Chapter 1
Intellectual Threads of Modern Leadership Studies

Defining leadership is a relatively recent academic activity, though the phenomenon of leadership has been ever present in human relations. Stogdill (1974) reviewed more than 3,000 studies directly related to leadership since this concept was introduced in the 1800s. Many propose definitions unique from any other writer's. Obviously, these studies have not closed the book on leadership research. In fact many analysts lament the lack of progress made in understanding and defining leadership. Bennis and Nanus (1985) conclude that so many have worked so hard to do so little. And Rost (1991) concludes that these attempts to define leadership have been anything but yielding of concrete answers. He uses words such as "confusing," "varied," "disorganized," "idiosyncratic," "muddled," and "unrewarding." Yet research continues, definitions proliferate, and leadership remains an enigma.

Rather than reflecting cynically on past efforts, Yukl (1988) says we need to draw new conceptualizations of leadership that give us a better, more thorough grasp of this elusive social phenomenon. Trying to integrate past leadership theories into an overarching supermodel of leadership, as Yukl tried, may prove impossible. Rather, we need to rethink the body of information amassed about leadership and try to find the substance of truth contained in some of this work and discard the myths and opinions making up the bulk of other studies. The task is not synthesis, but reduction of the data about leader action to its essential core – its values construct.

We Know It When We See It

As players in the interpersonal world of group activity, people have their own conceptions of leadership; that is, "we know it when we see it." While many researchers recognize this, few study leadership with that notion in mind. Past researchers have failed to account for this personal, even intimate, proclivity to define leadership. They ignore the personal values, individualized frames of reference, world views, and personal cultural constructs that ask each of us to answer for ourselves the question, "What is leadership?" We all need to rethink our own

values mindset and begin work on understanding different leadership mindsets within which people operate and which they use to measure the success or failure of leadership.

Building on the growing body of research, the authors have reconceptualized past research findings to help the reader understand the threads of leadership theory. We have developed and present here the Leadership Perspective Model (LPM), which points to more comprehensive understanding of leadership in terms of ever-more encompassing and transcendent individual mental perceptions about leadership.

The Four Historical Threads of Leadership Thought

What makes a leader? What is leadership? What do leaders do? After more than a hundred years of modern study, these remain cogent questions. Many writers have offered either general or specific answers, but the discussion continues unabated. We need to understand past theory and rethink its application, if any exists, to present practice. Four threads of leadership thought help us understand the evolution of leadership's study: (1) TraitTheory (2) Behavior Theory, (3) Situational Theory, and (4) the newly conceptualized Values Theory.

Seen in terms of values, the first three threads lean toward a reductive methodology for understanding leadership by aggregating data about leaders, their behavior, and situations in which they find themselves. Sanchez (1988) suggests that examining leadership theory using these three threads provides a useful framework for analyzing the evolution of leadership thought. He cites Lewin's (1951) model of behavior as a reasonable foundation for examining these three elements of leadership (Colvin 1996). Lewin's model suggests that behavior depends upon the individuals involved and the circumstances of each individual's environment or situation, or $B = F(P, S)$: behavior is a function of person and situation. Colvin (1996) similarly describes the historical threads of leadership to include the leader as a person, the leader's behavior, and the leadership demands of the situation.

The first three approaches consider leadership in terms of what the leader is, what the leader does, and in which situation a leader is effective. Although all three of the historical threads mentioned above are still commonly used as a framework for understanding leadership, a new way of approaching leadership theory goes beyond these assumptions. In fact, many, if not all, of the leadership theories growing from the first three threads focus on skills, structure, and system concepts that are firmly within the realm of management, not leadership. At their worst, the past management-oriented frameworks divert our thinking from real leadership principles. At best they are only precursors and ingredients of values leadership – they contain parts of the guiding values and behaviors central to true leadership, but not its essential whole. Nevertheless, they are parts of our understanding and need to be considered in the development of a comprehensive theory of leadership such as the LPM.

Seen in terms of this emerging theoretical thread, the trait, behavior, and situational models constitute elements of a values-focus on leadership and not full-blown theories of leadership in their own right. The fourth thread, values leadership, moves us more in the proper direction, focusing on the distinctive nature of leadership. It moves the discussion toward a more holistic approach to interpret leadership. It changes the discussion from the leader to the phenomenon of leadership. This thread examines the relationships between leader and follower and the activity of sharing, or coming to share, common values, purposes, ideals, goals, and meaning in group and personal pursuits. This thread also points to the inevitable emergence of the perspectives approach upon which the LPM is based.

Trait Models: Who the Leader Is

The first modern theoretical thread examines the leader's traits of character. Trait theory deals with the capacities, talents, and person of the leader. An early iteration of trait theory focused on people who occupied significant positions and impacted societies in important ways – the great people of their time. The so-called Great Man (Person) model proposed that individuals become leaders because they are born with superior qualities that differentiate them from others. The contemporary version of this model argues that common character traits, if identifiable in recognized leaders, would help others develop their leadership capacities.

The search for the set of qualities that these superior individuals possessed began first by identifying generalities. For example, the idea that strength of personality equated to leadership was a consistent theme (Bingham 1927; Bogardus 1934; Bowden 1926; Kilbourne 1935). From these general discussions of the influence of personality, other studies tried to identify the set of qualities or traits that defined leadership across the board. Stogdill's (1974) review of leadership trait studies identified the following as important in successful leaders: chronological age, height, weight, physique, energy, health, appearance, fluency of speech, intelligence, scholarship, knowledge, judgment and decision, insight, originality, dominance, initiative, persistence, ambition, responsibility, integrity and conviction, self-confidence, mood control or mood optimism, emotional control, social and economic status, social activity and mobility, biosocial activity, social skills, popularity and prestige, cooperation, patterns of leadership traits that differ with situation, and the potential for transferability and persistence of leadership. Other studies focused on physical characteristics, social background, intelligence and ability, personality, task-related characteristics, and social characteristics (Stogdill 1974). The focus on the last two categories presages the beginnings of behavioral theory. Interestingly, Schein's (1989) study of women and leadership concluded that the traits of leadership are virtually identical between men and women, though some scholars disagree (Rosener 1990).

Broadening the Great Person theory, Scott (1973) discusses a theory of significant people. Significant people are the administrative elite who control the mind and techniques of others because they do significant jobs and are superior to everyone else. Their justification is not to control, but rather to improve efficiency. Since people will benefit from the techniques, which are not based on notions of control, Scott considers them to be morally correct. The result of improved efficiency will enable the elite to handle crisis situations better than before. An equation representing this concept is as follows: $AE + MT = SP$ (administrative elite + mind techniques = significant people). Leaders, presumably, have more developed mind techniques.

Charismatic leadership also is rooted in trait theory, though it is a topic of considerable debate. Conger and Kanungo (1988) call charisma the elusive factor in organizational effectiveness. Nadler and Tushman (1990) say that charismatic leadership, which involves enabling, energizing, and envisioning, is critical during times of strategic organizational change. Valle (1999) suggests charisma, in conjunction with crisis and culture, helps define successful leadership in contemporary organizations. Sashkin (1982), however, views charisma as a replacement for leadership, not a trait that leaders necessarily possess. Rutan and Rice (1981) question even whether charismatic leadership is an asset or a liability to organizations. The potential for good and evil is too significant to ignore because charismatic leaders influence others by appearing more than human.

Although the traits of leaders appear to be implicit in most discussion of leaders and leadership, this leadership model needs to be rethought. Traits alone cannot define the leadership construct. They need to be linked with other leadership requirements such as behavior and situation and more importantly with values, passion, spirit, and meaning-making. For example, Bennis (1982) used trait theory in his study of how organizations translate intention into reality in a cohort of 90 CEOs of reputable companies to identify specific qualities of leadership. Sashkin (1989) concluded that to understand leadership, one must consider personal characteristics as well as behaviors and situations.

More recent research has refocused interest in a purer form of trait studies. Jaques and Clement's (1991) work suggests that certain people are innately better suited to leadership roles (reminiscent of older foci on the debates about significant people and great men). A more direct reexamination of trait theory and leadership comes from Kirkpatrick and Locke (1991), who argue that though leadership study has moved beyond traits to behaviors and situational approaches, a shift back to a modified trait theory involving the personal qualities of leaders is occurring. They identified six traits leaders possess as distinct from nonleaders, but they argue that these traits are simply necessary, not sufficient, for success. Possessing these qualities gives individuals an advantage over others in the quest to be leaders; it does not predestine them to leadership. And, more recently, the work by Goleman (1995) on emotional intelligence harkens back to the trait theorists.

Trait theory is a constant in leadership studies. It is seemingly the most obvious avenue for researchers to embark upon, assuming, as it does, that leadership is simply an aggregation of the qualities of good leaders. While trait theory has its

uses, the quest for a single list of universal qualities still eludes researchers. Theories of who the leader is help us understand one important aspect of leadership– the character of the individual leader. They do not do much to predict future leaders or anticipate leader behavior. They are of even less help in leadership development training. New, more operationally specific theories were needed and theorists turned their attention to another thread, this one focusing on the leader's behavior.

Behavior Theory: What the Leader Does

The second thread in the fabric of leadership is behavioral in nature. Behavior theory has attracted attention since the mid-twentieth century. The rationale is that concentrating on studying observable behavior may be more operationally useful than looking at traits. Most behavioralists focused on the top of the organizational hierarchy to understand management-cum-leadership practice (Argyris 1957; Barnard 1938a, b; Follett 1926, 1998; Gouldner 1954; Gulick 1937; Homans 1950; Maslow 1943; Taylor 1915; Whyte 1956). The assumption was that those at the top were more often than not called leaders. Therefore, what they did in their headship roles, the logic went, was leadership. The roots of the confusion that persists to this day between what is leadership and what is management are easy to see in the behavioral mindset.

The classic Ohio State and University of Michigan studies on leadership were the prime examples of and the watershed events for the development of behavior theory in leadership research. Hemphill (1950) and others discerned from factor analysis research two main elements of leadership behavior: consideration and initiation of structure. The contemporaneous Michigan studies verified these findings in describing relationship building and task-focused leadership orientations. Although the research questions and conclusions of each study were slightly different, the similarities are significant.

Coming out of these beginnings, Stogdill and Coons (1957) edited a series of research efforts describing and measuring leadership behavior. Jay (1968) popularized managerial tactics by using the advice and wisdom of Niccolo Machiavelli. Blake and Mouton (1964) developed a behaviorally based grid describing leadership behavior and positing an ideal leader type based on the two factors of the Ohio State studies. Gardner's (1987) review of the tasks of leadership moved the discussion from management to leadership, but retained the focus on leader behavior. And, in many ways, writers on total quality management (Deming 1986; Juran 1989) add the behavior approach to good managerial leadership.

Gardner's (1990) argument that most leadership behaviors are learned opened the door for many to write about organizational learning and leadership (Kouzes and Posner 1990; Senge 1990; Heifetz 1994; Hughes et al. 1993; Howard 2002). Much of what could be learned centered on the power relationships that are inevitable in the leadership dynamic, even though that dynamic was not yet clearly defined (Fairholm 1993). Much of the contemporary practices of leadership, and

especially leadership development training, emerged based on modern illustrations of behavior theory (Drucker 1990; Kotter 1996; Vaill 1996; Collins and Porras 1997).

Tannenbaum and Schmidt (1973) saw leader behavior as a continuum ranging from manager-centered to subordinate-centered behavior. Davis and Luthans (1984) concluded that behavior represented environmental cues, discriminative stimuli, and results of behaviors that form a behavioral contingency for action. Leaders lead as they determine the occasion or provide needed stimulus for the evocation of follower behavior. Likert (l961) defined four basic leader behavior patterns – from highly job-centered to highly people-centered – elaborating McGregor's (1960) Theory X and Theory Y assumptions.

Interaction-expectancy theories emphasize the expectancy factor in the leader–follower relationship (Homens 1956). Leaders, Homens says, act to initiate structure-facilitating interaction, and leadership is the act of initiating structure. Stogdill and Coons (l957) develop an expectancy-reinforcement theory that defines the leader's role as setting mutually confirmed expectations about follower performances and the interactions followers can provide to the group. Evans (1970) and others suggest that leaders could determine the follower's perception of the rewards available to them, and hence, the leadership task is to determine the follower's perception of the behaviors required to get needed rewards. And Yukl (1988) postulates that leaders are to train, increasing follower task skills. A leader's consideration of others and a decentralized decision-making process, he argues, increase subordinate motivation, and, in turn, follower skill enhancement and motivation increase overall effectiveness.

Perceptual and cognitive theories focus on analysis and rational-deductive approaches to leadership. In attribution theory, leadership activity is dependent on what we think leaders should be and do. We see leader behavior and infer causes of these behaviors to be various personal traits or external constraints. We assume that the causes are a function of an experience-based rational process internalized by the leader. Classical behavior research is a more scientific approach to leadership study because behaviors can be seen, observed, measured, and potentially mimicked much more easily than traits, especially if traits were found to be innate to the person (Stogdill and Coons 1957).

Behavior theories provide a way for people to copy what other leaders have done, but the behaviors, in the end, do not prove to be generalizable. Importantly, they began the intellectual exercise to view leadership as something apart from the leader: a set of actions, attitudes, and values that involve the individual leader in intimate, personal ways. Behavior theory is where much of the confusion between leadership and management theory originated. The rise of this research focus coincided with the efforts to understand the rigors of management and executive authority in the industrial age. As a result, most past leadership theories in this vein were, in reality, management theories. Behavior theory, like trait theory, is a useful thread in weaving the full fabric of leadership, but neither theory is enough – singly or collectively. Consequently, the next intellectual thread added the dimension of situation – where leadership happens.

Situational Theory: Where Leadership Takes Place

Situational theory flows from the idea that behavior theory is not adequate for the complicated world of work and society because specific behaviors are most useful only in specific kinds of situations. Although there is a specific theory of leadership labeled "contingency theory" (Fiedler 1967), in the broadest sense this theory, also known as situational leadership theory, tries to define leadership through what leaders can do in specific situations that differ because of internal and external forces. In this sense, leadership is not definable without considering the specific situational context.

Situational theory argues that situations determine what leaders do and that behaviors must be linked to – be congruent with – the specific environment at hand. Situational theory, contingency theory, and the humanistic models of leadership followed. Researchers looked both at a wide range of variables that could influence leadership style and at different situations that would call for various leadership behaviors or call forth those individuals who have leadership traits. Situation theorists prioritize critical factors in the environmental situation, which impacts leader behavior, in which individual leaders operate. Thus, organization size, worker maturity, task complexity, or a variety of other so-called critical contingencies conditions leadership. According to this theory, situational factors are finite and vary according to several contingencies. A given leader behavior can be effective in only certain kinds of situations and not in others.

Contingency theorists posit the criticality of discrete factors in the situation in which individual leaders operate. These factors influence leader behavior and need to be part of a theory of leadership. That is, leadership must change with the situation or the situation must change to the kind of leadership exercised. Two versions of this theory are popular. The first, path-goal theory, involves a concentration on follower reactions to leader behavior. The second, contingency theory, concerns itself with the cluster of complex forces at work in the corporation that affect leader activity. Organization size, worker maturity, task complexity, or other so-called critical contingencies affect leadership action.

Homans (1950) develops a theory of leadership using three basic variables: action, interaction, and sentiments. Hemphill (1954) studied leadership in terms of the situations in which group roles and tasks are dependent upon the varying interactions between structure and the office of the positional authority. Evans (1970) suggests that the consideration or relationship aspects of leadership depend upon the availability of rewards and the paths through which those rewards are obtained. Fiedler's (1967) classic contingency theory model suggests that leadership effectiveness depends upon demands imposed by the situation in that task-oriented leaders are more effective in very easy and very difficult situations, and relationship-focused leaders do better in situations that impose moderate demands on the leader. Many researchers have used Fiedler's approach and his Least Preferred Coworkers (LPC) methodology to verify his hypotheses (Cheng 1982; Offermann 1984; Rice and Kastenbaum 1983; Shouksmith 1983).

Hollander (1978) suggests practical guidelines for leadership interactions in different group circumstances. Hersey and Blanchard (1979) built upon the behavioral work of Blake and Mouton (1964) and suggest that the best leadership style depends upon the situation and the development of the leader and the follower, concluding that empirical studies find that there is no normatively "best" style of leadership and that effectiveness depends upon the leader, the follower, and situational elements. However, Nicholls (1985) argued that the Hersey and Blanchard model violates three logical principles: consistency, continuity, and conformity. Nicholls' model posits a smooth progression of the leader from leader as parent to the leader as developer, and balances the task and relationship orientations in the leader's style. His model performs all the functions of the Hersey and Blanchard model in relating leadership style to the situation, while avoiding the problems inherent in the original's fundamental flaws.

Hunt, et al. (1981) describe the testing of a model of leadership effectiveness that centers on nine macrovariables and the idea of leadership discretion. Their macrovariables were represented by the complexity of the environment, context, and structure of a unit. Vecchio and Gobdel (1984) studied the vertical dyad linkage model of leadership, suggesting that the type and distribution of leader and follower interaction determine leader effectiveness. They determined that in-group status was associated with higher performance ratings and greater satisfaction with supervision, and reduced the propensity to quit. Objective measures of actual job performance yielded results that were congruent with the prediction of a positive correlation with subordinate in-group status. Triandis (1993) contributed to this line of thought by studying leadership in terms of triads.

Stimpson and Reuel (1984) studied the variable of gender in determining the kind of styles managers adopt. Results showed that managers tended to model the style of their boss and that females evidenced this tendency to a greater degree than males. Furthermore, when the boss was female, male subordinate managers became somewhat more participative than the boss, while female subordinate managers became more authoritarian. Vroom and Yetton (1973) developed a contingency model of decision-making to determine effective leadership behaviors in different situations. Heilman et al. (1984) were some of the many researchers who examined the validity of Vroom and Yetton's contingency model. They determined that the perspective of the individual viewing a leader influences the way in which he or she evaluates that leader's task effectiveness. Data from this study indicate a consistently more favorable affective response to the participative than to the autocratic leader, regardless of the subject's perspective or the circumstances.

Vroom and Yetton (1973) joined some accepted facts about leadership behavior to a rational structure and determined that some factors are most likely to result in leader success. For example, leaders ought to be directive when they are confident that they know what to do and when followers do not know. Exchange theory compares leader–follower relationships to economic transactions. Group members contribute at a cost to them and receive returns at a cost to group members. Interaction continues because members find the social exchange mutually

rewarding. Effective leadership implies a fair exchange between leader and follower, when each party can satisfy the expectations of the other on a fair basis.

Versions of situational theory, called humanistic models of leadership, focus on the development of effective and cohesive organizations. They see a basic tension between the individual-in-the-group and the group. Their theories consider the so-called human factors in proposing models that accommodate both forces in the relationship. Humanistic theorists combine both behavior and situational elements to define an organizational surround that counters some factors that otherwise would be considered essentially antagonistic to human desires. The central theoretical problem is to devise a theory of leadership that allows for needed control without thwarting the individual's motives. The aim of leadership for the humanists is to change the corporation to provide freedom for individuals to realize their own potential for fulfillment and at the same time contribute to the firm's goals.

Contingency theory, especially in combination with trait and behavior theory, offered useful avenues of research into what makes leaders effective. Nevertheless, neither trait, nor behavior, nor contingency theory recognized the emotive and inspirational attachment that leaders tend to evoke in followers no matter what the situation. Contingency theory disappointed some thinkers because it reduced leadership to "it all depends."

To answer this lack of certainty about what makes an effective leader, some researchers began to rethink leadership as separate and distinct from leaders and conceive of it as a theory of social interaction or an organizational philosophy. In recent years it has been difficult to separate these new theoretical threads from each other as they morph from one concept to another. These new avenues of research included follower dynamics, relationships, intrinsic and extrinsic motivation, organizational culture, organizational change, and power in an effort to understand what variables influenced the effectiveness of leaders. Until now, they all have ignored values as the trigger of human action and the centerpiece of leadership, an omission this book resolves.

Values-Oriented Theory: The Fourth Theoretical Thread

Called "Values Leadership," a new and growing body of research focuses on the values of both leader and led that serve as the *raison d'être* for individual and group actions. Thus, a values leader fosters an environment where people have freedom of thought, are comfortable talking about their different values and aspirations, and can take action to realize their values-laden vision with no fear of persecution or retribution. The leader's authenticity is key as leaders try to impact organizational dynamics such as creativity, relationships, and innovation and attempt to create trusting work environments. Inspired leaders give voice to followers, serve them, listen to them, and positively impact their lives. Research generated in the last decade of the twentieth century begins to deal with these factors of the leader–follower relationship that previous

models ignored. What is needed is a new thread, one that focuses fully on leadership as a discrete technology with separate systems of behaviors, techniques, and methods. Such a theory is found in the new theory of values-oriented leadership.

Shortcomings of Leadership Threads: Confusing Leadership and Management

The problem with past theories is that they fail to distinguish unique leadership tasks, skills, behaviors, or thought processes from those of management. Although situation and behavior theories form the nexus of current leadership studies, both are still rather focused on close control of workers and the situation. The job is to make every person, system, activity, program, and policy countable, measurable, predictable, and therefore controllable. These emphases may be important in managing things, but many object to them as the basis for leading people. Past so-called leadership theories stress this kind of control and are really nothing more than theories of management. Some, actually many, even use the two words interchangeably, thereby confusing the issue and making contemporary leadership notions irrelevant to reality. But leadership is not management. Something else is needed; some new thinking is called for.

Leadership subscribes to a different reality than management. Leaders think differently, value things differently, and relate to others differently. Selznick(1957) argues that they infuse the group with values. Leaders have their own unique expectations for followers and seek different results from individuals and from the group than do managers. They impact stakeholder groups in volitional ways, not through formal authority mechanisms. Leadership and management use separate technologies, with different agendas, motivations, personal histories, and thought processes. Given these essential differences between leadership and management, any theory that combines the two systems of behavior and ideology must necessarily be faulty because it would ignore essential features of each or else over-emphasize features of one to the detriment of the other. This argument is made more obvious as we study the different leadership perspectives outlined in this book.

However, here we must make a clear distinction. Just as management and leadership are terms to be distinguished, the terms "leader" and "leadership" are also not synonymous, nor are they interchangeable. The confusion and imprecise use of each term in describing certain phenomena may be at the core of the confusion (and dissension) among those who study the topic. The confusion often stems from the methods used to study leadership. Some researchers view leadership study from a reductionist perspective – they aggregate lessons learned from case studies of leaders to deduce the "essence" of leadership.

Their view is that leaders define leadership. Another approach to leadership research, however, views leadership as something beyond the sum of individual leader styles, behaviors, and qualities. In this approach, *leadership* encompasses a unique conception of individual interaction. That is, leaders do not define

leadership; rather, leadership defines what a leader is, what a leader does, and who may be labeled a leader. One perspective is very much an aggregation or mechanistic system. The other is much more a philosophy.

The philosophical approach frees us of the notions that leadership is positional, hierarchical, or managerial and allows for leadership to be more pervasive in organizations and life because leadership is not tied to structure, special qualities, or birth. It moves us from mundane, cookie-cutter approaches to power relationships and allows us to accept creativity, flexibility, and inherent, emerging order. The approach is inspirational rather than merely motivational. The quest for this more holistic approach is to study what leadership actually is. The attempt, it is assumed, will yield different and more precise definitions of leadership than we have had in the past and will, as a consequence, change our definitions of leader based on the elements of these more precise definitions.

Values Leadership: Beyond Reductionism

When researchers focus on a broader, more philosophical values conception of leadership, the emphasis is not on studying specific leaders in specific situations, doing specific things. Rather, the focus is on the common relationship elements exhibited over time which characterize this thing called "leadership" – the less definable aspects of relationship between people. The elements of this relationship deal more with values, morals, culture, inspiration, motivation, needs, wants, aspirations, hopes, desires, influence, power, and the like. Such values-based theories are an early (late 1980s and early 1990) example of a shift in methodologies. This shift began to distinguish leadership and management and change our focus from the leader to the phenomenon of leadership. Burns attempted this in his 1978 book, but only recently a fully holistic view of leadership has emerged.

Basically, values leadership theorists believed that there was something unique about leadership that transcended the situation and remained constant despite the contingencies. Values-based transformational theory defines this something as the leader tapping into long-held beliefs and personal or organizational values that inspire others to move in certain directions and develop in certain ways (Bass and Avolio 1994; Bennis and Nanus 1985; Burns 1978; Covey 1992; Cuoto 1993; DePree 1989; Fairholm 1991; Greenleaf 1977; Manz and Sims 1989; O'Toole 1996; Quinn and McGrath 1985; Rost 1991). The primary leadership role is recognizing the need to integrate the values of all followers into programs and actions that facilitate development of both leader and led. Leaders evidence their personal values as they create a culture that fosters stakeholder expression in the workplace and nurtures the whole person at work (Krishnakumar and Neck 2002). Leaders who do this enhance organizational performance and long-term success (Herman and Gioia 1998; Neal et al. 1999). They facilitate creativity (Freshman 1999), honesty and trust (Wagner-Marsh and Conley 1999), personal fulfillment (Burack 1999), and commitment to goals (Delbecq 1999). The leadership task is to align with human nature

and to change the culture from a task focus to one that attends to the needs of followers' values and expectations (Fairholm and Fairholm 2000). Such leadership fosters values that help people become their best selves through creating, living within, and encouraging shared culture based on such values (Schein 1992). This values leadership philosophy allows a leader to overcome the pathologies of today's organizations and societies because it recognizes the need to develop the individual, letting him or her express values and flourish independently, while maintaining a functioning organization that fulfills its goals in an excellent manner.

In a more practical sense, values leadership encompasses the actions of leaders who internalize and legitimize group values and teach these values to followers who internalize and express them in their individual behaviors. In this sense, leaders are teachers with a unique capacity to understand the values that enervate a group and individuals and to communicate them effectively (Tichy 1997). Upon these principles also rests the communitarian notion of the good society, one that trusts its members to behave in a way that reflects their values because they are core beliefs, not because they fear public officials or are motivated by economic gains (Etzioni 1996). In this way, leaders create a culture of trust that allows individuals to act in ways supportive of the group values and goals while enhancing their autonomy because of self-led activity (Fairholm and Fairholm 2000; Fairholm 1994; Kouzes and Posner 1993; Mitchell 1993).

Values leadership, then, is the philosophy that seeks to meld individual actions into a unified system focused on group desired outcomes and is only possible if a few criteria are met. First, the members of the organization must share common values. Second, leadership has to be thought of as the purview of all members of the group and not just the heads. Third, the focus of leadership must be individual development and the fulfillment of group goals. And fourth, shared, intrinsic values must be the basis for all leader action. Values become the bridge that links the individual or groups of individuals with the tasks that are required or expected of the group. Instead of studying the leader, values leadership theory engages the entire process of leadership, taking into account such attributes as traits, behavior, and situations, but not being dependent on or limited by them. It is a transcendent point of view that intends a holistic understanding of leadership. To understand better that holistic view, we have to understand the relational aspects, the transforming effects, and the moral philosophy of leadership.

Leadership Happens in Relationships

Leadership is relational. It is an interpersonal connection between the leader and the constituents based on mutual needs and interests. Kouzes and Posner (1993) argue that leadership is a reciprocal relationship between those who choose to lead and those who choose to follow. Unless we have a relationship, there is no venue within which to practice leadership. It is something we experience in an interaction with another human being. Leadership is a form of consciousness in which people are

aware that they exist in a state of interconnectedness with all life and seek to live in a manner that nourishes and honors that relationship at all levels of activity. Jacobsen (1994) indicates that there is a powerful inference that the leader's values and leadership itself are related. Values theory is not related to any one style or model of leadership but can be viewed across all types of leadership equally (Zwart 2000). Leaders view the realms of personal and group values and the secular world as inherent in each other – that is, all leadership is values-laden and relationship-based.

Leadership Is Transforming of the Individual

Burns (1978) identified two types of leadership: transactional and transforming. The relationship between most managers and followers is transactional. On the other hand, values leadership describes a situation in which the leader chooses a vision grounded in his or her values and recognizes followers' strengths and interests. The result of this leadership is mutual stimulation and elevation that convert – change – followers into leaders and may convert leaders into moral agents. Transforming leadership implies changing the individual as well as the group to enable leaders and followers to reach higher levels of accomplishment and self-motivation. It releases human potential for the collective pursuit of common goals (Fairholm 1994). Leaders set peoples' spirits free and enable them to become more than they might have thought possible. Values leadership focuses first on improving the leader's own sense of self, his or her spirituality as a precursor to elevating the human spirit of others. This leadership has a transforming effect on both leader and led, raising the level of human conduct and ethical aspiration of both.

The Moral Philosophy of Leadership: What Greenleaf and Burns Began

Much of values-based transformational theory owes its beginnings to the work of Robert Greenleaf and James MacGregor Burns in the late 1970s. Greenleaf (1977) proposed a thesis he himself labeled unpopular: that servants emerge as leaders and that we should follow only servant-leaders. Greenleaf describes how service, first and foremost, qualifies one for leadership and that service is the distinctive nature of true leaders. In *Servant Leadership*, Greenleaf traces this idea from conception to potential application, but he peppers the discussion with a serious focus on the need for and the ways to serve. He moves the discussion of leadership toward an explicitly moral dimension and an overarching social relationship phenomenon.

Greenleaf defines servant leadership as the natural feeling that one first wants to serve. This conscious choice brings one to aspire to lead. The difference manifests itself in the care taken by the servant to make sure that other people's highest priority needs are being met. A characteristic of servant leadership is to serve the real needs

of people, needs that can only be discovered by listening. Greenleaf asserts that leadership is about choosing to serve others and making available resources that serve a higher purpose, and in turn, give meaning to work.

He suggests that there is a moral principle emerging that guides leadership, and perhaps always has: the only authority deserving one's allegiance is that which is freely and knowingly granted by the led to the leader in response to, and in proportion to, the clearly evident servant nature of the leader. Adherents to this will not casually accept authority of existing institutions. Rather, they will freely respond only to individuals who are recognized as leaders because they are proven and trusted as servants. Servant leaders constantly ask four major questions: (1) Are other people's highest priority needs being served? (2) Do those served grow as persons? (3) Do they, while being served, become healthier, wiser, freer, more autonomous, and more likely themselves to become servants? (4) Is there a positive effect on the less privileged in society? Or will they at least not be further deprived? Ultimately, Greenleaf's servant leadership model assumes that the only way to change a society (or just keep it going) is to produce enough people who simply want to serve.

In *Leadership* (1978), Burns adds to this philosophical orientation. He is not trying to develop a list of qualities or even techniques that "leaders" in the past have developed or used. Rather, he delves into the true nature of leadership – not what it looks like, but what it conceptually is and hence also points toward a general theory of moral leadership. Burns explicitly states that there should be a "school of leadership," that leadership is a legitimate field of study. This field should, he argues, marry the heretofore elitist literature on leadership and the populistic literature on followership.

Burns begins this marriage by differentiating between transactional and transforming leadership, helping us to initiate a recognition of the difference between management and leadership. Transforming leadership is a personal attribute of leaders, not just a formal aspect of organizational structure or design. These leaders, therefore, become models for others to follow. Transforming leaders inspire, change, and energize their followers to become their best selves. His greatest, self-stated concern, however, is with the idea of moral leadership and its power, influence, and capacity to change and inspire people.

For transforming leadership to be authentic, it must incorporate a central core of moral values. The leader taps into and shapes the common values, goals, needs, and wants to develop and elevate others in accordance to the mutually agreed upon values and then fosters appropriate changes. Leaders address the needs, wants, and values of their followers (and their own) and, therefore, serve as an independent force in changing the makeup of the followers' values set through gratifying motives. Authentic transforming leaders are engaged in the moral uplift of their followers; they share mutually rewarding visions of success and empower them to transform those visions into realities. They know themselves, their strengths and weaknesses, and how to fully exploit their strengths and compensate for their weaknesses. Transforming leaders are not the mirror image of the transactional leader. Rather, they are an enriched transactional leader (Bass and Avolio 1994) – a transactional leader who is also charismatic in such a way that pushes collaborators to go further than what is formally demanded of them.

Transactional leadership (Burns 1978) is in play when someone takes the lead in working with others with the objective of exchanging things of value. A purchase of something for consideration is an example of an exchange, as is trading goods for other goods, or providing psychic rewards for desired action. A transaction is a bargain in which involved parties recognize that their purposes are related insofar as the present transaction will advance their purposes. But, the relationship is temporary and bargainers have no enduring links holding them together. Leadership in this context is episodic: nothing binds leader and follower together in a mutual and continuing pursuit of a higher purpose beyond the actual transaction. Transactional leadership is therefore defined as an economic exchange relationship. The transactional leader is exclusively concerned with the results of the relationship and focuses his or her work on negotiating extrinsic exchanges and on controlling the actions of his or her collaborators so that they follow the leader's will. Transactional leadership depends on contingent reinforcement (Bass and Avolio 1994), and, therefore, good transactional leaders use skills of negotiation, are authoritarian, even aggressive, and seek maximum benefit from the economic relationship that they have created. However, the benefits from transactions remain tangible and extrinsic. There is no consideration of other higher level value-added partnerships.

However, Burns goes beyond transactional and transforming leadership definitions toward an implementation of a general theory of moral leadership, developed in part by understanding the transforming and transactional distinction but not by the institutionalization of this distinction in management texts and consulting practices. For the cursory reader, his observations of these two "leaderships" become the point, instead of serving to elucidate the more general point of leadership that he was trying to develop.

Burns creates a theoretical leadership model that contains definitions and perspectives so that the study of leadership practice will be both more focused and more accurate. Much of his definitional work revolves around the concepts of power, motives, and values. Power and the power-wielder need little comment here; motives and values deserve more attention. From his conceptual work on values and motives, and drawing upon the themes outlined earlier, Burns develops a general theory of leadership. His theory is not limited to the governmental or corporate world, but applies also to the social world, the family, the volunteer group, and the work unit. His conception of leadership goes beyond political theory and historical biographies that he uses to develop his themes. He argues that leadership is, at heart, philosophical: it involves a relationship of engagement between the leader and follower based on common purpose and collective needs. The key to leadership is the discerning of key values and motives of both the leader and follower and, in accordance with them, elevating others to a higher sense of performance, fulfillment, autonomy, and purpose.

The development of this general theoretical framework of leadership has dramatically altered the study and application of leadership principles. Burns' work is an essential part of any study into the true nature, purpose, and applicability of leadership in today's organizations. Not everyone accepts this approach. Perhaps this explains why some of the recent literature on leadership misses the point about understanding

leadership holistically, focusing instead on the checklists and measurements of "effective leadership" and often confusing true leadership with management functions. Burns' great service to the study of leadership may lie less in the popular distinction between transactional and transforming leadership (though this ushers in the contemporary distinctions between the technologies of leadership and those of management) and more in the elevation of leadership as a philosophical and developmental relationship between people who share common purpose, motivations, and values.

Both Greenleaf and Burns deserve recognition for their part in enhancing the study and practice of leadership by transcending the traditional focus on the leader and focusing on the more pervasive, holistic philosophy of leadership. Such a holistic approach informs values-based theories of leadership and, in fact, forms the foundation of the LPM. It attempts to define leadership by its implementation, its tools and behaviors, and its approaches to followers and, through that understanding of leadership, see whether someone may or may not be called a leader.

The Leadership Mindset: Alternative Ways to Think About Leadership

Central to this book is the idea that the title of "leader" does not necessarily denote true leadership, nor does the absence of the title signify the absence of leadership. Understanding the role and function of leadership is the single most important intellectual task of this generation, and leadership is the most needed skill. The reason is simple: leaders play a major role in helping us shape our lives. Leaders define business and its practice. They determine the character of society. They define our teams, groups, and communities. They set and administer government policy. In all walks of life, leaders' behaviors set the course others follow and determine the measures used to account for group actions taken. Success in the new millennium, as in the past one, will depend on how well leaders understand their roles, the leadership process, and their own as well as their groups' values and vision. Their behaviors set the course others follow and determine the values and other measures used to account for group actions.

However, people have alternative value-orientations, different ways of viewing the world. These values not only shape how they internalize observation and externalize belief sets, they also determine how they measure success. Thus, defining leadership is an intensely personal activity limited by our individual values or our mental state of being, that is, the unique set of our mind at any given point in time. Our leadership perspective defines what we mean when we say "leadership" and shapes how we view successful leadership in ourselves or in others; it is the criteria we use to determine who is and who is not our personal leader.

The stumbling block to understanding the true nature of leadership is due, in part, to the way we structure ideas and thinking. Defining leadership is limited only by our unique world views and personal values paradigms. Leaders must be capable of leading and managing teams, employees, and other leaders with identities and

belief systems different from their own (Howard 2002). Recent research adds several models useful to leadership theory-building. For example, Gibbons (1999) analyzes gaps in existing theory-building efforts in contemporary leadership literature and clarifies measurement and definitional issues and assesses the assumptions and claims of spirit at work in validity terms. Korac-Kakabadse et al. (2002) describe the characteristics of values leadership as those interested in moral, social, and political reforms. And, Fry (2003) describes a causal theory of leadership using an intrinsic model that incorporates vision, hope (faith), and altruistic love. This emerging research prefigures a basis of personal perspective upon which a full-blown model can be fleshed out.

The idea that leadership is in the mind of the individual and that his or her leadership perspective is true for them regardless of the objective reality is new in leadership studies, but it is not new in other fields. The idea of alternative mental perspectives is supported by both the social sciences and psychology. Several contemporary models serve to illustrate the intellectual support for this view. Drath and Palus (1994) take a constructivist approach to describe leadership as meaning creation. Bolman and Deal (1984, 1997) think that leader–follower relationships or frames are metaphors that dramatically influence a leader's organizational stance and the group activities that take place. Thus, leadership is contingent on the metaphor the organization has chosen to use to describe the condition or nature of the organization. Several writers describe organizational culture in similar ways, ascribing to a given culture the power to shape members' thoughts, actions, and behaviors (Herzberg 1984; Hofstede 1993; Quinn and McGrath 1985; Schein 1992). Certainly cultural differences in member behavior are obvious to even the casual observer. People of different national, ethnic, religious, corporate, or other origins behave differently, measure success differently, and value material and intellectual things differently. Barker (1992) popularized the word "paradigm" to describe a pattern of integrating thoughts, actions, and practices people and groups adopt to define their personal world. Graves (1970) talks of "states of being," or levels of personal existence that determine our actions, affect our relationships, and measure our success.

Cultural Filters

Each of us filters our perceptions, our values, and our experience though our unique culture (Herzberg 1984; Hofstede 1993; Quinn and McGrath 1985; Schein 1992). Part of the confusion and imprecision we see in the literature has to do with this personal cultural life filter through which we view leadership. As we move through life, we change those around us and are changed by them. Our cultural biases are very often more important than objective reality. Our individual perception of what leaders do takes on meaning in the context of our cultural experiences as both leader and follower of another's leadership. Accepting as valid any other understanding of leadership than our personal one is, obviously, beyond our own experience and impossible.

Paradigms

A paradigm is a set of rules groups adopt, often implicitly, that define the boundaries of the acceptable. It tells us how to behave in order to be successful. Our paradigm provides a model for how problems are solved, people are to be treated, and individual and group actions interpreted. Barker (1992) defines a paradigm as a set of organizational realities, such as values, beliefs, traditional practices, methods, tools, attitudes, and behaviors. Social group members construct paradigms to integrate their thoughts, actions, and practices. A leadership paradigm consists of the rules and standards as well as accepted examples of leadership practice, laws, theories, applications, and work relationships in a corporation or team.

The power of paradigms is that they affect our ability to see the world. Quite literally, what is obvious to one person may be totally invisible to another. Thus, those people who see leadership as position-based cannot accept the idea that leaders can occupy positions in the middle or lower reaches of the organization as rational. Similarly, people who see leadership as management cannot accept as plausible any notion that leaders ought to deal with a follower's spiritual side as well as his or her skills.

States of Being

An interesting way to think about leadership relationships within the group and the world is in terms of "states of being," or "levels of existence" (Graves 1970). Graves builds an interpersonal relationships model that emphasizes the power of individual values and personal perception, or point of view, in shaping our thoughts and actions. Graves' work confirms the perspectival approach in concluding that whatever level of existence we are in determines our values and therefore our actions, our relationships, and our measures of success for self and for others. A person in a given level uses the mindset of that level to solve problems and choose his or her course of action in relationships with others. Our preferences about leadership are appropriate to that reality. If we were in another state, we would act differently, using alternative values and ethics to judge the appropriateness of our behavior and our cohorts'. Growth is marked by progressive subordination of older, lower-order behavioral systems to newer higher-level behavioral systems. However, some people arrive in one state and cannot move to another. Others stay in one level for a time and regress to a lower order. Regardless of the level, when we are in a given level we have only the degree of freedom to think about an issue granted by that level.

Each of these researchers describes a mindset or point of view, a personal perspective, that may or may not reflect reality, but which individuals adopt based on their set of values as a way to make sense of the dynamic interactive process called leadership. Regardless of the focus, the mindset we adopt orders our thinking and makes understanding easier. While in a specific mindset, whether we see it as management, values setting, trust building, or spiritually focused, we can under-

stand leadership only in terms of our unique set of values that form the parameters of our point of view. Unless something extraordinary happens, we cannot accept other points of view as credible. Practically speaking, each one of us is locked into our current mental biases about leadership, or any other seminal idea, and need heroic measures to move out of it.

Thus, defining leadership is an intensely personal activity limited by our distinctive paradigms or our mental state of being, our unique "mental world" defined by our ideas and experience. Our cumulative experience creates a mindset that lets us see our world more globally than our local experience. But, at the same time, it creates a kind of prison that constrains our freedom of action. The mental perspective we construct both frees us to function within its parameters and limits our ability to think beyond its borders. Over time, this individualized mental perspective will change as our experiences change. But, while we are in a given "fabricated" frame of reference we may not be able to even accept the idea that other perspectives exist or that they may be more useful to us than our currently held perspective.

We can conceive of our leadership mindset in terms of increasingly complex levels of mental and emotional awareness. While we are in one reality we may understand less complex realities but not fully comprehend those more complex ones. We may even think that another level of understanding is not even credible. Leadership, therefore, is a phenomenon best described as an holarchical system (Koestler 1970) of ever more encompassing and transcendent perspectives of social interaction based on such personal elements as values, vision, direction of action, and free choice.

While leadership may indeed encompass certain discrete elements, the individual's ability to understand or apply those elements may be limited by the mental perspectives they (and, perhaps, their followers) bring to organizational and social life. It is in this direction that research may be fruitfully focused to determine leadership concepts that would inform both the theory and practice of leadership. Rethinking leadership research to focus on a perspective approach will let practitioner and analyst alike understand the leadership phenomenon holistically. The next likely step in leadership thought is to look at leadership in broader, more philosophical, more holistic terms, recognizing that individual perspectives are brought to bear on understanding leadership. Discovering what those perspectives are is the purpose of this book.

Levels of Leadership

In sum, different people can view a given example of leadership differently. That is, leadership may be the same – practiced in the same way for the same results, using the same technologies – but depending on how we look at it, we see it in vastly different light. How we see it depends on what mindset we occupy. Using a personal example for illustrative purposes, the authors can say that they have observed and experienced at least five levels of understanding about what leaders do and the leadership process. Initially our view of leadership was technical, scientific, procedural, and managerial. Later, we saw leadership as a function of

only excellent managerial performance. Still later, as we observed leaders getting others to do what they (the leader) wanted done, without exercising control, our focus turned to the idea that leadership was a process of getting followers to share the leader's vision and values.

Later still, we expanded that idea to include the perception of leadership as a culture-creation task; these created cultures, however, must support high levels of interactive mutual trust. Neither shared values nor trust cultures seem to explain leader success. It is clear now that leadership is the job of transforming the core nature or character of the leader, of the corporation, and of people themselves. In this perspective, we can accept the kernel of truth in each of the other states of being. They all have value. Each contributes to and supports the progressively higher levels. All point to leadership as a function of spirit.

Which of these states of being you, the reader, bring to leadership will depend on your past experiences and cumulative wisdom. Only time will tell which is the real, authentic, objective truth. However, each mindset adds incrementally to our collective insight about the leadership task. In the meantime, rethinking our perception of what leadership is, while seemingly extreme, or even, ridiculous, may be interesting and educational. It may even be an event sufficient to move you to another state, another perspective about what leadership truly is.

These five mental models mark the 100-year-plus history of intellectual thought to full understanding of leadership. Each has had its period of prominence in the past. Each is true in that it helps describe some part(s) of the leadership task. They each lay out a logical, rational – although incomplete – pattern of leader action. It is only together that they define the full picture. Below are brief descriptions of the different levels of leadership that form the basis for this book.

- Leadership as (Scientific) Management – Leadership equals management in that it focuses on getting others to do work the leader wants done, essentially separating the planning (management) from the doing (labor).
- Leadership as Excellence Management – Leadership emphasizes quality and productivity process improvement rather than just product and people over either product or process, and requires the management of values, attitudes and organizational aims within a framework of quality improvement.
- Values Leadership – Leadership is the integration of group behavior and shared values through setting values and teaching them to followers through an articulated vision that leads to excellent products and service, mutual growth, and enhanced self-determination.
- Trust Culture Leadership – Leadership is a process of building cultures within which leader and follower (in an essentially voluntary relationship, perhaps from a variety of individual cultural contexts) trust each other to accomplish mutually valued goals using agreed-upon processes.
- Spiritual (Whole-Soul) Leadership – Leadership is the integration of the components of work and self – of the leader and each follower – into a compre-

hensive system that fosters continuous growth, improvement, self-awareness, and self-leadership so that leaders see each worker as a whole person with a variety of skills, knowledge, and abilities that invariably go beyond the narrow confines of job needs.

Perhaps each of us has to move through each leadership mindset, accepting one before we are ready to experience the next. This book is intended to help the traveler see the landmarks guiding this movement. It is also intended to raise the possibility that the path you are on now is not the only one, and may not be the best to meet your leadership needs in the twenty-first century.

Summary and Conclusions

In very general terms, these five perspectives are an elaboration of one general theme: values are central to the leadership phenomenon. The notion that values play a key role in leadership provides a way to frame the variety of individual perspectives about values, organizations, and leadership. The first two perspectives focus on values that relate to organizational hierarchy and authority. The last three take into account a more personal approach to values. Values leadership makes the case for values displacement as the task of leadership. The next perspective goes further to generalize shared values in a culture characterized by mutual, interactive trust. The final perspective makes the case that when engaging in leadership not all the values the leader holds are important, but only the core, soul values, the ones we just will not compromise, define the true essence of leadership just as they define the leader as a person.

This model suggests that while there is a kind of evolutionary order to our understanding, each leadership mindset has adherents today. They can be ranked hierarchically, or more precisely holarchically, along a continuum from managerial control to spiritual holism. These leadership perspectives might best be illustrated as relating to each other in terms of concentric circles where each circle is of itself a complete picture of leadership for some. For others, however, there exist perspectives that encompass and transcend previous perspectives (see Fig. 1).

As mentioned earlier, researchers attempt repeatedly to answer the question "What does it really mean to be a leader?" But the focus of many, if not most, is on the leader, as if to say leadership can only be understood by studying specific individuals in specific situations. There are some, though, who go beyond the mere study of leaders. Recognizing that studying individual leaders may not facilitate a better understanding of leadership, these researchers reject, implicitly or explicitly, the idea that leadership per se is a summation of the qualities, behaviors, or situational responses of individuals in a position of prominence. To study leaders is not, in this sense, to study leadership.
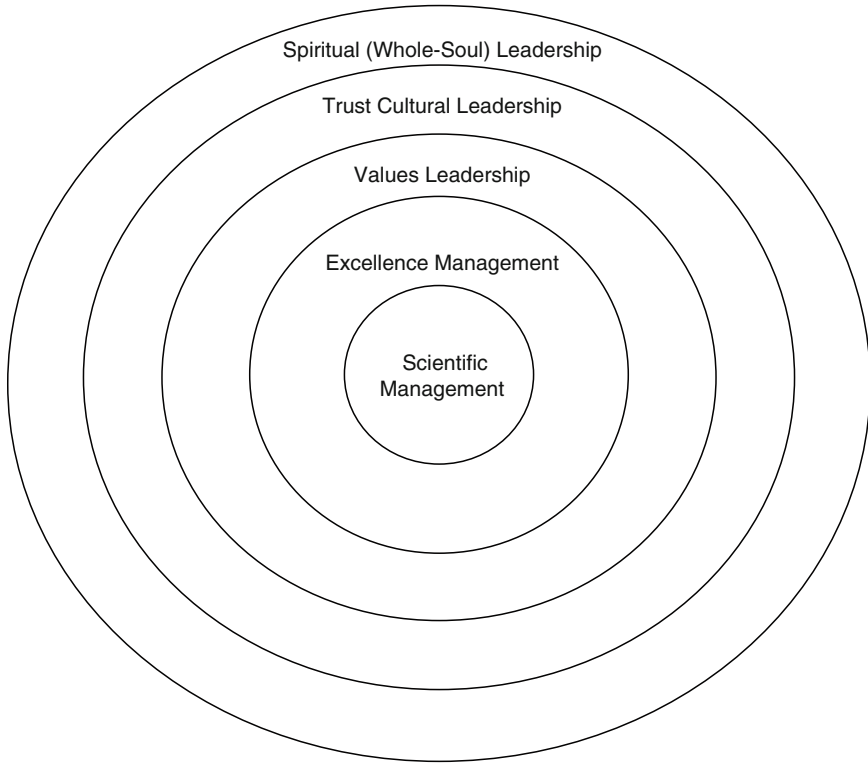
Fig. 1 Interrelationship of the five leadership perspectives

The development of leaders is a significant individual and public goal. It is, however, dependent upon the conception of leadership. There is an implicit acceptance that leadership is something more expansive than the title "leader" and that an integrated understanding of leadership requires a broader, more holistic approach. That is, one must try to understand the essential nature of leadership.