УО «Алматы Менеджмент Университет»

i-START

«Инновационное предпринимательство: перезагрузка 3.0»

Сборник материалов
ежегодной научно-практической
конференции студентов и магистрантов
14 апреля 2017

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Management and marketing: new challenges and opportunities

THEORIES OF LEADERSHIP AND MOTIVATION:
INTERDEPENDENCE AND SIGNIFICANCE

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Management as a science about managing employees started developing in Commonwealth of Independent States countries much later than in European countries and USA. Managing always was in all human relations and core moments of management are known from ancient, but scientific substantiation and systematization of management appeared only in the beginning of XX century. One of core and important areas is motivation as an interest in achieving goals in work. There are many theories of motivation, practical managers are trying to share their experience, giving "gold advices" to their followers, but this fact is more motivating to study this area more deeply. Motivation problem is interdisciplinary: sociologists, psychologists, economists and managers are writing and studying it.

With all the interest in this issue there are no single-valued answer to this question because it is determined by human essence and individuality. As a personality the process of motivation is a personal nature and thing that could motivate one employee to work – could demotivate the other.

Good motivation of a staff – is a key factor to the success of a company and forming a cohesive team, an opportunity to avoid tension and injustice. In this factor and others are professional sides of a leader. Good professional has to use not only his experience, but works of scientists too with an experience of talented managers of the past. This article will focus on the link between leadership and motivation. The history of the theory of leadership is presented, and then the connection between leadership and motivation, as it relates to dominant theories of leadership. The basic theories of motivation are presented in the context of leadership.

Leadership is not a new concept in organizational theory. While many leadership theories have developed and converged in the XX century, most business professionals and scientists take into consideration leadership as the most important individual skill for employees that are strive to help your organization goals succeed and to helping their own careers evolve. Part of the leadership construct is the ability to motivate constituents, whether subordinates, peers or other staff member of the working group. The best leaders know how to intrinsically motivate and inspire their employees using various methods.

Over the past two centuries, many leadership theories have been developed and are considered valid during their time. However, in most cases, each new theory was generally short-lived, with a new one quickly after. There is a logical development of leadership theories that have come together to create transformational leadership.

In the 1920s, Frederick Taylor played an important role in applying the much needed management model based on performance indicators, after the huge industrial boom triggered by the industrial revolution. No longer were organizations small, and work outside the home through the owners of small shops or agricultural farmers. Instead, the birth and rapid expansion of large factories changed the face of the workplace. Wren [2005] stated: "The Industrial Revolution had provided the impetus; Taylor provided the synthesis" [1; page 274.]. Taylor was the first to disclose the importance of employee productivity by studying the movements and habits of production workers. He was the first to functionally separate the "manager" of the "working", essentially classifying an employee as one who does the work, and the manager as someone who makes decisions.

At the same time simple, but formal theories of leadership began to develop. These theories were simplified without scientific research and empirical evidence. The predominant theory of leadership that existed in the era of scientific management was the Theory of the Great Man, developed by Thomas Carlyle [1841-1907]. Dorfman's study [quoted by Tirmizi, 2002] states: "According to this theory, a leader was a person gifted by heredity with unique qualities that differentiated him from his followers" [2; p. 270]. This was the first theory that laid the foundation for several subsequent theories based on signs that developed decades later and which are often referred to as Feature Theory or Feature Theory. At the same time, along with the theory of the Great Human Carlisle, the practice of leadership was formed in factories and production lines, as well as in the work of F. Taylor. Taylor's work in these areas was very authoritarian. According to Rost [cited in Harrison, 1999]: "From 1900 to 1930, leadership definitions focused on control and centralization of power." Taylor's work clearly had an impact not only on the development of management, but also on the methods of leadership.

When new leaders appeared, scientists realized that there are some nonconformities in Great Man Theory. The reality was that there were many respected leaders who were very different from each other, which cast doubt on the validity of Carlisle's statement. Also, Taylor's work with management theory also demonstrated some inconsistencies. Obviously, something was missing, treating the worker as an "instrument" for work, and the inefficiency of the theory is probably due to the lack of in-depth studies and empirical data. This led to the next era of leadership theory, which was mainly focused on relationships and behavior.

Mary Parker Follet was one of the first people to introduce elements of psychology theory into the workplace, and viewed leadership from a group and organizational perspective. These views subsequently developed into the fields often referred to as Organizational Behavior and Human Relations, of which leadership is a critical component. This period in time is often referred to as the Behavioral Era in leadership theory development [Van Seters & Field, 1990].

Early behavioral theories began with studies conducted at the University of Ohio and the University of Michigan. The focus of these theories was what effective leaders do, not what they are. For the first time in the history of leadership theory, they have become multidimensional. Johnes and Moser [1989] said: "The University of Michigan leadership studies under the direction of Likert and the Ohio State leadership studies under the direction of Stodgill and Shartle were antithetical to the trait or single-continuum approach" [3; p. 116]. Leadership theories now include both the elements of the task and the relationship.

Behavioral theory subsequently agreed to the continuation of the development of management principles. One example is the control grid Blake and Mouton, which is built on the grounds of anti-initiating structure, and another example is the development of McGregor Theory X and Y [Van Seters et al., 1990]. Since then, the development of leadership theories became gradually develop.

Where support for research in the past has been negligible, this era was full of scientific research and empirical data on leadership. As a result, theories became more applicable than ever, and the researchers felt that they had made tremendous progress towards a definitive definition of leadership. In their studies, Johns and Moser [1989] stated: "Empirical research began to challenge personal trait and one-dimensional views of leadership. Empirical studies suggested that leadership is a dynamic process varying from situation to situation with changes in leaders, followers, and situations." [3; p.116] Scientific research has finally entered the development of the theory of leadership.

The pace of development of management and the evolution of new management theories greatly accelerated since the 60s to the present, and the available knowledge and information for the continuation of the management and control numerous studies. Wren [2005] stated, "It is not possible to examine the full extent of modern management writings, for they are too diverse and too extensive for any in-depth analysis" [1; p. 395]. During this time, the evolution of theories of leadership as recording and research results were at a record high, as more and more scientists have decided to finally define the concept of leadership.

Scholars continued to discover that trait and behavior theories were not enough, and that there was still something missing. They discovered that leaders who went beyond modeling their behavior after previous leaders by adjusting how they act to situations became more effective. This led to two theories that are commonly used in organizations today: the Situation and Contingency theories. Fielder's concept of Situational Favorability was based on influencing others [Maslanka, 2004]. The Hersey-Blanchard situational model continued building on previous task-relationship models, and added the element of the readiness of the follower. This was a significant development, because it meant that leadership might be more about the relationship between the manager and subordinate, and less about the leader himself, including his or her traits or behavior. The idea of leadership being a function of the relationship was expanded upon by House and Mitchell's path-goal theory [Maslanka, 2004]. Leadership theories had evolved from being based on the individual, to being based on the relationship between the leader and the follower.

Leadership theories began to appear around the concept that two are necessary for tango. Theories now go beyond relationships and include groups and teams. From the normative model of Vroom and Yetton, the idea came that the environment also plays a critical role for an effective leader, believing the value of the need for acceptance and/or quality within the organization. In addition, scientists began to understand that theories begin to converge. Leadership theories in the emergency phase included elements of past suffering, such as behavior, personality, influence and situation [Van Seters et al., 1990]. For example, Wren [2005] points out that Max Weber's charisma theory from the era of scientific management returned to the theory of leadership, remaining inactive for many years. Studies and empirical evidence have become as reliable and credible as possible, but scientists have still claimed that something is missing. Theories were not well integrated, and they were difficult to apply in practice [Van Seters et al., 1990]. In other words, although the studies and data were reliable, the theories could not be effectively used.

This led to the development of the last two theories of leadership, transactional and transformational leadership. Kinicki and Williams [2003] define transactional leadership as "focusing on clarifying employees' roles and task requirements and providing rewards and punishments contingent on performance" [4; p. 464]. Despite the effective agreement, transaction management has not received support from subscribers. Transformational leadership has solved this dilemma. Kinicki and Williams [2003] defined transformational leadership as something that "transforms employees to pursue organizational goals over self-interests" [4; p.465]. Tirmizi [2002] expressed the opinion: "Transformational leadership is defined in terms of the leader's effect on followers. They feel trust, admiration, loyalty, and respect toward the leader and they are motivated to do more than they originally expected to do" [2; p. 270]. Today, most scientists agree that the most effective style of leadership is the combination of elements of both transactional and transformational leadership. Antonakis and House [4; p.465] examined this issue and concluded that a combination of these two styles of leadership with an emphasis on the transformation component is the best way for leaders to motivate their employees. The consequence of this is that a good leader must adapt to the necessary style of leadership for different situations and tasks. These two theories of leadership have finally closed the cycle of research and effectiveness. They are confirmed on the basis of extensive research and are also effectively used in the workplace.

The evolution of leadership theories clearly shows the convergence of ideas over two centuries with the basic theories of the day. The first convergence of ideas appeared in the 1970s with theories in the event of unforeseen circumstances. Theories combine new ideas with elements of past theories that were rejected as invalid or inapplicable. These theories contained elements of the theory of the Great Man and Confession, behavioral theories, the influence of theories and situational theories [Van Seters et al., 1990], but autonomous theories remained. The second major convergence of theories was associated with transactional and transformational theories of leadership. These theories not only contained elements of past theories, but were well integrated and could easily be applied to modern

organizations. Wren [2005] stated, " Leadership theories cycled from traits through contingency notions and back to leader styles and leader-member relations in transformational, charismatic, transactional, and leader-member exchange theories" [1; p. 454]. In addition to these points of convergence, theories have progressed from being based on the individual, to dyad of manager and subordinate, to the group, and finally to the organization.

Today's theory of leadership has become complex and specialized. With the development of transformational leadership, other basic theories appeared. Some examples include Level 5 leadership [Collins, 2001], leadership in best practice [Kouzes & Posner, 2003], leadership in service [Joseph & Winston, 2005], contingent leadership [Manning, 2013]. Transformative leadership is described by Caldwell et al. [2012] as an ethical approach that seeks to benefit all stakeholders with a sustainable creation of wealth as a goal.

With the historical evolution of leadership in the future, one can begin to understand the relationship between motivation and leadership. In a known article by Harvard Business Review, Cotter [2001] outlined the differences between leadership and management. In this article, Cotter suggested that leadership is associated with change, and management is complex. Cotter explained that leaders define areas, while managers plan and budget; Managers align people, and managers organize and recruit staff, and managers motivate people, and managers control and solve problems. The article was based on an ongoing discussion on this topic since its appearance by Abraham Zheleznik in 1977 [Cotter, 2001]. In this article, Kotter referred to the argument, stating: " the theoreticians of scientific management, with their organizational diagrams and time-and-motion studies, were missing half the picture-the half filled with inspiration, vision, and the full spectrum of human drives and desires." And the study of leadership was not the same. Since in this perspective, motivation is undoubtedly an important part of management design.

Another example of how motivation and leadership are related can be seen in how the leadership of transformation is determined. Bass [1999] spoke about the importance of the leader-follower relationship in the context of transformational leadership. Bass said: "Transformational leadership refers to the leader moving the follower beyond the immediate self-interest through idealized influence (charisma), inspiration, intellectual stimulation, or individualized consideration. It elevates the follower's level of maturity and ideals as well as concerns for achievement, self-actualization, and the well-being of others, the organization, and society" [5; p.11]. Self-actualization and The welfare of others, the organization and society." In addition, Bass [1999] argues that these four factors will cause followers to want to identify themselves with this direction. In other words, a leader who embraces and practices these elements of leadership, Will help motivate their employees to achieve common organizational goals.

The third link between leadership and motivation can be observed in the five best leadership practices presented by Kouzes and Pozner [2003]. Kouzes and Posner [2003] said: "As we looked deeper into the dynamic process of leadership, through case analysis and survey questionnaires, we uncovered five practices common to personal-best leadership experiences" [6; p.73]. These five practice model the way, inspire a common vision, challenge the process, allow others to act, and encourage the heart. The authors argued that, following these practices, employees can be motivated by nature to be committed to the goals and objectives of the organization. These five behaviors are directly related to employee motivation, especially with regard to inspiration, promotion and empowerment.

Looking at these examples of modern leadership theory, one can see how motivation is related to leadership and how motivation is one of the most important aspects within the modern theory of leadership. With this reference now established, a closer look of what motivation, and how the leader can include motivational methods in the workplace can be discussed.

Organizational practice often focuses on ensuring that managers and managers effectively motivate their employees. Kinicki and Kreitner [2006] defined motivation as "those of psychological processes that caused the arousal, direction, and persistence of voluntary actions that are goal directed" [7; p. 149]. The effectiveness of the employee is directly related to the extent to which he is motivated to achieve his goals. Skills are often not enough to enable the worker to achieve high productivity in his work. Thus, work managers motivate their employees to such an extent that they can achieve high productivity due to their current skills and constraints. Motivation can be viewed from three perspectives: needs, process and reinforcement [Lussier, 2005]. The theories of motivational needs are crucial to the effectiveness of their leadership. It is in the context of demand theories that the principles of leadership application described in the first section can be applied. The process and the reinforcing theories of motivation are better viewed from the point of view of management, and not from the point of view of leadership. The following sections provide an overview of the most well-known theories of motivation needs.

The most widely known motivational theory preached by modern organizational practitioners is the Maslow hierarchy of the theory of needs. Tutt [1989] noted that human behavior is still based on instinct and that people tend to meet their institutional needs. The theory suggests that their needs are divided into five categories in the hierarchy-which, one needs to satisfy the lowest level of needs before meeting the higher level needs. These levels, from the lowest to the highest, are physiological needs, security needs, social needs, assessment needs and the need for self-actualization [Lussier, 2005]. Many assume that excellent leaders understand where their employee needs fall into this hierarchy, and as such can satisfy them appropriately.

The second widely used theory of needs was developed by David McClelland [Kinicki et al., 2006]. McClelland suggested that individuals have three needs: the need for achievements, the need for power and the need for belonging. He suggested that each person is different in relation to his needs, and also in order to adequately motivate someone, a leader must have a clear understanding of his employees' needs for these three areas. For example, someone with high membership needs may be well suited to the position of human resources, while a person with a high need for

success can be well suited to the position of sales. Understanding each employee as a unique person can help a manager or manager determine the best position and best job for a particular employee.

Leadership and motivation are directly related to the work of employees. Leadership theories have evolved since the late 1800s, and today's modern leadership theories include motivation as a important part of their design. The dominant leadership theories such as Bass's transformational leadership, Collins's 5th level leadership, and Kouzes and Posner's leading leadership practices are built on the concept that effective leaders need to know how to motivate their employees. Theories of motivation can be divided into needs, process and behavioral reinforcement. Leadership largely depends on understanding the needs of motivation theories, such as Maslow's hierarchy of needs, the McClelland needs theory, and Herzberg's theory of hygiene of job satisfaction. A leader can be the most effective way to understand the needs of his employees, which will lead to optimizing the overall performance of the constituent parts of these leaders, as well as the organization.

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