# Effective Leadership

## Theory, Cases, and Applications

Ronald H. Humphrey

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**First, I dedicate this book to all the scholars who have done research on leadership.** It has been my great pleasure to read your articles. Without your contributions this book would not have been possible. I truly believe that your work is exciting—leadership is one of the most thrilling topics that we can possibly study. It has all the drama of life—the struggle for success, self-esteem, and recognition; the need for social relationships, friendships, and even love; and finally the need for meaning and purpose in life. Your research reveals the importance of all of these needs to leadership. When describing your research, I have tried to use a writing style that will capture the imaginations of our students and let them see how exciting your work on leadership really is. I hope that I have done your great work justice.

**Second, I dedicate this book to all the inspiring leaders that I have profiled in this book.** During the time that I was writing this book, I was going through an unusually difficult time in my own life. Many of the people that I love most, including my family and friends, began to suffer many of the tragedies that afflict humanity: accidents requiring hospitalization and long-term therapy; chronic, long-lasting illnesses; and even death. Naturally these tragedies weighed down my spirits and made it hard for me to write the optimistic and cheerful book that I envisioned. During this difficult time, something helped me recover my optimistic attitude: your biographies and life stories. I read about how you overcame your own problems, difficulties, and crisis situations and went on to achieve amazing personal and financial success. Moreover, you achieved this success while creating innovative products and services that benefited customers, while providing great jobs for employees, and while donating generously to charities. Your careers have inspired me, and I hope that I have managed to capture the inspiring nature of your life stories within the pages of this book.

**Third, I dedicate this book to the students and other readers of this book.** I hope that the leadership cases inspire you to success in your own life. We all go through difficulties in life, and I hope that whenever you go through your own troubles that you remember the inspiring examples in this book and persevere to your own success. And I hope you realize that leadership can be fun as well. The leaders in this book have lived life on their own terms, and they have been true to themselves while having a great time being leaders. The true life stories in this book are also backed up by solid academic research done by thousands of scholars. Millions of people have participated in the studies done by these researchers. So you can have confidence that you are getting not just an inspiring message but also a scientifically valid one. You are the future leaders of the world, and I hope this book helps you in your quest for personal happiness and financial well-being.

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# Detailed Contents

# Preface

**Why I Wrote This Book**: Many inventors or entrepreneurs come up with their inventions or start their businesses because none of the existing products meet their needs. In the same way, my frustration with the existing textbooks inspired me to write this textbook. Many of the comprehensive leadership textbooks in the market are in their sixth or seventh editions, and some had their first editions published well over a quarter of a century ago. Although these books have been updated, their basic approach still reflects the leadership viewpoints that predominated at the time of their first edition. The world has changed a lot in the last quarter century, and businesses and nonprofit organizations alike have changed with it. Modern organizations have had to become more flexible and adaptable, and better educated employees now want more than a just a paycheck from their jobs.

I entered the field during the transition between the newer and the older approaches, so I was educated in the older leadership models and I've even done some research on these more traditional approaches. Many of the findings from these older studies still hold up. So I wanted a book that covered the traditional models, but that also included the newer approaches. A number of new leadership theories and philosophies have emerged in the last 25 years that reflect the changes in leadership that have taken place in the world. I have been actively involved in researching and developing these new approaches, so it is important to me to use a textbook that is up to date and that includes these newer leadership models. For example, I began researching the value of emotions to the workplace when few other management faculty were investigating emotions. I attended the first conference on Emotions in the Workplace in 1998. At that time, it was a small conference, but the network that was formed then has since gained official recognition by the Academy of Management (which hosts its website) and now has 1,300 faculty members around the world. I was also one of the founding members of the Network of Leadership Scholars, and this network has brought me into contact with researchers doing innovative research in a wide variety of areas. Many of these researchers have become my friends and colleagues, and I wanted to use a book that included the great work that they are doing. I was also one of the early management researchers in the area of identity theory, and I've been happy to see so many other faculty move into this area. In addition, I've been an active participant in the authentic leadership caucuses at the Academy of Management, and I am currently researching authentic leadership. Much of my early work focused on perceptual biases that caused managers to underestimate the abilities of lower-level employees, so my leadership philosophy also matches the *leadership at every level*, self-leadership, and shared leadership approaches.

I also wanted a book with cases that profiled great leaders who could serve as role models. Some of the textbooks were almost all theory and research and did not use in-depth cases. Others used short, fictionalized, unrealistic-sounding leadership cases that seemed tailored to exactly match some theory. Why use fictionalized cases when there

are so many fascinating leaders around? It seems to me that if you can't find a real leader whose life experiences match the theory then it's probably a pretty poor theory! There were a few leadership books with exciting leadership cases, but these lacked the current theory and research to back up their leader profiles. So this is why I wrote a book that covers the traditional leadership theories and the exciting research that is being done right now, and one that has inspiring real-life leadership cases.

**Appropriate Classes for This Book**: Every year I teach a graduate leadership course targeted to students across the university from a wide variety of academic disciplines. These students come from a variety of applied disciplines, such as education, nursing and health care administration, social work, sports leadership, public administration, engineering, information systems, accounting, finance, and human resources. The students also come from academic areas such as psychology, sociology, and other liberal arts. In addition, I teach leadership courses for MBA students. My own research also has an interdisciplinary focus, and I have published with faculty from at least five different academic areas. Thus, I am aware of the leadership issues that are relevant to a wide range of disciplines, and I have made sure that the *Effective Leadership* textbook includes research that has been done in these different areas. I have also profiled leaders from a wide range of occupations and industries. As a result, *Effective Leadership* is appropriate for classes in various schools and disciplines.

**Appropriate Level**: Although I used the draft chapters of *Effective Leadership* in my graduate leadership classes, I have written the textbook in a clear and readable style that should be equally accessible to both undergraduates and graduate students. Many of the reviewers for the textbook teach undergraduate leadership classes, and they felt that the book's engaging writing style would work with undergraduates. The free online course pack that is on the textbook website also helps professors tailor the rigor of the course. Instructors can add to the class rigor by assigning articles from the course pack. Some of the articles are qualitative studies that include interesting quotes from leaders, and undergraduates might find these articles interesting. Other articles may have more of an appeal to graduate students. The low cost and concise nature of *Effective Leadership* also leaves room for instructors to assign their favorite readings without unduly burdening students with excessive reading or expenses. However, most professors will probably find that the material in each chapter is more than enough to keep the discussion going for the entire class time and that assigning extra readings is not necessary. In these cases, students may find the articles in the online course pack useful when doing research for term papers or class presentations.

# Textbook Features

**Companion Website: To access additional online learning tools go to [www.sagepub.com/humphreyel](www.sagepub.com/humphreyel)**

On the **Instructor Teaching Site** you will find the following resources:

- A **Microsoft® Word® test bank**, is available containing multiple choice, true/false, and essay questions for each chapter. The test bank provides you with a diverse range of pre-written options as well as the opportunity for editing any question and/or inserting your own personalized questions to effectively assess students' progress and understanding.
- A **Respondus electronic test bank**, is available and can be used on PCs. The test bank contains multiple choice, true/false, and essay questions for each chapter and provides you with a diverse range of pre-written options as well as the opportunity for editing any question and/or inserting your own personalized questions to effectively assess students' progress and understanding. Respondus is also compatible with many popular learning management systems so you can easily get your test questions into your online course.
- Editable, chapter-specific **Microsoft® PowerPoint® slides** offer you complete flexibility in easily creating a multimedia presentation for your course. Highlight essential content, features, and artwork from the book.
- **Learning Objectives** are provided to guide instructors and students in a chapter by chapter listing of takeaway learning goals.
- **The Leader's Bookcase**: *A Free Online Course Pack.* Every chapter includes a free article that can be downloaded from the textbook website. Students can read these articles on their own to learn more about the topics covered in each chapter, or faculty can assign these articles to supplement the textbook.
- And more!

The **Student Study Site** is open access and provides students with the following study tools:

- **Self-Assessments**: Each chapter also includes online self-assessments so that students can learn more about their own leadership styles. After taking the online assessments, students can also read tips about how to improve their performance as a leader.
- **Web resources**: *Videos of leaders* describing their leadership techniques are included for every chapter.
- And more!

**Chapter Features**: Every chapter includes the following features:

> **Chapter Road Map**: Each chapter begins with a listing of the major headings in the chapter. This gives students a quick overview of the chapter. The introduction

to each chapter also lists several key questions that will be answered by reading the chapter.

**Real Leadership Cases**: Although some leadership books use fictional cases, *Effective Leadership* uses 100% real leadership cases about actual leaders and organizations. Each chapter features three or four cases that demonstrate leadership principles while also showing the excitement, passion, and power of leadership. Most of these cases feature inspiring leaders who have become successful while also contributing to society. A few cases, however, demonstrate what happens when leaders abuse their power or make strategic mistakes.

**Personal Reflections**: This conversationally written feature encourages students to reflect on their own experiences as they relate to the course material.

**Applications**: There are application questions scattered throughout each chapter. These questions are useful for stimulating classroom discussion and for getting students to apply the material to their own lives.

**Put It in Practice**: This feature summarizes the material learned in each chapter in a way that highlights the practical implications of the material.

**Exercises**: Each chapter ends with two or more exercises that can be done in class to engage students and to create an active learning environment.

**Extended Coverage of Key Leadership Theories**: In the last 20 years, perhaps more research has been done on transformational leadership theory than on any other leadership theory. Another leadership theory, leader-member exchange theory, has also been extensively researched. Before these theories became prominent, the older Ohio State model of leadership was also widely studied. Because of their prominence, these three theories are described in Chapter 1. The research on personality traits, teams, etc., often uses leadership scales from these three theories to measure leadership, so the research on these models is covered throughout the book. Many leadership textbooks use a single chapter to cover charismatic, transactional, and transformational leadership. Transformational leaders often use charismatic appeals, and there is a separate chapter on charisma. Moreover, the leadership techniques that transactional leaders use are substantially different from those used by transformational leaders. Transactional leaders use goal setting and contingent rewards to motivate followers, and these tactics are covered in Chapter 14. In contrast, transformational leaders rely more on inspiration to motivate followers, and these types of motivational techniques are covered in Chapter 15, the capstone chapter for the book. By having separate chapters on charisma, transactional leadership, and transformational leadership, this book can go into more depth on these leadership styles. Leader-member exchange theory also has its own chapter instead of sharing a chapter with several other theories. Likewise, the Ohio State model predominates in the chapter on the behavioral approach to leadership.

**Coverage of New and Emerging Leadership Models**: This book also covers the latest models of leadership. There are chapters on identity theory, authentic leadership and servant leadership, self-leadership, empowerment, shared/distributed leadership, and on the importance of affect to leadership. This book gives considerable attention to the importance of affect, so the research on affect and leadership is covered

throughout the book. Many of the newer leadership models emphasize how leadership occurs at every level of the organization, and this perspective also runs throughout the *Effective Leadership* textbook.

**Ethics and Social Responsibility**: There are numerous examples throughout the book that show the importance of ethics and social responsibility to leadership. The book covers abusive leadership, fraud, and other unethical and illegal behaviors. On the positive side, this book also profiles leaders who develop environmentally friendly corporate policies, feed the hungry, risk their lives to help the sick or injured, improve worker safety, hire the disabled, mentor teenagers and support foster homes, help employees cope with personal problems, support education, and contribute generously to charity. The chapter on authentic leadership and servant leadership in particular shows the importance of ethics to leadership, but social responsibility is a theme that resonates throughout the book.

**Global Research and Leadership**: I have copublished with researchers located in universities in seven countries, so I am aware of the excellent research on leadership being done in countries besides the United States of America. Thus, this book has a very strong focus on leadership around the world. Every chapter features research that was done in a variety of countries. In addition, Chapters 1, 5, 11, 12, and 15 cover large scale cross-cultural research on leadership. Moreover, the leaders profiled in the book come from a wide range of countries and demographic backgrounds.

**Women and Leadership**: When I first started teaching management, few MBA students were women. However, times have changed, and leadership textbooks need to change with the times. In my interdisciplinary leadership classes, over half the students are female, and in my management classes, almost half are female as well. In order to provide role models for these students, I have included 15 outstanding female leader profiles in *Effective Leadership.* Chapter 5 covers women in leadership by reporting on a study of male and female leaders around the globe. In addition, the opening and closing cases for the chapter demonstrate that women can use a variety of leadership styles, including those stereotypically portrayed as more typical of men. Moreover, the coverage of women leaders is not restricted to a single chapter. Indeed, the textbook opens and closes with case studies of outstanding female leaders.

**Featured Research Articles**: Each chapter features several research articles that are covered in depth. This lets students appreciate how leadership research is conducted. This also helps students understand the value of an *evidence-based approach* to leadership. Although many popular leadership books are based on the author's own opinions, *Effective Leadership* draws upon the scientific method and literally thousands of studies to evaluate which leadership approaches really work. By reading about these featured research studies, students can judge for themselves how strong the evidence is for any particular theory or approach.

**An Interdisciplinary Approach**: This book reports on the leadership research that has been done in the applied professions such as management, health care, education,

social work, public administration, sports leadership, and military leadership, as well as the research done in core academic areas such as psychology, social psychology, sociology, history, political science, and other disciplines. The case studies also profile leaders from a similar range of occupations and professions. The book not only features a large number of entrepreneurial leaders and corporate leaders but also leaders from nonprofits and governmental agencies.

**Thanks to the Reviewers**: *Effective Leadership* has gone through several rounds of reviews, and at each stage it has benefited from excellent feedback from the reviewers. There is definitely a learning curve when it comes to writing a textbook. At each round of reviews, the reviewers helped point me in the right direction with regard to writing style and textbook features. I wanted to make *Effective Leadership* a concise and affordable book, and that meant I had to make some tough choices about what to include and what to leave out. The reviewers provided invaluable advice in this regard, and I've done my best to include the theories and features that they wanted. My thanks go to these reviewers who have given generously of their time while providing me with feedback:

manuscript and corrected all of my mistakes—thanks for making me look good. The art department also did a beautiful job with the cover and the layout of the book does a wonderful job of displaying the various features in each chapter.

# Part I Introduction

# 1 Introduction: Leaders Matter

# Chapter Road Map

**Case**: *Ursula Burns—Xerox's Inspiring Leader*

**What Is Leadership?**

**Leadership as Power and Influence**

**Leaders as Representatives and Problem Solvers**

**Leadership and Power Differences Around the Globe**

**Levels of Leadership**

**Check Your Egos at the Door: Leader Development Occurs at Every Level**

**Leader Development and Mentors**

**Some Specific Types of Leaders**

**What Do We Want From Leaders? Genuine Concern**

**Leaders Matter**

**Case**: *Spotlight on Sustainable Practices*

**Personal Reflections**: *It's Easy to Become a Leader!*

**Values, Ethics, and Corporate Social Responsibility**

**Evidence-Based Leadership**

**The Best of Every Theory**

**Case**: *Jib Ellison (Environmentalist) and Lee Scott (Former CEO, Wal-Mart)*:

*Sustainability Saves Money and the Environment*

**Put It in Practice**

**Exercises: (1) Perceptions of Leaders and (2) Leaders as Role Models**

# Case: *Ursula Burns—Xerox's Inspiring Leader*

Few CEO's have a more inspiring life story than Ursula Burns. In July of 2009, she was named CEO of Xerox—the first African American woman to be CEO of such a large Fortune 500 company. She rose to an even higher rank when she added the Xerox chairwoman duties to her CEO role on May 20, 2010. But she didn't start at the top, and she wasn't born with a silver spoon in her mouth. Her mother was of Irish and German American heritage, and her father was African American. Ursula was raised by her single mother in a New York City housing project. Although she grew up in a tough neighborhood, her mother inspired her to be a success. Ursula recalls her mother frequently stating, "Where you are is not who you are" (Bryant, 2010). Her mother also taught her two important lessons: the first about being a good person and the second about being successful. Her mother taught her that she needed to give back to the world more than she received from it. In terms of success, her mother encouraged her to be curious, to get a good education, and to not see herself as a victim.

Ursula Burns, Chairwoman and CEO of Xerox



Source: Wikipedia/U.S. Government Printing Office, 2004

Ursula followed her mother's advice about education by earning degrees in engineering from Polytechnic Institute of New York University and from Columbia University. And it was Ursula's curiosity and forthright speaking manner that attracted the attention of her first mentor at Xerox, Wayland Hicks, a corporate vice president who made her his executive assistant and protégé. Later, her curiosity and willingness to ask tough questions favorably impressed the president of Xerox at that time, Mr. Allaire. President Allaire had declared during his monthly executive meetings that Xerox would stop hiring people, yet Burns noticed that Xerox kept hiring a thousand people a month. She boldly asked him why Xerox was still hiring more people. President Allaire rewarded her honesty by making her his own executive assistant. Ursula Burns credits both Hicks and Allaire with teaching her leadership skills. Together, they taught her about the need to communicate diplomatically with others and to give credit to others as a way of motivating them. As their executive assistant, she could learn by example from watching them lead Xerox.

During the 1990s, Ursula was assigned to lead important projects and she supervised teams in two of Xerox's high growth areas: faxes and office network printing. In 1999, she became vice president of Xerox's global manufacturing. Then, Xerox went through some turbulent times with accounting scandals, falling stock prices, and even rumors of impending bankruptcy. Burns thought about leaving, but she felt an obligation to help Xerox survive. Fortunately, Xerox soon thereafter made Anne Mulcahy CEO, and she and Ursula developed a true partnership in their efforts to transform Xerox. Ursula was given rapid promotions and was placed in charge of important initiatives, and for the next several years, Anne and Ursula worked together before Anne passed the CEO job (and then the chairwoman title) on to Ursula.

Ursula has continued to be recognized for her outstanding leadership, and in March 2011, she was

recognized by *Working Mother Magazine* as one of the Most Powerful Moms in STEM (Science, Technology, Engineering, and Math). Truly, she's an inspiration for us all.

**Applications**: Ursula's mother taught her to be both a good person and to be successful. Can being a good person who wants to give back to others help one succeed? Ursula was good at establishing mentorship relations early in her career. How important is it to have mentors who can teach you leadership skills? What are the best ways to establish a mentorship relationship with senior leaders? Are there any leaders you can learn from?

*Sources*: NPR Staff. (2012, May 23). *Xerox CEO: 'If you don't transform, you're stuck'*. Retrieved from http://www.npr.org/2012/05/23/153302563/xerox-ceo-if-you-don-t-transform-you-re-stuck

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As the preceding case illustrates, Ursula Burns developed her leadership skills throughout her life. She was particularly good at establishing protégé-mentorship relationships with her superiors. She also illustrates some of the best qualities of leaders. In particular, she is forthright in her communications, which allows her to establish good ties with others and to influence them as well. As the definition of leadership below illustrates, the ability to influence others is one of the key attributes of leadership. She also represents Xerox's corporate values by believing in the value of education and innovation, and her dedication to helping Xerox survive during tough times shows her commitment to the organization. As we'll see from the following definitions, leaders also help their group, organization, or society fulfill their mission. This chapter will also discuss some of the following key questions:

- What are the common ways to define leadership?
- How do cultures around the world rate on power distance and assertiveness, and how does this influence leadership?
- At what levels does leadership take place?
- Why do the top companies value leadership at every level? What is the difference between leader development and leadership development?
- Why do leaders matter to organizations even when taking into account environmental factors?