McKee Chapter 1:

Managing and Leading Today: The New Rules

CHAPTER OBJECTIVES

1.1 Describe why managers must also be leaders.
1.2 Differentiate between managers and leaders.
1.3 Explain what is meant by the "other side" of the leadership coin.
1.4 Summarize HR's role in managing and leading.
1.5 Describe what we can do to become excellent managers, leaders, and followers.

CHAPTER SUMMARY

Chapter one discusses what it means to be a leader and a manager today in an environment of political, economic, and environmental instability. The chapter also poses the challenge that we all need to be leaders today. It explores the differences, as well as the similarities, between managers and leaders from both a traditional viewpoint and from Henry Mintzberg's groundbreaking study on what managers actually do and their varied roles. The chapter then moves to the definition of followership and the fairly recent importance that management theory has placed on the follower and the different types of followers defined by Barbara Kellerman. Next, the chapter explores the role of human resources (HR) in managing and leading. The chapter ends with a look at our changing world and what leaders and managers need to know and to do in order to not only survive, but to thrive.

CHAPTER OUTLINE

Teaching Objective: To increase awareness of how important it is today for everyone to take responsibility for leadership and to know the difference between leadership and management.

I.   Why Do Managers Have to Be Leaders?

    A. Today everyone needs to be a leader
        1. Contributing the best of who we are – our talents, skills, and creativity
        2. Change is good, but it requires us to work and lead in different ways.

    B. What Being a Leader Means for You
        1. Engage in analytical thinking—while also honing intuition
        2. Able to build strong, trusting relationships and communicate well
        3. Develop self-awareness and self-management
        4. Manage emotions

II. What Is The Difference Between a Manager and a Leader?
1. *To manage* means to handle, to control
2. *To lead* means to guide; to cause to go with one
3. A manager is an individual who makes plans; organizes and controls people, production, and services; and who regulates or deploys resources
4. A leader is a person who influences and inspires people to follow
5. We all need to manage and lead.

A. Traditional Views of Managers and Leaders (Exhibit 1.4)
1. Traditionally, managers have perceived the environment as one to organize, control, and maintain – they are tactical
   a. energy focused on problem solving and controlling resources
   b. taught to see the *independence* of their tasks and responsibilities
2. Traditionally, leaders have been encouraged to see the big picture and be strategic
   a. a leader is expected to thrive on chaos
   b. oversees the *interdependence* of all tasks, people, and functions

B. What Managers Actually Do
1. Mintzberg studied what managers a*ctually* do
   a. Manager's work is about meetings, delivering performance results, and fire fighting
2. Mintzberg defined three characteristics and ten roles (Exhibit 1.5)
   a. **Informational** - monitor, disseminator, and spokesperson
   b. **Interpersonal** - figurehead, leader, and liaison
   c. **Decisional -** entrepreneur, disturbance handler, resource allocator, and negotiator

III. What is the Other Side of the Leadership Coin?
1. Not just leaders judged as effective or ineffective – same holds true for followers
2. Followership is about 5 different types of followers (Exhibit 1.6):
   a. **Isolates** - nonresponsive or indifferent to leaders
   b. **Bystanders -** not engaged in the life of the organization
   c. **Participants -** actively engaged in the organization and make an effort to support and impact the organization
   d. **Activists -** feel more strongly about their organization and leaders and act accordingly
   e. **Diehards -** passionate about an idea, a person, or both and will give all for them
3. **Managing up** describes how followers can influence leaders
4. Warren Bennis, notes that acceptable characteristics of both leaders and followers are often different from culture to culture

IV. What is HR's Role in Managing and Leading Today?
   1. Human resource (HR) management is the strategic approach to managing and developing an organization's workforce.
   2. HR's areas of technical expertise:
      a. Recruiting: Handling employee selection, hiring, succession planning, and staffing.
      b. Employee development: Providing leadership development and job or career-related training for employees through a variety of means.
      c. Performance management: Providing processes and programs to identify, measure, and plan for the development of employees' skills.
      d. Compensation and benefits: Providing schemas and technical processes to support employee compensation and benefits such as health care, flexible vacation time, flexible work schedules, and travel.
      e. Workforce management: Managing the size and shape of the workforce through activities such as organizational development and programs to support strategic issues.
      f. Labor relations: Managing relations between internal and external groups (e.g., trade unions) that set standards for how employees are to be treated.
      g. Organizational design: Studying organizational design issues and creating or re-creating job descriptions, work design, organizational structures, and interorganizational relationships.
      h. Strategic support: Conducting research and providing support on people-related issues.

V. What Can We All Do to Become Excellent Managers, Leaders, and Followers?
   1. If you want to be a great leader, manager, and follower, you will need to work at it.
   2. Professional growth is not possible without personal growth.
   3. The best way to start a learning journey is with a vision.

VI. A Final Word: Changing World, Changing Expectations of Managers and Leaders
   1. We have responsibility as business people and leaders to create a better world.

DISCUSSION QUESTIONS

Discussion Questions for Objective 1.1:

1. Think about the groups you are part of, including your family, friends, school and work. Who looks to you for leadership in these groups? What do they want from you? How do you inspire them to follow you?

Suggested Answer:
Student responses will vary.

2. Complete the "Whom Do You Lead" exercise to discover the ways that you are a leader (Exhibit 1.2).

Suggested Answer:
Student responses will vary.

Discussion Questions for Objective 1.2:

1. Think about the last time you worked on a project with a group at work or in school. What did you and others do that could be described as "managerial" behavior? What did you and others do that could be described as "leadership" behavior?

Suggested Answer:
Student responses will vary. Some of the managerial behavior students may recognize might include organizing individual and team tasks and assignments, outlining major and minor deliverables, and coordinating participants' schedules and deliverables. Some leadership behaviors that students may recognize might include setting the goals or defining the vision of the project, setting the course of action or mission of the group, inspiring the team to high performance, and building and sustaining important and meaningful relationships.

2. Consider Mintzberg's managerial roles in Exhibit 1.5. Which of these roles are easy for you to play or come to you naturally? Which roles do you think you need to learn more about or learn how to do better?

Suggested Answer:
Student responses will vary. Many students will typically be comfortable with informational category of handling information in its monitor and disseminator roles, while the spokesperson role may be a little more challenging because it requires more highly developed emotional intelligence competencies. In the interpersonal category, they may find the liaison role a little less challenging than the figurehead or leader roles. In the decisional category, the resource allocator may be less of a challenge than the entrepreneur, disturbance handler, and negotiator roles which require more highly developed emotional intelligence competencies.

Discussion Questions for Objective 1.3:

1. When have you been a good follower? What inspired you or encouraged you to take up this role in a positive way?

Suggested Answer:
Student responses will vary. Many students may bring up their uneasiness about taking a leadership role; therefore, they ended up being a follower. Or that someone else was more aggressive. However, being a "good" follower requires individuals to take on the roles as participants, activists, or diehards. Students should bring in examples of when they

engaged in group activities in one of these follower types. Some reasons for their inspiration may be the personality of the leader, their grades if a class project, or it could be from personal, family or work related situations.

2. What do you do when you are expected to follow someone, yet you know what he or she is doing is wrong or could be done better? How effective are you at influencing that person from the follower position?

Suggested Answer:
Student responses will vary. Students may argue that the person should be confronted and/or fired from the role, however, many times working collaboratively through managing up offers better and more constructive results.

Discussion Questions for Objective 1.4:

1. Look at the eight roles within the HR Cycle. In your opinion, are some of these roles more important than others? If so, which ones, and why?

Suggested Answer:
Student responses will vary. In organizations, it all starts with people. While getting the right people can be seen as the fundamental aspect in any organization, each of these roles play a crucial role at different stage and level in organizations.

2. Leaders of many organizations have said the now famous phrase: "People are our greatest asset." What do you think this means? Can you come up with an example from your own work experience or that of someone close to you where you found this not to be true? Explain.

Suggested Answer:
Student responses will vary. When such a claim is made by progressive organizations that truly live the motto: people are our greatest asset; the creativity, innovation, and success of the organization as a whole come alive. People within the organization whether managers or operatives all feel empowered and are developed for a long-term win-win scenario for all.

Students may bring examples of organizations where they simply pay a lip-service to this motto. In such a case, people and organization are for the most part all becoming self-interested entities – never a good formula for a long-term success.

Discussion Questions for Objective 1.5:

1. Why is it important for you to create a personal vision now, while you are in college? How might this help you choose a career or find an organization where you will fit in well?

Suggested Answer:
Student responses will vary. A learning plan starts with a personal mission (what you believe to be your purpose in life) and a vision (your aspirations for yourself as a person). We call this your "ideal self." Articulating your ideal self is the first step in intentional change, which is a process that results in sustainable change and development. Having a plan with articulated ideal self helps set the actions for moving forward. Doing this now avoids wasted time and activities and helps you move forward with a determined focus.

2. Who in your life today can help you think about your future? What advice do you think they might give you about your personal vision?

Suggested Answer:
Student responses will vary. There are many options that students can think about. The obvious are parents, relatives, guardians, teachers, mentors, supervisors, and even friends. However, factors such as experience of such individuals and your trust in them play a bid role.

END OF CHAPTER ACTIVITIES: EXPERIENCING LEADERSHIP

Leading in a Global World: Your Global Team

Imagine you are a team leader for a major global organization. Eight team members report to you: two are American, two are from India, two are from the Middle East, and two are from Brazil. Do some brief online research of these cultures. Be sure to note religious, political, and social differences that may have an impact on your management style. After you have some knowledge of cultural differences, answer the following questions in teams or individually:
1. What are the fundamental differences among my team members?
2. What are the fundamental similarities among my team members?
3. What things can I do as a leader to make my team comfortable, culturally speaking?
4. What can my team do to make me a more effective leader?

There are many sites online that provide ample information on cultures of the world. Following are a sampling of sites:

http://www.everyculture.com/
http://www.worldofcultures.org/1024/index.htm
http://www.indianmirror.com/culture/cul1.html
http://en.wikipedia.org/wiki/Culture_of_India
http://www.buzzle.com/articles/different-cultures-of-the-world.html
http://en.wikipedia.org/wiki/Culture_of_Brazil
http://www.worldbusinessculture.com/Business-in-Brazil.html
http://en.wikipedia.org/wiki/Category:Middle_Eastern_culture
http://www.historyteacher.net/GlobalStudies/MidEast_Culture.htm

Suggested Answer:
Student responses will vary. This is an excellent exercise to assign in teams where each student can research one of the above mentioned countries in the exercise and develop responses to the four questions. Some key facts or items to ensure in students' research: language(s), religion, population, customs, dress and food habits, family orientation, and business etiquettes.

Learning objective: Describe what we can do to become excellent managers, leaders, and followers; Describe why managers must also be leaders
Course level objective: Explain the influences of organizational culture; Identify the fundamental concepts and issues of international business and management; Describe the roles of managers and the skills they need to succeed within an organization; Describe the components of the management environment
AACSB: Multicultural and diversity understanding; Dynamics of the global economy; Reflective thinking skills

Leading with Emotional Intelligence: What Kind of Follower Are You?

Think of a situation in which you were a follower. It could have been on a sports team, project team at school, or a work team at your job. Now think about the various characteristics you brought to your role as a follower.

Answer the following questions:
1. What was right or wrong, good or bad with the leadership/management that led to you exhibiting these characteristics?
2. What could leadership/management have done to change the type of follower characteristics you exhibited?
3. Do you naturally gravitate to those follower characteristics? Why or why not?

Suggested Answer:
Student responses will vary. Students should address the five types of follower roles that they might have played in describing the situation:
a. **Isolates** - nonresponsive or indifferent to leaders/management
b. **Bystanders -** not engaged in the life of the organization
c. **Participants -** actively engaged in the organization and make an effort to support and impact the organization
d. **Activists -** feel more strongly about their organization and leaders and act accordingly
e. **Diehards -** passionate about an idea, a person, or both and will give all for them.

Learning objective: Explain what is meant by the "other side" of the leadership coin.
Course level objective: Explain the influences of organizational culture; Discuss the factors that affect how individuals behave and learn within an organization.
AACSB: Communication abilities; Reflective thinking skills

Leading with Critical Thinking Skills Leadership and Management—What's Different, What's the Same?

Imagine you have been selected to identify key management and leadership duties for a new company that is manufacturing an electric car called the Mongoose. The company has already identified financial backers and acquired an automobile manufacturing facility from another car manufacturer. Your company wants to offer the Mongoose to the public in 10 months. In teams or individually:

1. Make a list of responsibilities the leadership team must address immediately, the day the car is offered to the public, and in the months following the car's release.
2. Make a list of responsibilities the management team must address immediately, the day the car is offered to the public, and in the months following the car's release.
3. Look for overlaps in your two lists of duties and responsibilities. It may help you to create a matrix in order to identify shared responsibilities.

Suggested Answer:
Student responses will vary. Students can address/develop the various different planning, organizing, leading, and controlling activities/responsibilities that managers and leaders would have using Mintzberg's managerial roles:

Mintzberg defined three characteristics and ten roles (Exhibit 1.5)
a.   Informational - monitor, disseminator, and spokesperson
b.   Interpersonal - figurehead, leader, and liaison
c.   Decisional - entrepreneur, disturbance handler, resource allocator, and negotiator.

Students should be able to see that some organizing and leading responsibilities are common but many planning (long-term) and broader leading activities sort of reside with the top management (Leadership) of the organization whereas short-term control and supervisory leading responsibilities reside with managers (operations).

Learning objective: Differentiate between managers and leaders; Describe why managers must also be leaders.
Course level objective: Describe the roles of managers and the skills they need to succeed within an organization
AACSB: Analytic skills; Reflective thinking skills

Ethical Leadership: Recognizing the Good and the Not So Good

In teams or individually, choose two or three leaders from the list below. Perform a brief Internet search by typing the leader's name and "leadership" or "ethical" into your favorite search engine. Use your research to answer the following questions:

1. Do you believe these individuals are ethical leaders? Do they do the right things for both their businesses and their communities?
2. Are these leaders good role models for ethical leadership? Why? Why not?
3. What are the good and bad qualities of these leaders? Make a short list.

A. Steve Jobs
B. Jeffrey Skilling
C. Ann Mulcahy
D. Jeffrey Hollender
E. Melinda Gates
F. Hillary Clinton
G. Charles Schwab
H. Howard Shultz

Suggested Answer:
Student responses will vary. Students conducting research should find for the most part positive aspects of these individuals except Jeff Skilling, former CEO of Enron. Others may bring some mixed bag of qualities such as Steve Jobs. However, this should be an interesting real life learning experiences from the corporate and political environment of America.

Learning objective: Describe what we can do to become excellent managers, leaders, and followers.
Course level objective: Describe the roles of managers and the skills they need to succeed within an organization; Discuss the role of ethics and social responsibility in management
AACSB: Ethical understanding and reasoning abilities; Reflective thinking skills

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ADDITIONAL SUPPORTING MATERIALS

VIDEOS

- **Matt Weinstein – What Bernie Madoff Couldn't Steal from Me.**
"Matt Weinstein lost his life savings to Bernie Madoff's notorious scam. But his response to the disaster is unexpectedly hopeful."
http://www.ted.com/talks/matt_weinstein_what_bernie_madoff_couldn_t_steal_from_me.html

- **Richard St John's 8 Secrets of Success**
"Why do people succeed? Is it because they're smart? Or are they just lucky? Neither. Analyst Richard St. John condenses years of interviews into an unmissable 3-minute slideshow on the real secrets of success."
http://www.ted.com/talks/richard_st_john_s_8_secrets_of_success.html

- **Ed Oakley - Management Skills VS Leadership Skills**

"The video addresses how we see management and leadership and their importance to each other. The difference between hard and soft skills is discussed. "

http://www.youtube.com/watch?v=mu1JgJARHO8

- **Carly Fiorina, et al - Management Vs Leadership**

"The former CEO of Hewlett Packard discusses the difference between management and leadership, managers and leaders."

http://www.youtube.com/watch?v=lnaOz1TWENQ&feature=related

- **Tara and Bella – Dog and elephant model leadership**

A shining example of relationship management by a dog and elephant.

http://www.youtube.com/watch?v=e4OD8dxIry8&feature=related

INDIVIDUAL EXERCISES

1. Ask students to think of a current job, extracurricular activity, club, etc. where they have had managerial/leadership responsibilities. Ask those who have (had) experience, to list the duties, skills, and competencies they used in their position. Have them differentiate managerial skills from leadership skills and discuss with the class.

2. Ask students to pick three leaders, living or dead, with whom they identify. Ask them to highlight those qualities in those leaders that they feel they possess; that they can relate to strongly. In addition, have the students reflect on and list the qualities of those leaders that they aspire to possess. Have them discuss in triads.

3. Ask students to interview the person next to them. They have three minutes. The goal of their questioning should be to identify, in the interviewer's opinion, whatever makes that person unique. At the end of the three minute interview, each student will introduce the person they have interviewed, by saying their name, where they are from, and what makes him/her unique. For example, "This is Jack, he is from Madison, Wisconsin, and what makes Jack unique, according to me, is that he saved a child from drowning a few years ago."

   NOTE: This activity is meant to be make students connect with each other in a much deeper way than they ordinarily would on a superficial level. It will encourage them to be engaged in the interview, looking for something meaningful and uncommon.

4. Ask students to introduce themselves by identifying a favorite book and/or movie. For example "My name is Lisa, I am from Denver, CO, and my favorite movie is "The Social Network" because it tells the story of a college student who makes the controversial journey of founding Facebook and subsequently becoming the world's youngest billionaire.

   NOTE: Our favorite books and movies are a reflection of our personal tastes, and therefore an extension of our personalities. Young adults typically relate much

more to these glimpses into someone's personal tastes than they do to formal, superficial introductions.

5. Ask students to select one leader who, in their opinion, completely contradicts their ideal of a great leader. Have them identify qualities/characteristics these leaders have or do not have that make them ineffective or just bad leaders. Have them discuss in dyads and encourage some volunteers to share their example to the class.

NOTE: We understand who we are not only by looking at the people we admire, but also by understanding who and what we do not like. This helps students to articulate their own beliefs, values, and ideals thus encouraging self-awareness.

TEAM EXERCISE

An exercise such as this one at the beginning of the semester will help students connect with one another, especially if they have group projects assigned. The outcome of this exercise is that students will know a few people in the class.

- Ask students to divide a sheet of paper into 3 columns: "Name," "Similar," "Different." Then ask them to wander around and meet fellow classmates by writing down the person's name, what they each have in common and something dissimilar. The similarities could be a musical artist, sport team, etc. Naturally, the dissimilar can be something like 'she likes to cook' and 'he likes to order out 4 times a week.' Have the students report to the class some of the common and uncommon things they discovered.

ADDITIONAL RESEARCH

Followership

Edwin Hollander [i] examined leadership by focusing on the dialectic relationship between leader and follower. Hollander argues that there is a two way relationship affected by perceptions and subjective biases. Consequently, any effective model of leadership must acknowledge and therefore include followers' orientations and perceptions. Following this lead, researchers Lord, Brown and Frieberg [ii] argue the follower is an underexplored source of variance in the leader-follower dynamic. They explore follower self-concept, which they define as composed of individual, interpersonal, and collective identities. Moreover, self-concept in each of these dimensions is composed of both self-views and possible identities, that is, who a person believes him or herself to be in contrast to who one believes he or she can become. It is these possible selves through which self-views are linked with goals. Thus, a leader's job is to facilitate the follower's belief in these many possible selves in order to encourage intrinsic motivation. Finally, the authors argue that the degree of influence a leader will have is dependent, in part, on how a follower's self-concept is framed and therefore how he or she perceives the leader.

[i] Hollander, Edwin P. 1992. Leadership, followership, self, and others. Leadership Quarterly, 3, 1, 43-54.

[ii] Lord, Robert G., Brown, Douglas J., and Freiberg, Steven J. 1999. Understanding the dynamics of leadership: the role of follower self-concepts in the leader/follower relationship. Organizational Behavior and Human Decision Processes, 78, 3, 167-203.

Managers and Leaders

Although many management theorists seem to indicate that managers and leaders are two completely different types of personalities, it is important to note that neither managers nor leaders are born; they are created through their experiences and subsequent responses. Managers can become leaders, or at least take on some of the qualities that tend to define leaders through seeking out certain types of experiences and developing a new set of responses to them. In other words, managers have to step outside their comfort zones. The pay-off can be crucial. Michel and Wortham[i] studied how two investment banks transformed employees through business practices, and they found that one bank's method of increasing uncertainty and exposing bankers to new situations outside their comfort zones resulted in increasing the bank's competitive advantage by allowing it to notice, understand, and respond to changing markets and adapt to them. They argue that bankers in both banks were fundamentally transformed by the work practices in which they participated.

Michel, Alexandra and Wortham, Stanton. 2008. Bullish on uncertainty: how organizational cultures transform participants. New York: Cambridge University Press.