

LEADERSHIP

Transactional Leadership

- Contingent Reward

- *Definition: Managers set goals, provide feedback, and ensure that employee behaviours have consequences, both positive and negative*
- *Outcomes*
 - *Positively related to employee satisfaction & motivation, leader performance, organizational performance*

- Management by Exception

- *Definition – two forms:*
 - *Active: Vigorous focus on followers' mistakes and failures to meet standards. These leaders consistently look for errors at the expense of a focus on positive events. Upon encountering these errors, the leader is likely to embarrass, yell at, or punish followers*
 - *Passive: Focus on mistakes, but do not actively monitor employees. Instead wait until mistakes cannot be ignored any longer*
- *Outcomes*
 - *Active: Employees feel abused, negatively related with employee satisfaction & motivation, organizational performance*
 - *Passive: Negatively related with employee satisfaction & motivation, organizational performance*

- Laissez-Faire

- *Definition – a style of nonleadership characterized by behaviours including avoiding, denying responsibility and neglecting to take any action even in dire circumstances. Laissez-faire leaders do nothing most of the time*
- *Outcomes*
 - *Negatively related with employee satisfaction & motivation, organizational performance, leader effectiveness, role clarity*

Transformational Leadership (TFL)

- Definition – comprised of four behaviours:

- *Idealized influence – behaviours that are motivated by what is best for the organization, rather than what is easy and expedient – long-term focus, acting with integrity*
- *Inspirational motivation – encourage employees to achieve more than they thought was possible, setting high but realistic expectations*
- *Intellectual stimulation – encourage employees to think for themselves, creativity, new approaches to problems and assumptions*
- *Individualized consideration – special attention to employees' personal needs, act as a mentor. Caring, compassion, empathy, emotional support*

- Outcomes

- *Positively related to job satisfaction, satisfaction with leader, motivation, perceived effective leadership, leader performance, group/organizational performance, trust in leader, organizational commitment, responsiveness to change initiatives, org. citizenship behaviours*
- *Negatively related to turnover intentions*