

1. **Know yourself and seek self-improvement** - In order to know yourself, you have to understand your; *be*, *know*, and *do*, attributes. Seeking self-improvement means continually strengthening your attributes. This can be accomplished through self-study, formal classes, reflection, and interacting with others.
2. **Be technically proficient** - As a leader, you must know your job and have a solid familiarity with your employees' tasks.
3. **Seek responsibility and take responsibility for your actions** - Search for ways to guide your organization to new heights. And when things go wrong, as they often tend to do sooner or later — do not blame others. Analyse the situation, take corrective action, and move on to the next challenge.
4. **Make sound and timely decisions** - Use good problem solving, decision making, and planning tools.
5. **Set the example** - Be a good role model for your employees. They must not only hear what they are expected to do, but also see. *We must become the change we want to see* - Mahatma Gandhi
6. **Know your people and look out for their well-being** - Know human nature and the importance of sincerely caring for your workers.
7. **Keep your workers informed** - Know how to communicate with not only them, but also seniors and other key people.
8. **Develop a sense of responsibility in your workers** - Help to develop good character traits that will help them carry out their professional responsibilities.
9. **Ensure that tasks are understood, supervised, and accomplished** - Communication is the key to this responsibility.
10. **Train as a team** - Although many so called leaders call their organization, department, section, etc. a team; they are not really teams... they are just a group of people doing their jobs.
11. **Use the full capabilities of your organization** - By developing a team spirit, you will be able to employ your organization, department, section, etc. to its fullest capabilities.

Attributes of Leadership: **BE, KNOW, and DO**

- Respected leaders concentrate on Be, Know, and Do (U.S. Army, 1983):
- what they *are* [**be**] (such as beliefs and character)
- what they **know** (such as job, tasks, and human nature)
- what they **do** (such as implementing, motivating, and providing direction)

BE a professional. Examples: Be loyal to the organization, perform selfless service, take personal responsibility.

BE a professional who possess good character traits. Examples: honesty, competence, candor, commitment, integrity, courage, straightforwardness, imagination.

KNOW the four factors of leadership — follower, leader, communication, situation.

KNOW yourself. Examples: strengths and weakness of your character, knowledge, and skills.

KNOW human nature. Examples: Human needs, emotions, and how people respond to stress.

KNOW your job. Examples: be proficient and be able to train others in their tasks.

KNOW your organization. Examples: where to go for help, its climate and culture, who the unofficial leaders are.

DO provide direction. Examples: goal setting, problem solving, decision making, planning.

DO implement. Examples: communicating, coordinating, supervising, evaluating.

DO motivate. Examples: develop morale and *esprit de corps* in the organization, train, coach, counsel.

Environment

Every organization has a particular work environment, which dictates to a considerable degree how its leaders respond to problems and opportunities. This is brought about by its heritage of past leaders and its present leaders.

Goals, Values, and Concepts

Leaders exert influence on the environment via three types of actions:

1. The goals and performance standards they establish.
2. The values they establish for the organization.
3. The business and people concepts they establish.

Successful organizations have leaders who set high standards and goals across the entire spectrum, such as strategies, market leadership, plans, meetings and presentations, productivity, quality, and reliability.

Values reflect the concern the organization has for its employees, customers, investors, vendors, and surrounding community. These values define the manner in how business will be conducted.

Concepts define what products or services the organization will offer and the methods and processes for conducting business.

These goals, values, and concepts make up the organization's *personality* or how the organization is observed by both outsiders and insiders. This personality defines the roles, relationships, rewards, and rites that take place.

Roles and Relationships

Roles are the positions that are defined by a set of expectations about behavior of any job incumbent. Each role has a set of tasks and responsibilities that may or may not be spelled out. Roles have a powerful effect on behavior for several reasons, to include money being paid for the performance of the role, there is prestige attached to a role, and a sense of accomplishment or challenge.

Relationships are determined by a role's tasks. While some tasks are performed alone, most are carried out in relationship with others. The tasks will determine who the role-holder is required to interact with, how often, and towards what end. Normally the greater the interaction, the greater the liking. This in turn leads to more frequent interactions. In human behavior, it's hard to like someone whom we have no contact with, and we tend to seek out those we like. People tend to do what they are rewarded for, and friendship is a powerful reward. Many tasks and behaviors that are associated with a role are brought about by these relationships. That is, new task and behaviors are expected of the present role-holder because a strong relationship was developed in the past, either by that role-holder or a prior role-holder.

Culture and Climate

There are two distinct forces that dictate how to act within an organization: **culture** and **climate**.

Each organization has its own distinctive culture. It is a combination of the founders, past leadership, current leadership, crises, events, history, and size (Newstrom, Davis, 1993). This results in *rites*: the routines, rituals, and the “way we do things.” These rites impact individual behavior on what it takes to be in good standing (the norm) and directs the appropriate behavior for each circumstance.

The climate is the feel of the organization, the individual and shared perceptions and attitudes of the organization's members (Ivancevich, Konopaske, Matteson, 2007). While the culture is the deeply rooted nature of the organization that is a result of long-held formal and informal systems, rules, traditions, and customs; climate is a short-term phenomenon created by the current leadership. Climate represents the beliefs about the “feel of the organization” by its members. This individual perception of the “feel of the organization” comes from what the people believe about the activities that occur in the organization. These activities influence both individual and team motivation and satisfaction, such as:

- How well does the leader clarify the priorities and goals of the organization? What is expected of us?
- What is the system of recognition, rewards, and punishments in the organization?
- How competent are the leaders?
- Are leaders free to make decisions?
- What will happen if I make a mistake?

Organizational climate is directly related to the leadership and management style of the leader, based on the values, attributes, skills, and actions, as well as the priorities of the leader. Compare this to “ethical climate” — the feel of the organization about the activities that have ethical content or those aspects of the work environment that constitute ethical behavior. The ethical climate is the feel about whether we do things right; or the feel of whether we behave the way we ought to behave. The behavior (character) of the leader is the most important factor that influences the climate.

On the other hand, culture is a long-term, complex phenomenon. Culture represents the shared expectations and self-image of the organization. The mature values that create tradition or the “way we do things here.” Things are done differently in every organization. The collective vision and common folklore that define the institution are a reflection of culture. Individual leaders cannot easily create or change culture because culture is a part of the organization. Culture influences the characteristics of the climate by its effect on the actions and thought processes of the leader. But, everything you do as a leader will affect the climate of the organization.

The Process of Great Leadership

The road to great leadership (Kouzes & Posner, 1987) that is common to successful leaders:

- **Challenge the process** - First, find a process that you believe needs to be improved the most.
- **Inspire a shared vision** - Next, share your vision in words that can be understood by your followers.
- **Enable others to act** - Give them the tools and methods to solve the problem.
- **Model the way** - When the process gets tough, get your hands dirty. A boss tells others what to do; a leader shows that it can be done.
- **Encourage the heart** - Share the glory with your followers' hearts, while keeping the pains within your own.

<http://www.nwlink.com/~donclark/leader/leadcon.html>



Leaders at all levels

Because of the changes taking place in the environment that organisations operate in, leaders are found at all levels of the organisation, not just the top. Often, they don't have a formal title or position power to support them but rely on their personal power.

1. Executive leaders – the top-level managers who mentor line leaders, steward cultural change and manage the strategic aspects of an organisation.
2. Internal networkers – people with no formal authority who move inside the organisation to spread new ideas and practices and generate commitment.
3. Local Line Leaders – such as business unit managers and team leaders, who introduce and implement new ideas.

The 21st Century Leader

The world is changing in far-reaching ways and leadership and management are changing with it. As the developed world moves from the industrial economy to the service and knowledge economies and organisations evolve in response the old-fashioned leadership roles of controller, commander, dictator, ruler, decision-maker and judge are becoming increasingly ineffective. In factories, strict rules and regulations, and rewards based on simple-productivity measures, work.

Service and knowledge workers don't respond to such strictness and inflexibility. Leadership is no longer about dominance, authority and power, but about influence and persuasiveness. It is about communicating principles, not setting rules. It is about being a guide, not a teller. It is about bringing out the best in people and in their performance. It is about responding quickly and appropriately to change and helping others do the same.

Today, most organisations and followers expect managers to be participative and democratic, to empower, coach, motivate and support people. As a 21st century manager, you need to know how to create a sense of purpose, lead the way by example, and introduce and manage change sensitively. You need to know how to innovate and maintain unwavering customer focus. You need to inspire loyalty, dedication and commitment, build teams, resolve conflicts, and act as a mentor, enabler and inspirer.

Useful websites:

<http://education.qld.gov.au/health/pdfs/healthsafety/investigation-guideline.pdf>

https://www.comcare.gov.au/promoting/roles_and_responsibilities/middle_managers/Legislative_obligations

<http://www.yourtrainingedge.com/measuring-leadership-effectiveness-2/>