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The business school that thinks and lives in the future
The expression “leading by example” conjures up many ideas, be they in a business context or in realms such as the sporting world or even personal life. It translates an image of an individual heading a business, team or family unit in so inspiring a way that those “beneath” want to produce or deliver that little something extra in the image of the person they look up to.

This is a somewhat traditional view of leadership from a relational perspective as the leader is not so much transmitting any tools, skills or knowledge as simply being followed. There is no notion of giving responsibility to others. Although for a long time considered an inspirational approach to leadership, this model is to some extent passive.

It is for this reason, amongst others, that in the business world leading by example is no longer viewed as the sole or even ideal approach to getting the best out of one’s subordinates. Empowering team members by delegating responsibility has become viewed as the way to go. Then on the flipside, there is the passive, laissez-faire approach.

One of the main offshoots of empowering leadership is that it removes some of the aura that surrounds the leader. Whilst the hierarchical chain is not actually broken, team members start to feel that they have more worth and importance to the firm by being given responsibility rather than being enslaved by a rigid, top-down structure where the boss always has the final word.

The passive, laissez-faire approach to leadership has the reverse effect. It creates distance as the leader is more dismissive of team members’ needs, avoids confronting problems, keeps interaction to a strict minimum and shirks their responsibilities as a leader. Worst-case scenario, there is a total absence of leadership, meaning that team members are left sidelined.

On the surface, there would appear to be a yawning chasm between the empowering leader and the laissez-faire alternative, especially in terms of the creativity, performance, cohesion...
and satisfaction that they can expect to elicit from their team. Not necessarily so. What the above assumptions fail to take into account is that team members do not have uniform needs and expectations of their leaders and that, by virtue of having differing perceptions of “effective leadership”, they respond in different ways to the empowering or laissez-faire leader. All of a sudden the chasm becomes a narrower gap.

Needs and expectations
Assuming that empowering leadership will always be a resounding success and the laissez-faire approach a business disaster overlooks an important fact – those being led are humans and not only have different requirements of their leader but also respond well to different forms of leadership. Some workers need and want to be overseen regularly, request more frequent meetings to go over projects in progress and may even appreciate the odd metaphorical kick up the backside from the boss.

Others are happier working in near-total autonomy, needing the boss’ intervention on a needs-only basis. These are just two potential worker profiles but already in these two instances what they need and expect from their hierarchical superior is vastly different, something that the ideal leader should be aware of.

To return to the empowering/laissez-faire distinction, the leader who empowers by delegating responsibility could be viewed in markedly differing ways; as one who entrusts team members with authority or, alternatively, as one who is shirking responsibility by passing it off onto others. This polarised opinion underlines the importance of the perception of the leader to the way in which he or she manages individuals.

In research circles this phenomenon is known as Implicit Leadership Theory. This school of thought reverses the leader-follower dynamic in the sense that effective leadership is defined by what the followers expect from their leader and therefore by what style of leadership the followers feel empowered.

This is light years away from the “leading by example” scenario as the team member becomes far more central to the process and leaders have to sit up and take notice of what is expected of them, rather than just leading in their own style regardless of each team member’s needs.

Challenging the hierarchy
To put this theory to the test, a recent study was carried out focusing on front-line workers and their immediate superiors in a Norwegian manufacturing firm. The study sought to establish the front-line workers’ expectations of empowerment and their perceptions of laissez-faire leadership as well as leadership effectiveness. Their managers were invited to perform a self-assessment of their empowering behaviours as leaders.

Of the findings to have emerged through a survey and quantitative empirical testing, perhaps the most important was the direct impact that workers’ implicit view of leadership...
It is estimated that the most effective managers spend about 50 per cent of a typical working week doing precisely that with their subordinates. They are listening to their needs and expectations and adjusting their approach on a case-by-case basis so that each team member feels empowered, but not via a blanket approach applied arbitrarily to all. This is easier said than done but it is fair to say that the generally flatter hierarchical structures in firms nowadays offer more conducive conditions for regular interaction between managers and workers.

From a theoretical perspective, investigations continue as to the impact of differing leadership styles not only on individuals but also on entire organisations. Also for consideration are other approaches to leadership, such as transformational and transactional management styles.

Another fascinating area currently under the microscope is the potential trickle-down effect of good and bad leadership styles. Is the tough, unbending senior executive likely to bring out the same kind of behaviour in his or her line manager or will the latter react against this style and seek to empower the front-line workers beneath? In our increasingly connected, technology-driven world where work-life balance is assuming ever more importance, there is every opportunity for leaders to create working conditions and adopt leadership styles suited for all.

The journey may be a long one but one thing is for sure – adopting a one-size-fits-all managerial approach may not so much rally the troops as see team members going absent without leave.


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Considerations
So where does this leave executives and line managers? Responsibility remains theirs so it would be jumping the gun to suggest that decision-making in the business world is in the process of becoming a bottom-up process. However, what managers at all levels need to do more than ever before is communicate, communicate and communicate.

...the implications are major for leaders, who are to a degree at the mercy of their subordinates in terms of managerial reputation.