CHAPTER 2

Leadership Traits and Ethics

Chapter Outline

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   B. Personality Profiles
   C. Leadership Trait Universality

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   C. Adjustment
   D. Conscientiousness
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III. THE PERSONALITY PROFILE OF EFFECTIVE LEADERS

   A. Achievement Motivation Theory
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IV. LEADERSHIP ATTITUDES

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V. ETHICAL LEADERSHIP

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   D. Guides to Ethical Behavior

New To This Edition

- The chapter has been updated and 92 percent of the references are new to this edition.
- The opening case is still DuPont, but it has been re-written and updated with new references.
- The first major section has been re-titled "Personality Traits and Leadership Trait Universality" and re-organized to better focus on Learning Outcome 1 "Explain the universality of traits of effective leaders." The number 2 head "Applying Trait Theory" has been replaced with "Leadership Trait Universality," and the discussion of "We can Improve" and "Derailed Leadership Traits" level 3 heads have been moved to the "Personality Profile" section.
- The introduction to the Ethical Leadership section has been re-written with all new references.
- The section Does Ethical Behavior Pay has been re-written with all new references.
- There is a new subsection Why Do Good People Do Bad Things?
- The subsection on The Situation has been expanded to include the Bad Apple bad Barrel concept and include more situations in which unethical behavior may occur.
- In the Guides to Ethical Behavior section, subsection discussing codes of ethics and discernment and getting advice have been added.
- There is a new Work Application 2-4 to apply how people justify unethical behavior at work.
- The section Being an Ethical Leader has been deleted to shorten the chapter a bit.
- The end of chapter case is new—TOMS

Lecture Outline

PowerPoint: You may use the PowerPoint supplement to enhance your lectures. Even if your classroom is not equipped to use PowerPoint, you can review the material on your personal computer to get teaching ideas and to copy the slides. Copies of the slides can be made into overheads. **(Chapter Title on Slide 2-1 and LOs on Slide 2-2)**

I.   PERSONALITY TRAITS AND LEADERSHIP TRAIT UNIVERSALITY

> **Self-Assessment 2-1**
> Big Five Personality Profile
> If you want students to complete the Self-Assessment exercises throughout the book, you may want to tell students and spend a little time talking about them.

A. Personality and Traits

1. Personality and Traits are Different but Related (Slide 2-3)

Traits are distinguishing personal characteristics.

Personality is a combination of traits that classifies an individual's behavior.

Personality develops based on genetics and environmental factors.

2. Why Understanding Personality Is Important

Understanding people's personalities is important because personality affects behavior as well as perceptions and attitudes.

Understanding personalities helps us to explain and predict others' behavior and job performance.

B. Personality Profiles (Slide 2-4)

Personality profiles identify individual stronger and weaker traits.

> **WORK APPLICATION 2-1**
> Based on your personality profile, identify which dimensions are stronger, moderate, and weaker.

1. **Job Performance**

    Many organizations give personality tests to ensure a proper match between worker and job.

    Personality profiles are used to categorize people as a means of predicting job success, and high conscientiousness is a good predictor of job performance, whereas people who are unstable tend to have poor job performance.

    People who are high in openness to experience tend to lead innovation to improve organizational performance.

2. **The Big Five Correlates with Leadership** (Slide 2-5)

    People high in surgency are perceived as leaderlike—they work hard, and they bring about change. They are not too concerned about being well-liked and trying to please everyone, and they are stable or not overly emotional.

    > **Learning Outcome (LO) 2-1. Explain the universality of traits of effective leaders.**
    > Traits are universal in the sense that there are certain traits that most effective leaders have. However, traits are not universal in the sense that there is no one list of traits clearly accepted by all researchers, and not all effective leaders have all the traits.

3. **Derailed Leadership Traits** (Slide 2-6 and Exhibit 2.1 is on Slide 2-7)

    From Exhibit 2.1, the six major reasons why executives are derailed are:
    a. They used a bullying style viewed as intimidating, insensitive, and abrasive.
    b. They were viewed as being cold, aloof, and arrogant.
    c. They betrayed personal trust.
    d. They were self-centered and viewed as overly ambitious and thinking of the next job.
    e. They had specific performance problems with the business.
    f. They over-managed and were unable to delegate or build a team.

    > **WORK APPLICATION 2-2**
    > Select a present or past manager, and state whether he or she has any of the six traits of derailment. Give specific examples of weaknesses.

4. **We can Improve** (No Slide)

    As stated, we can change our behavior to be more effective. The key to success is to assess our personality strength and weaknesses and plan how to change our behavior to improve our relationships and leadership skills.

C. **Leadership Trait Universality** (Slide 2-8)

    Yes there are common traits that effective leaders tend to have. However, there is no universally accepted list because there are always exceptions to the traits. So we don't need to have all the traits to be successful leaders.

II. The Big Five Including Traits of Effective Leaders

> **LO 2-2. Describe the Big Five personality dimensions.**
> The *surgency* personality dimension includes leadership and extraversion traits. The *agreeableness* personality dimension includes traits related to getting along with people. The *adjustment* personality dimension includes traits related to emotional stability. The *conscientiousness* personality dimension includes traits related to achievement. The *openness-to-experience* personality dimension includes traits related to being willing to change and try new things.

The Big Five Model of Personality *categorizes traits into the dimensions of surgency, agreeableness, adjustment, conscientiousness, and openness to experience.* (Slide 2-9, also holds Exhibit 2.2)

A. **Surgency** (Slide 2-10)

    The **surgency personality dimension** *includes dominance, extraversion, and high energy with determination.*

> **LO 2-3. Discuss why the trait of dominance is so important for managers to have.**
> Because the dominance trait is based on the desire to be a leader, this trait affects the other traits in a positive or negative way based on that desire.

1. **Dominance**. Successful leaders assert themselves and want to be managers and to take charge. The dominance trait affects all other traits related to effective leaders.

2. **Extraversion**. It is on a continuum between extravert and introvert.

3. **High energy with determination.** Leaders tend to have high energy with a positive drive to work hard to achieve goals.

WORK APPLICATION 2-3

Select a present or past manager and assess his or her surgency traits of effective leaders. Give an example of the manager's strong or weak dominance, extroversion, and energy/determination in a typical specific situation.

B.   Agreeableness (Slide 2-11)

The agreeableness personality dimension includes traits of sociability and emotional intelligence.

1. **Sociability/Sensitivity**. Sociable people have an inclination to seek out enjoyable social relationships. *Sensitivity* refers to understanding group members as individuals.

2. **Emotional Intelligence.** An offshoot of IQ is EQ (emotional quotient—EQ or emotional intelligence—EI). EI is the ability to work well with people. There are four components of EQ:
   - *Self-awareness* relates to being conscious of your emotions and how they affect your personal and professional life.
   - *Social awareness* relates to the ability to understand others.
   - *Self-management* relates to the ability to control disruptive emotions, ours and others.
   - *Relationship management* relates to the ability to work well with others, which is dependent on the other three EI components. **(Slide 2-12, and Slide 2-13 holds Discussion Question)**

WORK APPLICATION 2-4

Using the same manager from Work Application 3, assess his or her agreeableness traits of effective leaders. Give an example of the manager's strong or weak sociability/sensitivity and emotional intelligence in a typical specific situation

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C.   Adjustment (Slide 2-14)

The adjustment personality dimension includes traits of emotional stability and self-confidence.

1. **Emotional stability/self-control and narcissism**. Adjustment is on a continuum between being emotionally stable (in control of our emotions) to unstable (out of control).

   Narcissist are preoccupied with themselves, ignoring the needs of others, have an exaggerated sense of their own self-importance, and tend to make bad decisions.

2. **Self-confidence**. It is on a continuum from strong to weak, indicating whether we are self-assured in our judgments, decision making, ideas, and capabilities.

WORK APPLICATION 2-5

Using the same manager from WA 3, assess his/her emotional adjustment traits of effective leaders. Give an example of the manager's strong or weak emotional stability and narcissism and self-confidence in a typical specific situation.

D. Conscientiousness (Slide 2-15)

The conscientiousness personality dimension includes traits of dependability and integrity.

1. **Dependability**. It is on a continuum between responsible/dependable to irresponsible/undependable. Highly dependable people get the job done and are characterized as loyal and committed.

2. **Integrity**. It is on a continuum between being honest and ethical or not. Integrity is the foundation for trustworthiness.

   We discuss ethics in more detail in the last section of this chapter.

> **WORK APPLICATION 2-6**
> Using the same manager from Work Application 3, assess his or her conscientiousness traits of effective leaders. Give an example of the manager's strong or weak dependability and integrity in a typical specific situation.

> **YOU MAKE THE ETHICAL CALL 2.1**
> Downsizing and Part-Time Workers
> Answers will vary based on opinion.

E. **Openness** (Slide 2-16)

   The **openness-to-experience personality dimension** *includes traits of flexibility, intelligence, and internal locus of control.*

   1. **Flexibility.** It refers to the ability to adjust to different situations and change. Flexible people are generally more creative and innovative—willing to try new thing and change.

   2. **Intelligence**. It refers to cognitive ability to think critically, to solve problems, and to make decisions. It is also referred to as general mental ability intelligence quotient (IQ).

      IQ, EQ, and I got a clue. It has been said that to be successful a high IQ is important. We also need strong interpersonal skills, or a high EQ (leading). Plus, we have to have a clue of what we are trying to accomplish (objectives) and how we will get the job done (planning, organizing, and controlling).

      Can you think of any people who are intelligent, but lack people skills or don't seem to have a clue on what to do or how to get things done?

   3. **Locus of control**. It is on a continuum between the belief in who has control of our performance. *Internalizers* believe they have control over their destiny/performance and *externalizers* don't.

> **WORK APPLICATION 2-7**
> Using the same manager from Work Application 3, assess his or her openness to experience traits of effective leaders. Give an example of the manager's strong or weak flexibility, intelligence, and locus of control in a typical specific situation.

> **WORK APPLICATION 2-8**
> How can you improve your leadership skills by understanding your manager's (and other peoples') personality profile?

> **CONCEPT APPLICATION 2-1**
> Big Five Personality Dimensions
> Answers to the Concept Application questions are at the end of lecture outline.

> **CONCEPT APPLICATION 2-2**
> Personality Traits of Effective Leaders
> Answers to the Concept Application questions are at the end of lecture outline.

III. THE PERSONALITY PROFILE OF EFFECTIVE LEADERS (Slide 2-17)

Effective leaders have specific personality traits. McClelland's trait theories of Achievement Motivation Theory and Leader Motive Profile Theory have strong research support and a great deal of relevance to the practice of leadership.

Note: You may want to spend time going over Exhibit 2.3 (Slide 27) *because it puts together the Big Five Model of Personality, the nine traits of effective leaders, and Achievement Motivation Theory and LMP.*

A.   Achievement Motivation Theory (Slide 2-18)

> **LO 2-5. State how the Achievement Motivation Theory and the Leader Motive Profile are related and different.**
> Achievement Motivation and Leader Motive Profile theories are related because both are based on the need for achievement, power, and affiliation. They are different because the Achievement Motivation Theory is a general motive profile for explaining and predicting behavior and performance, while the LMP is the one profile that specifically explains and predicts leadership success.

Achievement Motivation Theory *attempts to explain and predict behavior and performance based on a person's need for achievement, power, and affiliation.*

   1.   The Need for Achievement (n Ach) (Slide 2-19)

   The *need for achievement* is the concern for excellence in accomplishments through individual efforts. High n Ach is categorized as the Big Five dimension of *conscientiousness*.
   People with high n Ach tend to be characterized as wanting to take personal responsibility for solving problems; are goal oriented; seek challenge; take moderate risk; desire concrete feedback and work hard.

   2.   The Need for Power (n Pow) (Slide 2-20)

   The *need for power* is the concern for influencing others and seeking positions of authority. High n Pow is categorized as the Big Five dimension of *surgency*.
   People with high n Pow want to control the situation; want influence or control over others; enjoy competition in which they can win; are willing to confront others and seek positions of authority/status.

   3.   The Need for Affiliation (n Aff) (Slide 2-21)

   The *need for affiliation* is the concern for developing, maintaining, and restoring close personal relationships. High n Aff is categorized as the Big Five dimension of *agreeableness*.
   People with strong n Aff have the trait of sociability/sensitivity and often high EI. They seek close relationships, want to be liked by others, enjoy social activities and join groups/organizations. They tend to avoid management.

> **CONCEPT APPLICATION 2-3**
> Achievement Motivation Theory
> Answers to the Concept Application questions are at the end of lecture outline.

   4.   Your Motive Profile

   Complete Self-Assessment 2 to determine your motive profile.

> ^^
> **Self-Assessment 2- 2**
> Motive Profile
> If you want students to complete the Self-Assessment exercises throughout the book, you may want to tell students and spend a little time talking about them.

> **WORK APPLICATION 2-9**
> Explain how your need for achievement, power, and/or affiliation has affected your behavior and performance, or that of someone you work with or have worked with. Give an example of the behavior and performance, and list your predicted motive need.

B.   Leader Motive Profile Theory (Slide 2-22, Slide 2-23 contains an illustration of LMP)

Leader Motive Profile Theory *attempts to explain and predict leadership success based on a person's need for achievement, power, and affiliation.*

*The **Leader Motive Profile (LMP)** includes a high need for power, which is socialized; that is, greater than the need for affiliation with a moderate need for achievement.* The achievement score is usually between the power and affiliation score.

1. **Power** (Slide 2-24)

    Power is essential to leaders as it is a means of influencing followers. Without power, there is no leadership. To be successful, leaders need to want be in charge and enjoy the leadership role.

2. **Socialized Power**

    Power can be either good or bad. It can be used for personal gain at the expense of others (personalized power), or it can be used to help oneself and others (socialized power).
    Effective leaders use socialized power, which includes the traits of sensitivity to others and stability, and is the Big Five *adjustment* dimension.

    > **Self-Assessment 2-3**
    > Motive Profile with Socialized Power
    > If you want students to complete the Self-Assessment exercises throughout the book, you may want to tell students and spend a little time talking about them.

3. **Achievement** (Slide 2-25)

    To be effective, leaders generally need to have a moderate need for achievement. They have high energy, self-confident, and openness-to-experience traits, and they are *conscientiousness* (Big Five dimension).

4. **Affiliation** (Slide 2-26, Slide 2-27 contains Exhibit 2.3)

    Effective leaders have a lower need for affiliation than power, so that relationships don't get in the way of influencing followers.

    > **WORK APPLICATION 2-10**
    > Make an intelligent guess about your present or past manager's motive profile. Is it an LMP? Explain.

    > **Self-Assessment 2-4**
    > Leadership Interest
    > If you want students to complete the Self-Assessment exercises throughout the book, you may want to tell students and spend a little time talking about them.

IV. LEADERSHIP ATTITUDES (Slide 2-28)

Attitudes *are positive or negative feelings about people, things, and issues.* Successful leaders have positive, optimistic attitudes.

A. **Theory X and Theory Y** (Slide 2-29)

    > **LO 2-6. Identify similarities and differences among Theory X and Theory Y, the Pygmalion effect, and self-concept.**
    > The concept of Theory X and Theory Y is similar to the Pygmalion effect, because both theories focus on the leader's attitude about the followers. The Pygmalion effect extends Theory X and Theory Y attitudes by including the leader's expectations and how he or she treats the followers, using this information to explain and predict followers' behavior and performance. In contrast, Theory X and Theory Y focus on the leader's behavior and performance. Both approaches are different from self-concept because they examine the leader's attitudes about others, whereas self-concept relates to the leader's attitude about him- or herself. Self-concept is also different because it focuses on how the leader's attitude about him- or herself affects his or her behavior and performance.

Theory X and Theory Y attempt to explain and predict leadership behavior and performance based on the leader's attitude about followers.

People with Theory X attitudes hold that employees dislike work and must be closely supervised in order to do their work. Theory Y attitudes hold that employees like to work and do not need to be closely supervised in order to do their work.

Managers with Theory X attitudes tend to have a negative, pessimistic view of employees and display more coercive, autocratic leadership styles using external means of controls, such as threats and punishment. Managers with Theory Y attitudes tend to have a positive, optimistic view of employees and display more participative leadership styles using internal motivation and rewards. **(Slide 2-30)**

> **Self-Assessment 2-5**
> Theory X and Theory Y Attitudes
> If you want students to complete the Self-Assessment exercises throughout the book, you may want to tell students and spend a little time talking about them.

B. The Pygmalion Effect **(Slide 2-31 with a Discussion Question on Slide 2-32)**

The Pygmalion effect proposes that leaders' attitudes toward and expectations of followers, and their treatment of them, explain and predict followers' behavior and performance.

> **WORK APPLICATION 2-11**
> Give an example of when a person (parent, friend, teacher, coach, manager) really expected you either to perform well or to fail, and treated you like you would, which resulted in your success or failure.

C. Self-Concept **(Slide 2-33)**

Self-concept *refers to the positive or negative attitudes people have about themselves.* If you have a positive view of yourself as being a capable person, you will tend to have the positive self-confidence trait. A related concept, s*elf-efficacy,* is the belief in your own capability to perform in a specific situation, which is based on your self-concept and self-confidence.

1. Developing a More Positive Attitude and Self-Concept **(Slide 2-34)**

The text lists 11 ideas to help you change your attitudes and develop a more positive self-concept:

> **WORK APPLICATION 2-12**
> Recall a present or past manager. Using Exhibit 2.4, which combinations of attitudes best describe your manager's leadership style? Give examples of the manager's behavior that illustrates his or her attitudes.

D. How Attitudes Develop Leadership Styles **(Slide 2-35 holds Exhibit 2.4)**

> **LO 2-7. Describe how attitudes are used to develop four leadership styles.**
> The leader's attitude about others includes Theory Y (positive) and Theory X (negative) attitudes. The leader's attitude about him- or herself includes a positive self-concept or a negative self-concept. Combinations of these variables are used to identify four leadership styles: Theory Y positive self-concept, Theory Y negative self-concept, Theory X positive self-concept, and Theory X negative self-concept.

Combining attitudes with the Leader Motive Profile (LMP), an effective leader tends to have Theory Y attitudes with a positive self-concept.

Note: You may want to discuss Exhibit 2.4 (presented below) to understand how attitudes toward self and others affect leadership styles.

	Theory Y Attitudes	**Theory X Attitudes**
Positive self-concept	The leader typically gives and accepts positive feedback, expects others to succeed, and uses a participative leadership style.	The leader typically is bossy, pushy, and impatient; does much criticizing with little praising; and uses an autocratic leadership style.
Negative self-concept	The leader typically is afraid to make decisions, is unassertive, and is self-blaming when things go wrong.	The leader typically blames others when things go wrong, is pessimistic about resolving personal or organizational problems, and promotes a feeling of hopelessness among followers.

V. ETHICAL LEADERSHIP (Slide 2-36)

Self-Assessment 2-6

How Ethical Is Your Behavior?

If you want students to complete the Self-Assessment exercises throughout the book, you may want to tell students and spend a little time talking about them.

Ethics *are the standards of right and wrong that influence behavior.*

Right behavior is considered ethical, and wrong behavior is considered unethical. Business ethics and ethics codes guide and constrain everyday business conduct.

A. Does Ethical Behavior Pay? (Slide 2-37)

Generally, the answer is yes. Research studies have reported a positive relationship between ethical behavior and performance.

B. Factors Influencing Ethical Behavior (Slide 2-39 holds an illustration of the three factors)

1. Why Do Good People Do Bad Things? (Slide 2-38)

Most people aren't simply good or bad. Just about everyone has the capacity to be dishonest. One percent of people will always be honest, one percent will always be dishonest, and 98 percent will be unethical at times, but just a little. We respond to "incentives" and can usually be manipulated to behave ethically or unethically; if you find the right incentives. Unethical behavior tends to start small and accelerates.

2. Personality Traits and Attitudes (Slide 2-40)

Our ethical behavior is related to our individual needs and personality traits.

> **LO 2-8. Compare the three levels of moral development.**
> At the lowest level of moral development, pre-conventional, behavior is motivated by self-interest, seeking rewards, and avoiding punishment. At the second level, conventional, behavior is motivated by meeting the group's expectations to fit in by copying others' behavior. At the highest level, post-conventional, behavior is motivated to do the right thing, at the risk of alienating the group. The higher the level of moral development, the more ethical is the behavior.

3. Moral Development (Slide 2-41, Slide 2-42 holds Exhibit 2.5)

Moral development refers to understanding right from wrong and choosing to do the right thing. There are three levels of personal moral development.

At the first level, preconventional, you choose right and wrong behavior based on your self-interest and the consequences (reward and punishment).

At the second level, conventional, you seek to live up to the expectations of others.

At the third level, post-conventional, behavior is motivated by universal principles of right and wrong, regardless of the expectations of the leader or group.

WORK APPLICATION 2-13
Give an organizational example of behavior at each of the three levels of moral development.

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4. **The Situation** (Slide 2-43)

   Highly competitive and unsupervised situations increase the odds of unethical behavior.

5. **Integration**

   Personality traits and attitudes and moral development interact with the situation to determine if a person will use ethical or unethical behavior.

C. **How People Justify Unethical Behavior** (Slide 2-44 and Slide 2-45 holds Discussion Questions)

When we use unethical behavior, we often justify the behavior to protect our self-concept so that we don't have to feel bad. **Moral justification** *is the thinking process of rationalizing why unethical behavior is used.*

- **Higher Purpose** is the process of reinterpreting immoral behavior in terms of a higher purpose.

- **Displacement of responsibility** is the process of blaming one's unethical behavior on others.

- **Diffusion of responsibility** is the process of the group using the unethical behavior with no one person being held responsible.

- **Advantageous comparison** is the process of comparing oneself to others who are worse.

- **Disregard or distortion of consequences** is the process of minimizing the harm caused by the unethical behavior.

- **Attribution of blame** is the process of claiming the unethical behavior was caused by someone else's behavior.

- **Euphemistic labeling** is the process of using "cosmetic" words to make the behavior sound acceptable.

WORK APPLICATION 2-14
Give at least two organizational examples of unethical behavior and the process of justification.

CONCEPT APPLICATION 2-4
Justifying Unethical Behavior
Answers to the Concept Application questions are at the end of lecture outline.

YOU MAKE THE ETHICAL CALL 2-2
Sex and Violence
Answers will vary based on opinion.

D. **Guides to Ethical Behavior**

1. **Golden Rule** (Slide 2-46)

   The golden rule is:

   "Do unto others as you want them to do unto you." Or put other ways, "Don't do anything to other people that you would not want them to do to you." "Lead others as you want to be led."

2. **Four-Way Test** (Slide 2-46)

   Rotary International developed the four-way test of the things we think and do to guide business transactions.

   The four questions are (1) Is it the truth? (2) Is it fair to all concerned? (3) Will it build goodwill and better friendship? (4) Will it be beneficial to all concerned? When making your decision, if you can answer yes to these four questions, it is probably ethical.

3. **Codes of Ethics** (Slide 2-47)

   Most large businesses have written codes of ethics employees should follow.

4. **Stakeholder Approach to Ethics** (Slide 2-48)

> **LO 2-9. Explain the stakeholder approach to ethics.**
> Under the stakeholder approach to ethics, the leader (or follower) creates a win-win situation for relevant parties affected by the decision. If you are proud to tell relevant stakeholders your decision, it is probably ethical. If you are not proud to tell others your decision, or you keep justifying it, the decision may not be ethical.

   Under the **stakeholder approach to ethics***, one creates a win-win situation for relevant parties affected by the decision.*

   You can ask yourself one simple question to help you determine if your decision is ethical from a stakeholder approach:

   "Am I proud to tell relevant stakeholders my decision?"
   If you are proud to tell relevant stakeholders your decision, it is probably ethical. If you are not proud to tell others your decision, or you keep justifying it, the decision may not be ethical.

5. **Discernment and Advice** (Slide 2-49 and Slide 2-50 holds Key Terms used in Chapter 2)

   Making an immediate decision leads to increased odds of unethical behavior, whereas taking time to contemplate the decision and talking to others for advice, leads to increased odds of ethical behavior. If you are unsure whether a decision is ethical, talk to your boss, higher-level managers, and other people with high ethical standards. If you are reluctant to ask others for advice because you may not like their answers, and you keep justifying it, the decision may not be ethical.

LEARNING OUTCOMES AND ANSWERS

The chapter summary is organized to answer the learning objectives for Chapter 2. They are also found at the end of the chapter and can be used as short answer questions on exams.
These learning outcomes are included in the test bank in the conceptual section.

1. **Explain the universality of traits of effective leaders.**
   Traits are universal in the sense that there are certain traits that most effective leaders have. However, traits are not universal in the sense that there is no one list of traits that is clearly accepted by all researchers, and not all effective leaders have all the traits.

2. **Describe the Big Five personality dimensions.**
   The *surgency* personality dimension includes leadership and extraversion traits. The *agreeableness* personality dimension includes traits related to getting along with people. The *adjustment* personality dimension includes traits related to emotional stability. The *conscientiousness* personality dimension includes traits related to achievement. The *openness-to-experience* personality dimension includes traits related to being willing to change and try new things.

3. **Discuss why the trait of dominance is so important for managers to have.**
   Because the dominance trait is based on the desire to be a leader, this trait affects the other traits in a positive or negative way based on that desire.

4. **State how the Achievement Motivation Theory and the Leader Motive Profile are related and different.**
   Achievement Motivation and Leader Motive Profile theories are related because both are based on the need for achievement, power, and affiliation. They are different because the Achievement Motivation Theory is a general motive profile for explaining and predicting behavior and performance, while the LMP is the one profile that specifically explains and predicts leadership success.

5. **Identify similarities and differences among Theory X and Theory Y, the Pygmalion effect, and self-concept.**
   The concept of Theory X and Theory Y is similar to the Pygmalion effect, because both theories focus on the leader's attitude about the followers. The Pygmalion effect extends Theory X and Theory Y attitudes by including the leader's expectations and how he or she treats the followers, using this information to explain and predict followers' behavior and performance. In contrast, Theory X and Theory Y focus on the leader's behavior and performance. Both approaches are different from self-concept because they examine the leader's attitudes about others, whereas self-concept relates to the leader's attitude about him- or herself. Self-concept is also different because it focuses on how the leader's attitude about him- or herself affects his or her behavior and performance.

6. **Describe how attitudes are used to develop four leadership styles.**
   The leader's attitude about others includes Theory Y (positive) and Theory X (negative) attitudes. The leader's attitude about him- or herself includes a positive self-concept or a negative self-concept. Combinations of these variables are used to identify four leadership styles: Theory Y positive self-concept, Theory Y negative self-concept, Theory X positive self-concept, and Theory X negative self-concept.

7. **Compare the three levels of moral development.**
   At the lowest level of moral development, preconventional, behavior is motivated by self-interest, seeking rewards, and avoiding punishment. At the second level, conventional, behavior is motivated by meeting the group's expectations to fit in by copying others' behavior. At the highest level, postconventional, behavior is motivated to do the right thing, at the risk of alienating the group. The higher the level of moral development, the more ethical is the behavior.

8. **Explain the stakeholder approach to ethics.**
   Under the stakeholder approach to ethics, the leader (or follower) creates a win-win situation for relevant parties affected by the decision. If you are proud to tell relevant stakeholders your decision, it is probably ethical. If you are not proud to tell others your decision, or you keep justifying it, the decision may not be ethical.

REVIEW QUESTION ANSWERS

These review questions are included in the test bank in the conceptual section.

1. **What are the Big Five dimensions of traits?**
   The Big Five demensions of traits are (1) surgency, (2) agreeableness, (3) adjustment, (4) conscientiousness, and (5) openness to experience.

2. **What is the primary use of personality profiles?**
   Personality profiles are used to identify stronger and weaker traits to aid in matching people to the jobs that best fit their personality strengths.

3. **What are some of the traits that describe the high-energy trait?**
   Some of the traits that describe the high-energy trait include drive, stamina, tolerance of stress, enthusiasm, tolerance for frustration, and persistence.

4. **Is locus of control important to leaders? Why?**
   Yes. Locus of control is important to leaders because those with internal locus of control believe that they control their fate and that their behavior directly affects their performance.

5. **What does intelligence have to do with leadership?**
   Intelligence refers to cognitive ability to think critically, to solve problems, and to make decisions. It is the best predictor of job performance, and the manager's job calls for a high degree of intelligence.

6. **Does sensitivity to others mean that the leader does what the followers want to do?**
   No. Sensitivity to others does not mean that the leader does what the followers want to do. It means that the leader has empathy and understands the followers' point of view. However, if the leader realizes that the followers are wrong, the leader does what is best for the organizational unit.

7. **Does McClelland believe that power is good or bad? Why?**
   McClelland does not believe that power itself is good or bad. It is how it is used that is important. Personalized power is bad because it is used for personal gain at the expense of others. Socialized power is good because it is used to help oneself and others.

8. **Should a leader have a dominant need for achievement to be successful? Why or why not?**
   To be effective, leaders generally need to have a moderate need for achievement. People with a high need for achievement tend to seek individual achievement, and when they are not interested in being a leader, there is the chance for personalized power and derailment.

9. **How do attitudes develop leadership styles?**
   Our attitude toward self and others influence our leadership style into four catagories: (1) Theory Y attitudes with a positive self-concept, (2) Theory Y attitudes with a negative self-concept, (3) Theory X attitudes with a positive self-concept, and (4) Theory X attitudes with a negative self-concept.

10. **Which personality traits are more closely related to ethical and unethical behavior?**
    Leaders with surgency (dominance) personality traits have two choices: to use power for personal benefit or to use socialized power. To gain power and to be conscientious with high achievement, some people will use unethical behavior; also, irresponsible people often do not perform to standard by cutting corners and other behavior which may be considered unethical. An agreeableness personality sensitive to others can lead to following the crowd in either ethical or unethical behavior; having a high self-concept tends to lead to doing what the person believes is right and not following the crowd's unethical behavior. Emotionally unstable people and those with external locus of control are more likely to use unethical behavior. People open to new experiences are often ethical. People with positive attitudes tend to be more ethical than those with negative or work attitudes about ethics.

11. **Do people change their level of moral development based on the situation?**
    No. People generally stay at the same level of moral development but they use justification for unethical behavior in a given situation.

12. **Why do people justify their unethical behavior?**
    People justify their unethical behavior to protect their self-concept, or to keep from having a guilty conscience or feeling remorse.

CRITICAL THINKING ANSWERS

Applications may also be used as class discussion questions or written assignments to develop communication skills. *These communication skills questions are included in the test bank in the application section.*

1. **Would you predict that a person with a strong agreeableness personality dimension would be a successful computer programmer? Why or why not?** (Slide 2-13)
   Probably not.

   Strongly agreeable personality types are sociable and spend most of their time with people. A computer programmer would most likely spend much of his or her time working alone at the computer.

2. **McGregor published Theory X and Theory Y over 30 years ago. Do we still have Theory X managers? Why?** (Not used in PPT)
   Yes.

   Answers will vary.

3. **In text examples related to the Pygmalion effect, Lou Holtz calls for setting a higher standard. Have the standards in school, society, and work increased or decreased over the last five years?** (Slide 2-32)
   Answers will vary.

4. **Do you believe that if you use ethical behavior it will pay off in the long run?** (Not used in PPT)
   Generally, the answer is yes.

5. **Can ethics be taught and learned?** (Slide 2-45)
   Answers will vary.

6. **Which justification do you think is used most often?** (Slide 2-45)
    Answers will vary.

7. **As related to the simple guide to ethical behavior, how do you want to be led?** (Not used in PPT)
    Answers will vary.

CONCEPT APPLICATION ANSWERS
There are similar questions in the test bank in the application section.

Concept Application 2-1 Big Five Personality Dimensions

  b   1. Agreeableness. The leader is being friendly and sociable traits of emotional intelligence.
  e   2. Openness to experience. The leader is flexible and willing to try new products.
  c   3. Adjustment. The follower is being emotionally unstable, while the leader is emotionally stable.
  a   4. Surgency. The leader is using shy, introverted behavior.
  b   5. Agreeableness. The leader is attempting to get along with others, sociability/sensitivity.
  a   6. Surgency. The leader is using dominant behavior.
  d   7. Conscientiousness. The purchasing agent is displaying dependable behavior.

Concept Application 2-2 Personality Traits of Effective Leaders

  f   8. Integrity. The follower is being deceptive rather than truthful.
  j   9. Flexibility. The leader can change styles in giving assignments.
  k   10. Intelligence. The leader is solving a problem.
  g   11. Self-confidence. Nervousness is a characteristic showing lack of self-confidence.
  f   12. Stability. Changing one's mind shows instability.
  d   13. Social/sensitivity to others. The leader is showing an interest and concern about the follower's complaint.
  c   14. High energy/determination. The leader is not giving up and accepting setbacks.
  l   15. Internal locus of control. The leader is displaying an external locus of control.

Concept Application 2-3 Achievement Motivation Theory

  b   16. Power. The person is refusing to take a power position, indicating a weak need for power. The person has a low need for power, thus is meeting the need by avoiding it. If forced to be the chair, the performance would be predicted to be lower than for a person who wants to be the leader.
  c   17. Affiliation. The person is concerned about relationship. The person is attempting to meet the need for affiliation by restoring a personal relationship. The prediction is that the two will resolve the conflict successfully.
  c   18. Affiliation. The person is showing a lower need for affiliation. Because the need for affiliation is low, the person does not need to resolve the conflict. The predicted behavior would be to wait for the other person to make the first move. Thus, the prediction for successful performance of resolving the conflict is dependent on the other person.
  b   19. Power. The person is attempting to become a leader for the group. Getting the leadership role will be the person's need for power, and being an finance major, success would be predicted. If the person does not get the leadership role, the need for power will be frustrated.
  a   20. Achievement. Working hard is a trait of people with a high need for achievement. By maintaining the A average, the person will get the feeling of accomplishment, and the prediction would be a successful completion on the goal.

Concept Application 2-4 Justifying Unethical Behavior

  a   21. Moral justification. Stealing the play book is considered unethical, but it is justified because it is for the higher purpose of winning the game.
  d   22. Advantageous comparison. Rather than admitting taking the candy is wrong, the employee is comparing to show worst behavior of others to justify stealing.
  c   23. Diffusion of responsibility. We all take candy is a justification for stealing.
  f   24. Attribution of blame. Rather than admit it is wrong, it is justified as being someone else's fault.

__e__ 25. Disregard or distortion of consequences. The company will never miss it is like saying we will not get caught, it's no big deal.

__b__ 26. Displacement of responsibility. Instead of saying lying is wrong, the justification is that the boss told me to do it.

__g__ 27. Euphemistic labeling. Having an *affair* sounds romantic, but committing *adultery* sounds wrong.

CASE ANSWERS

Blake Mycoskie and TOMS

1. **What do you think Blake Mycoskie's personality traits are for each of the Big Five dimensions? Compare the two.**
    Blake has the *surgency* dimension as he is the head of a business, and he challenges others and influences them. Blake is a nice guy, but demand results, so he essentially has the *agreeableness* trait. He seems to be high on *adjustment* as he works to make the world a better place. Blake is certainly *conscientious,* as he is willing to work hard. He is certainly *open* to new experiences, as he founded four different companies, and as stated in the case, expanded TOMS' mission.

2. **Which of the traits of effective leaders would you say have had the greatest impact on Blake Mycoskie's success at TOMS? Compare the two.**
    Although all nine traits have played a part in Blake's success, probably the most prevalent is sensitivity. He is not in business looking out for just himself, he works to make the world a better place. He understands that by being a social entrepreneur and helping others, he is also helping himself.

3. **Which motivation would McClelland say was the major need driving Blake Mycoskie to continue to work so hard despite being worth millions of dollars?**
    Primarily, his high need for *achievement* keeps him working so hard to help improve the world.

4. **Does Blake Mycoskie have an LMP?**
    Based on the case information, Blake appears to have a high need for power as he founded and runs a business, but he seems to also have a high need for achievement and affiliation. Blake's bio calls him the Founder and Chief Shoe Giver, not CEO.

5. **What type of self-concept does Blake Mycoskie have, and how does it affect his success?**
    Blake has a positive self-concept. Without a positive attitude and self-confidence trait, he would not have been successful at starting and growing TOMS.

6. **Is Blake Mycoskie ethical in business? Which level of moral development is he on?**
    Yes. Blake is ethical in business. Blake is not on the preconventional level of moral development, as he is not just looking out for his own self-interest. He is also not on the *conventional* level, as he is not too concerned about living up to others' expectations. Blake is on the *postconventional* level of moral development, as he is motivated by universal principles of right as he seeks to balance the concerns for self with those of others and the common good as he works to make the world a better place.

Cumulative Case Question

7. **Which leadership managerial role(s) played by Blake Mycoskie are an important part in the success of TOMS? (Chapter 1)**
    Blake performs all of the leadership managerial roles to some extent as he founded and grows TOMS business so successfully.

    Blake performs the interpersonal *figurehead role* by dealing with legal, social, ceremonial, and symbolic activities—he enjoys personally giving way shoes with his title—Chief Shoe Giver. He performs the *leader role* as the founding head of TOMS. Blake also performs the *liaison role* as he continually interacts with the people and organizations in making the world a better place.

    Blake performs the informational roles of *monitor, disseminator,* and *spokesperson* within and outside the foundation.

    The four decisional roles are critical to TOMS success. Blake performed the *entrepreneurial role* in staring the business and he continues to seek new innovations, such as offering eyewear to help solve world problems. He

performs the *disturbance-handler role* by taking corrective action to help solve world problems. The *resource-allocator role* has been extremely prominent with TOMS giving away more than 10 million pairs of shoes. He also performs the *negotiator role* with organizations as they team up to solve problems.

CASE EXERCISE AND ROLE-PLAY

Select a time and option for individual and/or group presentations. If class members are too critical, you may want to help defend the presenter; or if they don't challenge the presenter, you may want to play the role of Blake yourself.

VIDEO CASE ANSWERS

P.F. Chang's Serves Its Workers Well

1. **In what ways does P.F. Chang's create organizational commitment among its workers?**
    Managers treat employees in a caring and respectful manner, give them the authority to make decisions, and hold them accountable for their performance. They also include workers in staff meetings and let them know exactly what is expected.

2. **How might a manager at P.F. Chang's use the Big Five personality factors to assess whether a candidate for a position on the wait staff would be suitable?**
    For the most part, a person who is extraverted, agreeable, conscientious, stable, and open to experience would be a terrific wait-staff employee. However, if the person were shy around strangers, appeared moody, or had trouble accepting new ideas, he or she might be better suited to another type of position.

DEVELOPING YOUR LEADERSHIP SKILLS EXERCISE 2-1 IDEAS

Improving Attitudes and Personality Traits

Total Time (0–20 minutes)
This exercise can be assigned without spending any time in class going over it. However, plans can be improved through group discussion. To keep the exercise to 15 minutes, use groups of two and skip procedure 4.

Recommended approximate time for a 20-minute period:

8:00	Procedure 1	1 minute
8:01	Procedure 2	5 minutes
8:06	Procedure 3	5 minutes
8:11	Procedure 4	5 minutes
8:16	Conclusion	2 minutes
8:18	Apply It	2 minutes
8:20		

DEVELOPING YOUR LEADERSHIP SKILLS EXERCISE 2-2 IDEAS

Personality Perceptions

Total Time (20–30 minutes)
To keep the exercise to 20 minutes, use groups of two and skip procedure 5.

Recommended approximate time for a 30-minute period:

8:00	Procedure 1	2 minutes
8:02	Procedure 2	6 minutes
8:08	Procedure 3	6 minutes
8:14	Procedure 4	6 minutes
8:20	Procedure 5	6 minutes
8:26	Conclusion	2 minutes
8:28	Apply It	2 minutes
8:30		

Testing on Skill-Development Exercise 2-2

Rather than write examples of personality types, I suggest using Work Applications 3 through 7 as a skill-development question, or this Work Application which puts WAs 3-7 together in one question.

> **WORK APPLICATION – Not in textbook**
> Select a present or past manager, and describe his or her personality profile using each of the Big Five dimensions. After rating each dimension as strong, moderate, or weak, give an example of traits and typical behavior of the manager for each dimension. Which dimensions are strongest and weakest?

There is no one correct answer. Grade based on if the student listed each of the Big Five dimensions and if the traits and behavior listed for each dimension are correct.

DEVELOPING YOUR LEADERSHIP SKILLS EXERCISE 2-3 IDEAS

Ethics and Whistleblowing

Total Time (0–30 minutes)
Much of the learning for this exercise takes place in the out-of-class preparation, but it is reinforced in class. Select a total amount of class time you want to spend on the exercise. Times will vary with the size of your class and the amount of discussion.

Recommended approximate time for a 30-minute period:

8:00	Procedure 1	8 minutes
8:08	Procedure 2	18 minutes
8:26	Conclusion	2 minutes
8:28	Apply It	2 minutes
8:30		

Note: You may want to focus your discussion on whether or not students/employees should blow the whistle. Are some unethical behaviors ever enough to warrant whistleblowing and others not? If so, which ones should you blow the whistle about and which shouldn't you?

You may also want to remind students that they do not have to reveal their ethics score.