CHAPTER 10 Contingency Theories of Leadership

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LEARNING OUTCOMES

After completing this chapter, the student should be able to:

- ☛ Appreciate the contributions of contingency theories in understanding leadership.
- ☛ Distinguish between the various contingency theories.
- ☛ Apply the various contingency theories of leadership to today's work environments.

OVERVIEW

Leadership is truly a complex concept and related to a multitude of factors that extend beyond the individual to include situation factors. The simplicity of examining leadership on the basis of individual traits and behaviors becomes more complex as we add the interrelationships of leadership style, personal and professional values, one's ability to control by means of influence, subordinate relationships, subordinate development, and the variability of other situational factors. In contingency theories, the critical component becomes the characteristics of the situation rather than the individual. Analyzing contingent factors and properly matching leadership style can allow an individual, in the right context, to effectively move an organization toward its strategic goals by influencing other organizational members to participate in the collaborative effort to achieve corporate success and economic sustainability.

Understanding the development and application of leadership theory prepares the healthcare manager to fulfill three explicit administrative responsibilities: predict, explain, and control. Successful leaders must have the capability to predict how, when, where, and why things happen. Prediction permits the leader to enhance opportunities and diminish threats that are constantly arising in the workplace. The ability to explain these occurrences instills a sense of confidence on the part of peers and subordinates, further augmenting the legitimacy of one's ability to lead in a variety of situations. Finally, a leader recognizes and accepts the role of control, whereby individuals are influenced to participate in the achievement of strategic goals and organizational sustainability.

Contingency, by definition, means an event that may occur but that is not likely or intended; a possibility that must be prepared for; the condition of being dependent on chance or uncertainty. As such, contingency is about possessing the knowledge, skills, and abilities to respond to a changing situation. Analyzing and responding to the contingencies that influence leader effectiveness may provide one with the ability to succeed in an ever-changing healthcare environment. Healthcare leadership is about stepping up in times of uncertainty and moving forward to minimize potential threats and exploit opportunities.

In this chapter, we will discuss the various contingency leadership theories and their implications for the leader, the employee, and the healthcare organization. To maximize your understanding of these theories, consider how they apply to you and your work environment. Developing knowledge and a working application of contingency theories will enhance your ability to successfully accomplish your managerial responsibilities to predict, explain, and control.

FIEDLER'S CONTINGENCY THEORY

In studies of the relationship between leadership style and situation variables, Fiedler and his associates (1965, 1967, 1974)

posit that individuals possess dominant leadership characteristics that are well established and generally inflexible. Leaders are characterized into one of two styles, either task-oriented (active, controlling, and structuring) or human relations–oriented (passive, permissive, and considerate). Fiedler believed that an individual's leadership style was grounded and somewhat inflexible; thus, leaders would improve their overall effectiveness by being placed in situations that best suited their orientation. Situations which display more variability and provide "contingencies" are analyzed across three dimensions:

- ☛ *Leader–Member Relations:* The degree of certainty, trust, and deference between the subordinate and the leader (Rating: good or poor).
- ☛ *Task Structure:* The extent to which job assignments are clear through the implementation of formalization and policy (Rating: high or low).
- ☛ *Leader Position Power:* The degree of control and influence the leader legitimately possesses in dealing with organizational activities (see Chapter 8); highly dependent upon the support the leader receives from senior management (Rating: strong or weak).

A leader's contribution to the successful performance by his or her group is determined by the leader's style (i.e., task or relations) in conjunction with situational variables (i.e., relationships, task structure, and power position). Effective leaders seek or are placed in situations that best match their leadership style.

Fiedler's research and the identification of leadership style were based upon a questionnaire known as the Least Preferred Coworker (LPC) Scale. Fiedler (1970) developed the LPC by asking the participants to describe their most and least preferred coworkers. Each participant was asked to think of all others with whom he or she had ever worked and then to describe the person with whom he or she worked best (i.e., most preferred coworker) and then the person with whom he or she worked least well (i.e., least preferred coworker or LPC). From the items identified, Fiedler created a scale that contains contrasting adjectives (such as pleasant/unpleasant, supportive/hostile, considerate/inconsiderate, and agreeable/disagreeable) to measure whether a person was task- or relations-oriented. Fiedler believed that the ratings individuals ascribed to their least preferred coworker, a person they least enjoyed working with, reflected more about themselves than the person they chose to describe. Thus, individuals who scored the LPC in relatively positive terms were labeled relations-oriented, while individuals who scored the LPC in relatively unfavorable terms were labeled task-oriented.
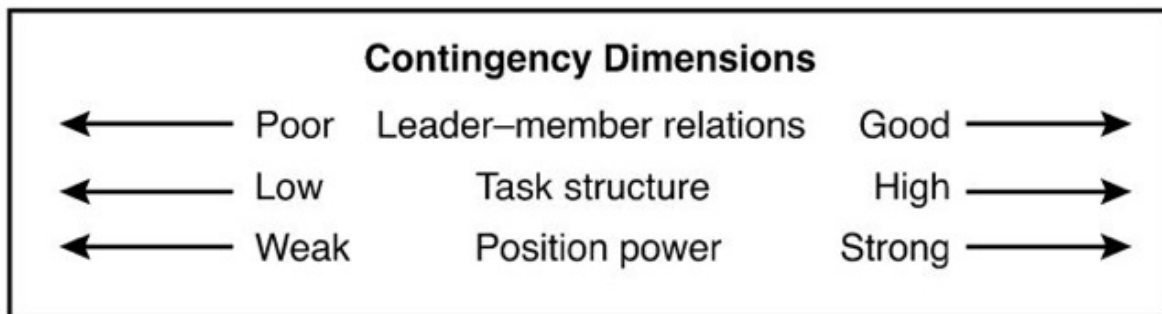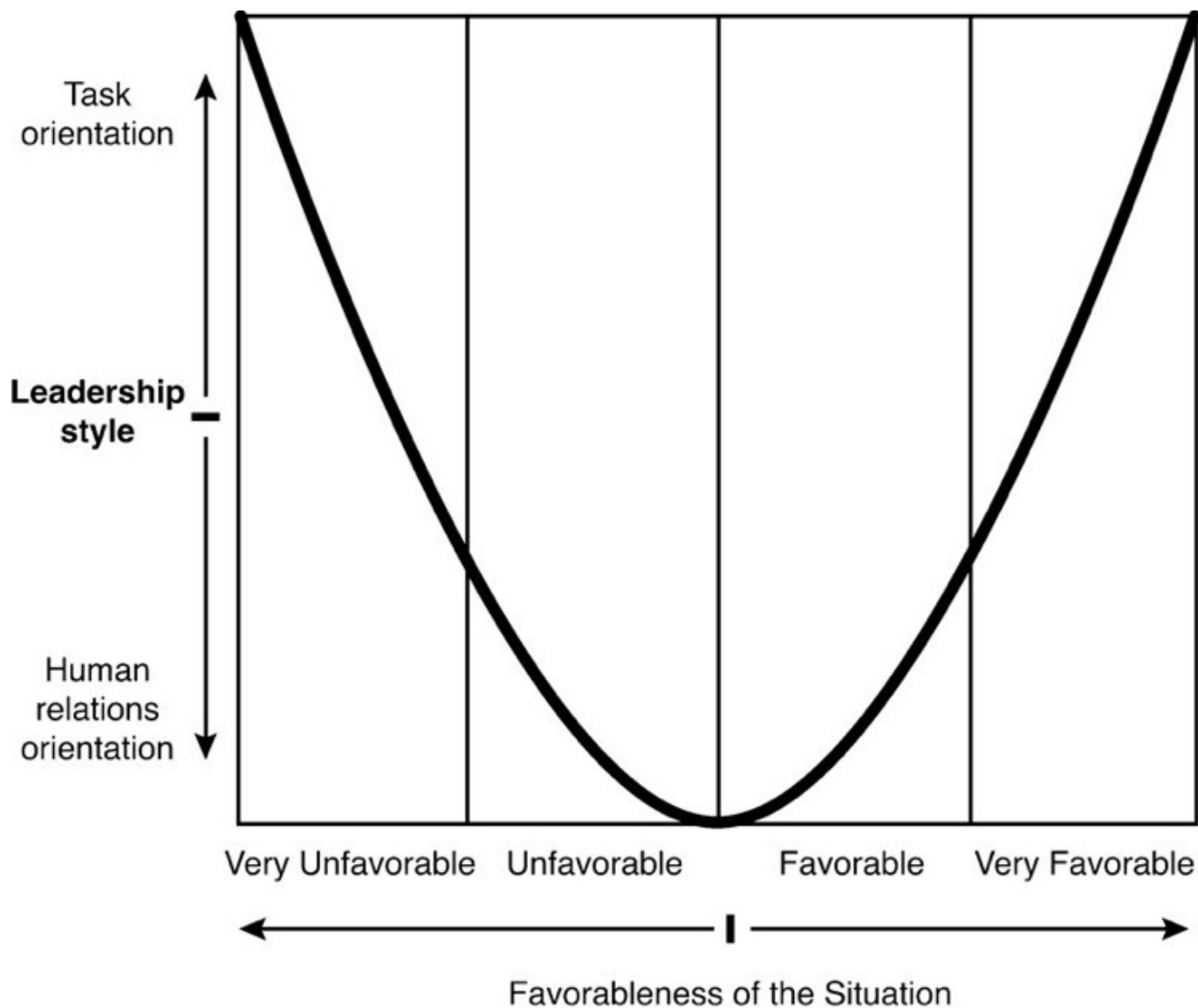
In assessing the three situational dimensions (leader–member relations, task structure, and position power), four levels of situational favorableness can be determined. Figure 10–1 identifies these four levels in a continuum of situational favorableness from Very Unfavorable to Unfavorable and Favorable to Very Favorable. Fiedler's research suggests that aligning the leadership style with the favorableness of the situation determines the effectiveness of the leader regarding a group's performance. If the leader is generally accepted and trusted by subordinates (good leader–member relations), if the tasks for which individuals are responsible are clear and fully understood through formalization and direction (high task structure), and the leader's power is recognized by senior management (strong position of power), then the situation is very favorable. On the opposite side of the coin, if the leader lacks acceptance or trust by subordinates (poor leader–member relations), if the tasks for which individuals are responsible are unclear and not fully understood because of a lack of formalization and an absence of direction (low task structure), and the leader's power is not recognized by senior management (weak position power), then the situation is very unfavorable. In either scenario, the leader with a task-oriented leadership style would be the most effective. When the situation variables are determined to be mixed (i.e., moderately unfavorable or moderately favorable), the human relations–oriented leadership approach would be most effective.

In a very unfavorable situation (i.e., leader–member relations are poor, there is low task structure, and leader has little position power), one can understand the importance of a task-oriented leadership approach. But why would a task-oriented leadership approach be best suited for a very favorable situation? In a very favorable situation the leader–member relationship is good, the task structure is high, and the position power is strong. This combination provides an environment in which individuals are prepared to be guided and expect to be told what to do. For example, Fiedler suggests one consider the captain of an airliner in its final landing; we would hardly want him to turn to his crew for a discussion on how to land the plane!

Fiedler's Contingency Theory made a tremendous contribution toward contingency theories for three reasons. It was the first

theory to systematically account for situational factors (i.e., relationships, task structure, and position power). Second, the theory considers the leader's dominant orientation (i.e., a function of a leader's needs and personality), not the leader's behavior (Tosi & Mero, 2003). As Tosi and Mero (2003) point out, although this orientation may affect the leader's behavior, it is the leader's orientation toward his or her group that determines how effective the group will be. Third, because the leader's orientation is relatively stable, it is not likely that a leader will change orientations when confronted with different situations, though the leader can change his or her behavior when necessary and when the leader wants to (Tosi & Mero, 2003). Fiedler believed that it would be easier to change the situation (i.e., work environment) to fit the leader's style. As such, an organization should not choose a leader who fits a situation, but should change the situation to agree with the style of its leader, since the leader's personality is not likely to change (Fiedler, 1970). (See Case Study 10–1: The New Chief Safety and Compliance Officer Position.)

Figure 10–1 Fiedler's Contingency Theory

Contingency Dimensions

◄─── Poor	Leader–member relations	Good ───►
◄─── Low	Task structure	High ───►
◄─── Weak	Position power	Strong ───►

Over the past 20 years, Fiedler (1995; Fiedler, Potter, Zais, & Knowlton, 1979; Fielder & Garcia, 1987) introduced other variables into the original Contingency Theory. Fiedler (1996) suggests that when leaders are under stress, their intelligence and experience tend to interfere with each other, diminishing the leader's ability to think rationally, logically, and analytically. Fiedler and Garcia (1987) refer to this reconceptualization as cognitive resource theory. Cognitive resource theory states that: (1) a leader's intellectual abilities correlate positively with performance under low stress but negatively under high stress and (2) a leader's experience correlates negatively with performance under low stress but positively under high stress. For example, leaders under stress will fall back on their previously learned knowledge and behavior (e.g.,

relying on intuition and hunches); therefore, the greater the range of their experience, the better their performance. Under low-stress conditions, more experienced leaders are not challenged and tend to be bored and cut corners (Fiedler, 1996). Although this theory is relatively new, it is developing a solid body of research support (Robbins, 2001).

Case Study 10–1 The New Chief Safety and Compliance Officer Position

Ben Allrod, chief executive officer of a 300-bed community hospital located in Midwest suburbia, received a call from the hospital's Director of Nursing, Paul Muir, to ask whether they could meet immediately to discuss a problem. It was unlike Paul to make such a request, so Ben agreed to meet immediately.

When Paul arrived, Ben could see that he was distressed. His face was pale and he appeared nervous. Ben asked, "What's up?" Paul related, "A few hours ago a patient received the wrong blood type during a transfusion. The nurse realized something was wrong when the woman began reacting adversely to the transfusion. Although this type of a mistake is not automatically fatal, the patient died a few minutes ago. However, we cannot be certain that the wrong blood type was the cause of her death because 60 percent of people who receive the wrong blood type would not exhibit any symptoms of the problem. The patient may have expired because of other reasons; she was very sick with multiple diagnoses." Paul reminded Ben that, in addition to the family, the state's Medical Error Oversight Board would need to be notified of this medical error.

Ben was very shocked to hear this news, considering that two months ago the hospital had to report to the state's Medical Error Oversight Board that a metal clamp was left inside a patient after surgery because the surgeon forgot to order a postsurgical X-ray. Thank goodness the patient was not injured. At that time, the hospital's chief operating officer, Harry Benson, stated that new procedures were implemented so the problem should not happen again.

Ben thanked Paul for the information and instructed him to notify the state's Medical Error Oversight Board and that he would personally meet with the family to express his sympathy for the loss of their loved one and inform the family that "we" will be looking into the matter.

After Paul left, Ben knew he had to do something immediately. Although Harry Benson had been responsible for developing and implementing all the necessary policies and procedures to prevent medical errors, Harry was not doing enough and things were going to have to change—now! He would deal with Harry later, but his first priority was creating a new position —Chief Safety and Compliance Officer. This new position would report directly to him and would have full authority to do whatever was needed to ensure that these problems did not occur again. He immediately drafted the job description.

- The selected candidate will play a key role in the development of the organization's compliance culture with a focus on prevention. This position will be responsible for developing, implementing, and communicating the organization's compliance and safety standards, policies, and procedures. The position will oversee the design, organization, and implementation of systemwide compliance education and training programs. The position is responsible for monitoring and evaluating compliance activities to ensure program goals are being met across all functional areas. The position is responsible for establishing and participating in internal disciplinary actions for compliance violations.
- The candidate must have an MHA or related degree, 10 years of experience in the safety and compliance area, including seven years in the healthcare industry and five years in a managerial role. The position offers a competitive compensation package with excellent benefits.

Using Fiedler's Contingency Theory, analyze the situational factors and determine what type of individual would be the most effective for Ben Allrod to hire. Could Ben change situational factors instead of hiring a new leader? If so, what changes would you recommend?

# HOUSE'S PATH–GOAL LEADERSHIP THEORY

Path–Goal Leadership Theory (House, 1971) suggests that effective leaders provide the path, the support, and resources to assist subordinates in attaining organizational goals. This theory combines elements of the Ohio State studies (i.e., consideration and initiating structure) with expectancy theories of motivation. (See Chapters 6 and 9.)

Four separate, but fully integrated, components make up House's Path–Goal Leadership Theory: Leadership Behaviors, Environmental Contingency Factors, Subordinate Contingency Factors, and Outcomes (see Figure 10–2). The first component, Leadership Behavior, identifies four specific leadership styles:

- 1. The *directive* leader provides employees a detailed understanding of expectations, a plan to accomplish those expectations, and the resources to achieve the tasks. The directive leadership style can increase employee motivation and satisfaction where role ambiguity exists.
- 2. The *supportive* leader shows concern for people, ensuring the work environment does not impede specific tasks that lead toward organizational goals, and creates a supportive atmosphere. The supportive leadership style may increase employee motivation and satisfaction where tasks are routine or stressful.

Figure 10–2 House's Path–Goal Theory
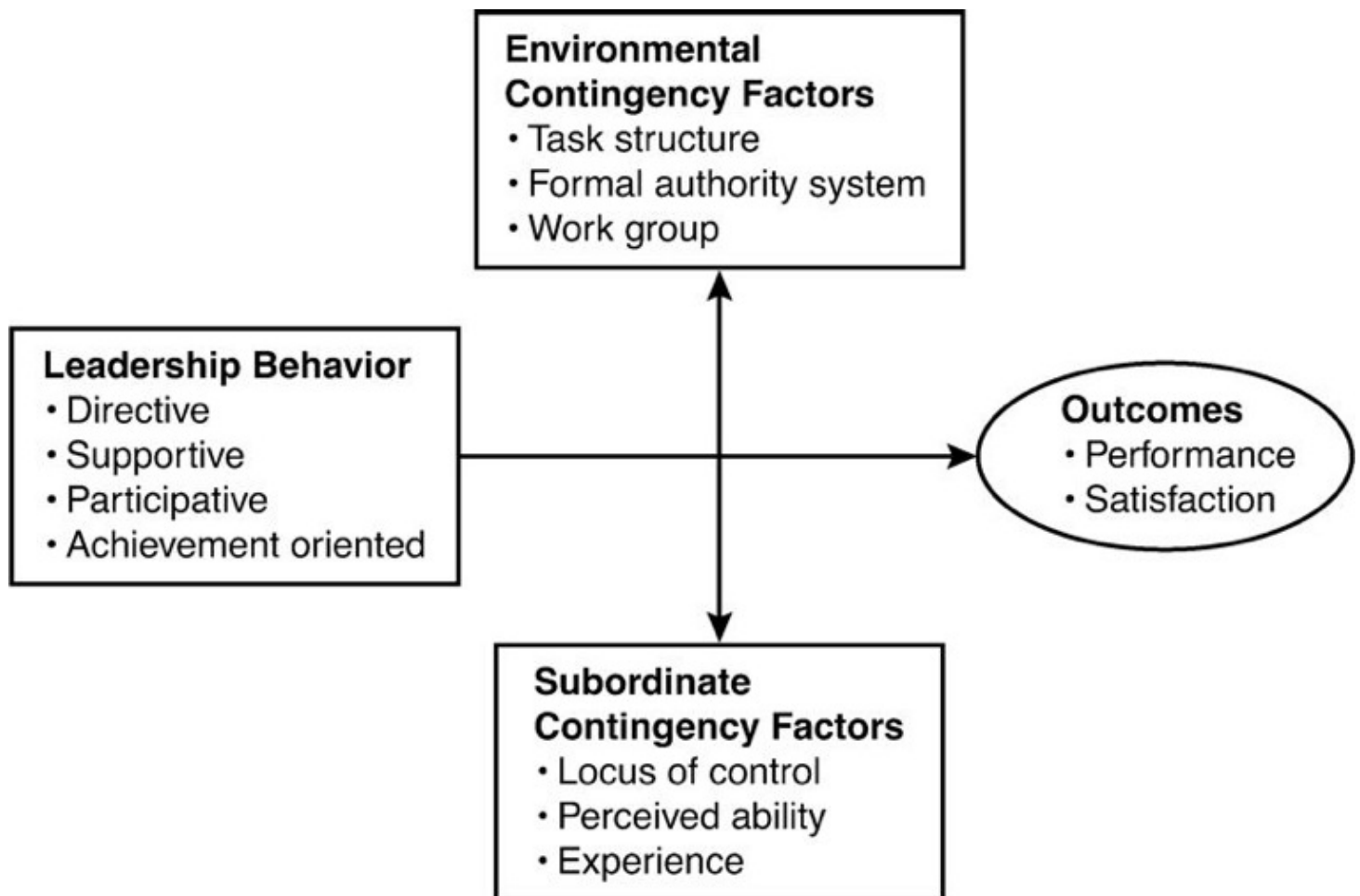
- 3. The *participative* leader seeks input from a multiplicity of internal sources, including the technical core of employees, to assist in the decision-making process. The participative leader maintains responsibility for the final decision, but includes the workforce in the process, ultimately enhancing buy-in from affected parties. The participative leadership style can improve motivation and satisfaction in environments that are uncertain or in the process of change.
- 4. The *achievement-oriented* leader establishes stimulating goals and expects high levels of performance in achievement of the stated goals. The achievement-oriented style of leadership creates an environment of trust, where the leader acknowledges the workforce's abilities to accomplish organizational goals.

Whereas Fiedler proposed that leadership styles were grounded and inflexible, House proposed that leadership styles are adaptable and that managers may be called upon to utilize any one of the four identified styles of leadership, depending on

the situation (Razik & Swanson, 1995; Robbins, 2001).

Leadership style is dependent on two contingency factors: environmental and subordinate. House considered external dynamics, which are referred to as environmental contingency factors. These factors include: (1) clarity of the task to be performed, (2) hierarchical authority systems, and (3) group dynamics (i.e., work-group members' relationships). These factors are generally considered to be outside the control and influence of the worker and the manager. The second set of contingency factors, considered internal dynamics, are referred to as subordinate contingency factors. These factors include the employee's locus of control; knowledge, skills, and abilities (real or perceived); and experience. Subordinate contingency factors are characteristics exhibited by the employees (Robbins, 2001).

The integration of leadership style, environmental contingency factors, and subordinate contingency factors leads to outcomes (performance and satisfaction). According to House and Mitchell (1974), a leader's role is to influence subordinates' perceptions and motivate them toward achieving the desired outcomes (i.e., performance and satisfaction). To be effective, managers should:
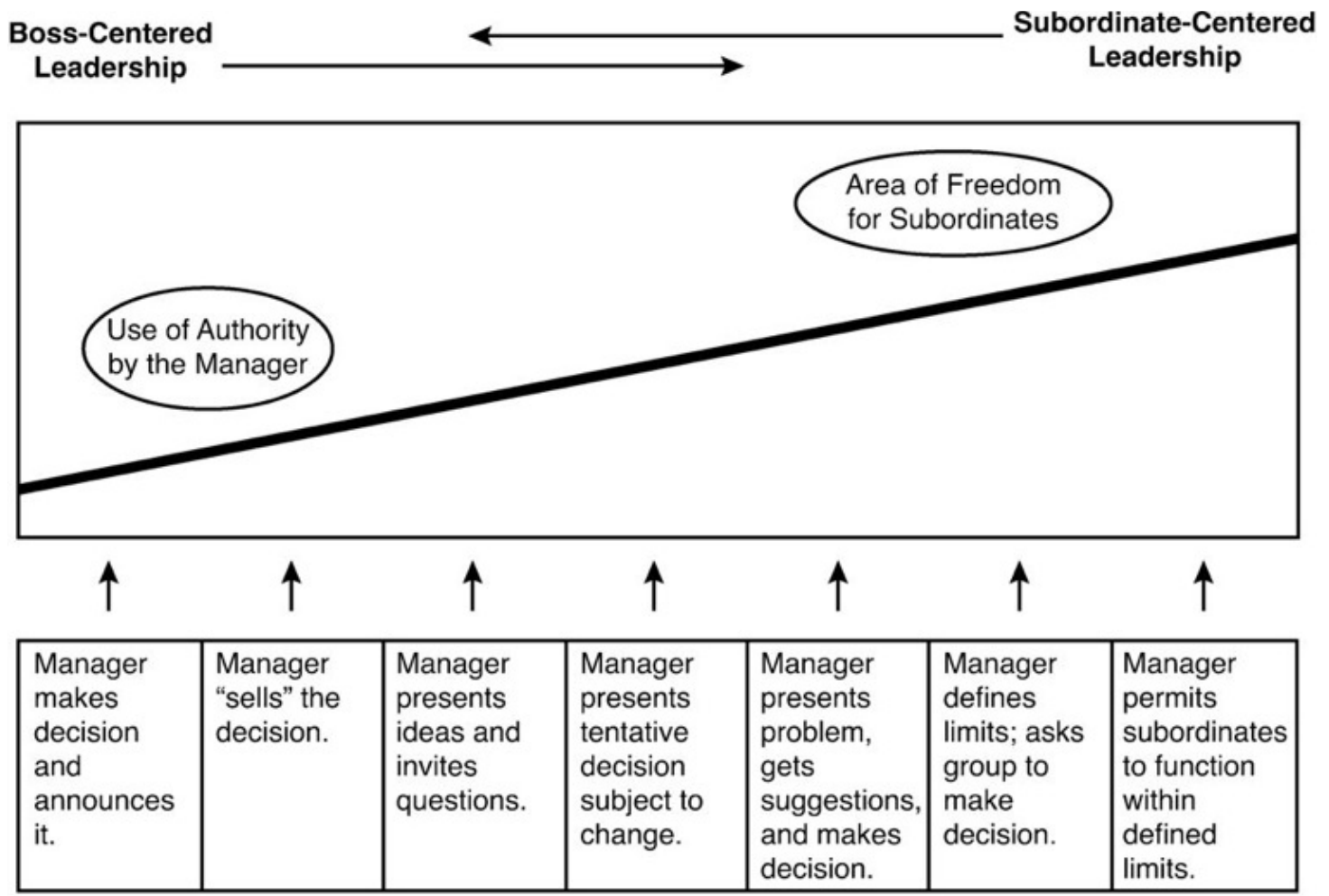
- 1. Increase personal payoffs to subordinates for work goal attainment;
- 2. Provide coaching and direction, when needed;
- 3. Clarify expectations of workers;
- 4. Reduce frustrating barriers;
- 5. Increase opportunities for personal satisfaction contingent on effective performance.

The appropriate leadership style that a manager should use is the one that compensates for any item absent from the employee (i.e., experience, ability) or the work setting (i.e., task structure). The leadership style should not duplicate what the employee already has available to him or her. For example, the nurse manager should not provide direction (i.e., directive leadership style) as to how to complete a patient's history and physical to a nurse with 20 years of experience. However, the nurse manager should provide direction and/or training to a nurse with 20 years of clinical experience but no experience with technology or electronic medical records as to how to complete a patient's history and physical if they are being done for the first time electronically.

TANNENBAUM AND SCHMIDT'S CONTINUUM OF LEADERSHIP BEHAVIOR

Tannenbaum and Schmidt (1958, 1973) conducted one of the first studies that indicated a need for leaders to evaluate the situational factors prior to the implementation of a particular leadership style (Ott, 1996). The Continuum of Leadership Behavior model is based on the variety of behaviors noted in earlier leadership studies, particularly the distinction of task versus employee or human relations orientations. This model identifies two styles of leadership that occur across a continuum, from boss-centered (task) through subordinate-centered (relationship).

Figure 10–3 Tannenbaum and Schmidt Continuum of Leadership Behavior

Boss-Centered Leadership ←→ **Subordinate-Centered Leadership**

Area of Freedom for Subordinates

Use of Authority by the Manager

Manager makes decision and announces it.	Manager "sells" the decision.	Manager presents ideas and invites questions.	Manager presents tentative decision subject to change.	Manager presents problem, gets suggestions, and makes decision.	Manager defines limits; asks group to make decision.	Manager permits subordinates to function within defined limits.

As illustrated in Figure 10–3, the Tannenbaum and Schmidt (1958) model covers a range of leadership behaviors. The model identifies the amount of authority (boss-centered) used by the manager and the amount of freedom afforded to employees (subordinate-centered). At one end of the continuum (boss-centered), the manager takes complete control of the situation, makes a decision, and announces it to the employees. There is no effort to solicit feedback, ideas, or input. At the other end of the continuum (subordinate-centered), the managers and the employees collaboratively make decisions within clearly defined organizational constraints. Within the two extremes of the continuum lie a multitude of managerial options to either include or exclude employee involvement in decision-making processes. The appropriateness of the behavior is dependent upon situational (contingent) factors.

How do managers determine where on the continuum they should position themselves? Determinants may include (1) the manager's style of leadership, (2) the culture of the organization, (3) the complexity of the task at hand, or (4) the relationship between the manager and the employee, specifically the level of confidence the manager has in the employee and the level of comfort in delegating a task or seeking participation in the decision process. Another situational factor important to the process is the level of acceptance by the employee to participate and acknowledge responsibility for delegated tasks. When an employee conveys a desire to participate, the subordinate-centered leadership is appropriate. Conversely, when a manager is faced with an employee who avoids involvement beyond what is minimally expected, the boss-centered leadership style would be the suitable approach.

One approach is not preferred over the other. The situational factors will determine appropriateness. Today's healthcare managers are faced with an onslaught of ongoing critical decisions for which they are accountable and responsible. With this in mind, it is imperative that managers function effectively at each placement on the leadership continuum. Attempts to maintain a subordinate-centered position on the continuum will not meet the needs of the organization when a manager is faced with making a decision that requires information that employees may not possess or when the situation is so critical

that it prevents time to collaborate with employees.

Given appropriate time to seek involvement in a decision, the subordinate-centered approach is preferred for obvious reasons. Employees who are permitted to participate in the decision-making process most often are less threatened by the impending change by feeling more a part of the solution rather than as an observer who has no control over what may or may not happen. Unnecessary exclusion from a participatory effort can create an environment of distrust, fear, hopelessness, and anger. A manager's decision as to where on Tannenbaum and Schmidt's continuum he or she should be positioned is unquestionably critical to both the task and how he or she is perceived by those affected by the positioning.

HERSEY AND BLANCHARD'S SITUATIONAL LEADERSHIP ROLE

The work of Hersey and Blanchard ([1988](#)) suggests leaders should adapt their leadership style based on three dimensions: (1) task behavior, (2) relationship behavior, and (3) the level of maturity of the subordinate. *Task behavior* refers to a leader who clearly defines work roles and responsibilities while ensuring task clarity. The *relationship behavior* refers to the development of personal relationships, as well as emotional and psychological contracts between the leader and the subordinates. These two dimensions, task behavior and relationship behavior, are shaped by the final dimension, the level of maturity of the subordinate. The *level of maturity* or development of the subordinate is characterized by three specific criteria:

- 1. The level of motivation exhibited by the subordinate.
- 2. The willingness of the subordinate to assume responsibility.
- 3. The experience and educational level of the subordinate.

Figure 10–4 Hersey and Blanchard's Situational Leadership Model
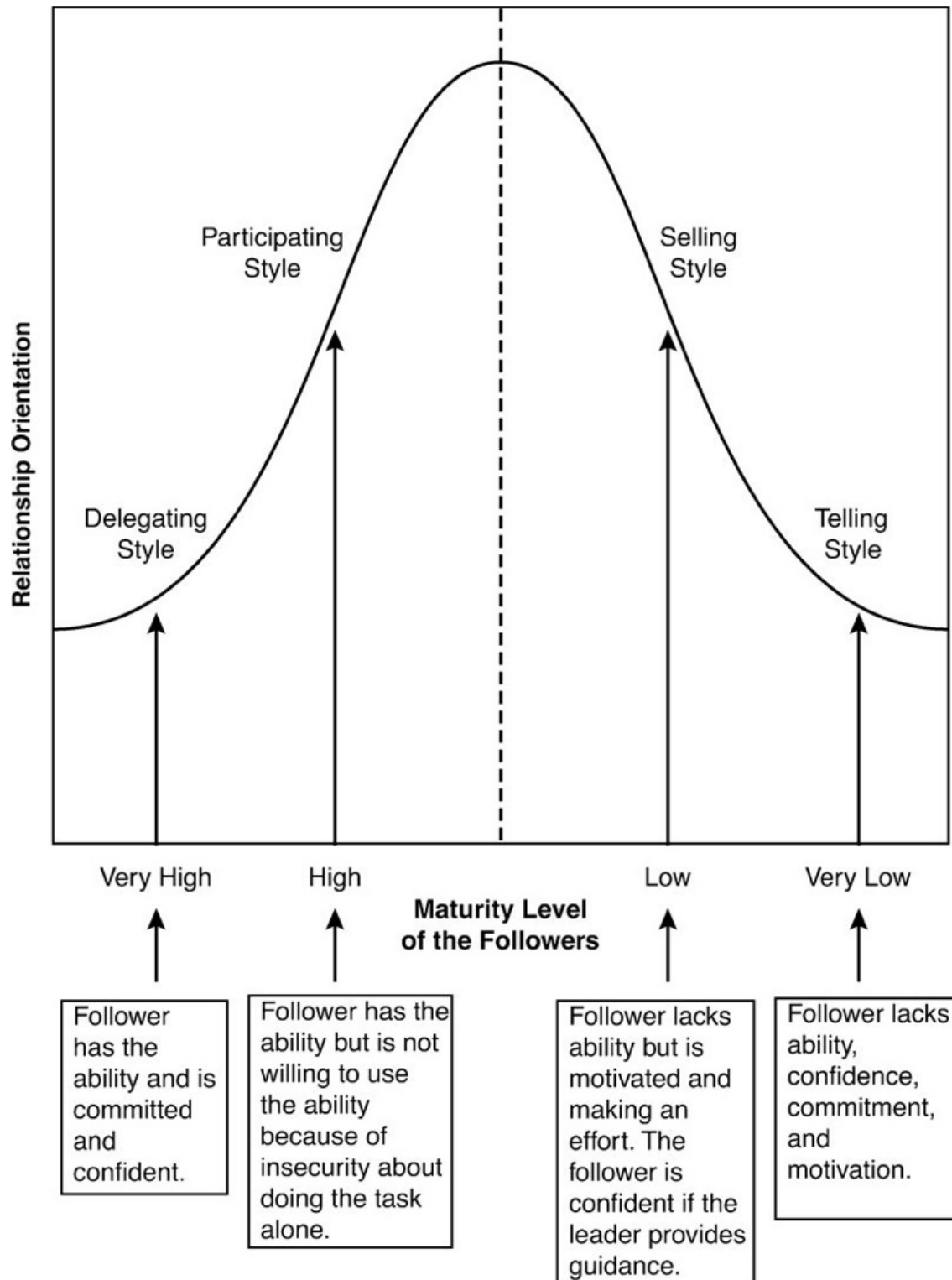
According to Hersey and Blanchard's Situational Leadership Model (see Figure 10–4), as the employee cultivates knowledge, skills, and abilities to perform at increasing levels of expectations, the manager modifies his or her leadership style. As the subordinate passes through different stages of commitment and competence, the leader varies the amount of direction and support given. The leader plays various roles of directing, coaching, supporting, and delegating as the subordinate "matures" and becomes able to perform more activities. The varying amounts of direction and support given are conceptualized into four leadership styles: Telling, Selling, Participating, and Delegating.

The Situational Leadership Model identified that when the level of maturity of the follower (i.e., subordinate) is very low, a high-task, low-relationship style of leadership is most effective. As an example, this situation occurs when an employee is new to an organization, attempting to learn task expectations while assimilating into a new culture. The employee, new to the environment, seeks direction by being told what to do; hence, the effective leader uses a telling style of leadership.

As the new employee better develops knowledge, skills, and abilities, thereby increasing his or her level of performance, the leader can incorporate a selling style of leadership. This method of leadership (high-task, high-relationship) is effective when the employee becomes increasingly confident and is willing to accept additional responsibilities. The leader no longer merely directs the employee as to what must be done, but makes the effort to tell the employee what to do and how his or her role is important to achieving departmental objectives and organizational goals. It is important that the leader recognize the importance of both the task behavior and the relationship behavior at this stage of maturity development.

As the maturity of the employee continues to increase to higher levels, the leader is required to place less of an emphasis on the task, but continues to advance the relationship (low-task, high-relationship). At this level of maturity the employee has demonstrated the ability to perform to organizational expectations with minimal managerial influence, allowing the leader to function most effectively using a participative style of leadership. In this stage of the model, the leader seeks input from the subordinate in areas concerning processes, tasks, and productivity concerns. The leader still makes the decision and ensures compliance, but the employee participates in the decision-making process through an exchange of information between the leader and employee.

Upon full maturity, the employee has fully developed by exhibiting an unquestionable ability to perform expected tasks. This subordinate's maturity level is very high (low-task, low-relationship), creating an environment conducive to a delegating style of leadership. At this point in the model, the leader modifies his or her own behavior to a level where the leader is comfortable to not only delegate, but to allow the employee to identify innovative ways to accomplish the task.

Empirical research, as in other leadership studies, is critical of the Situational Leadership Model. Critics question the coherence of the results of the model, where a questionnaire identifies 12 situations that are supposed to represent levels of subordinate maturity and that managers have only one of four styles of leadership. Hersey and Blanchard admit the model may be oversimplified, yet, one can clearly apply the model in a practical workplace environment (Luthans, 2002).

LEADER–MEMBER EXCHANGE THEORY

Whereas the contingency theories discussed thus far relate leadership style with general situational and subordinate factors across a group of employees, Leader–Member Exchange (LMX) directs us to the differentiated relationships that arise between individual subordinates and their supervisors.

The foundation for LMX comes from the work of Graen and Cashman (1975), who coined the phrase Vertical Dyad Linkage (VDL) to describe how leaders develop dyadic (two-person) relationships with subordinates that affect the behavior of the leader and the subordinate. Over time, the leader identifies with subordinates as belonging to an in-group or an out-group. The leader cognitively assigns an individual membership to either the in-group or the outgroup. Individuals assigned to the in-group are perceived by the leader as being more committed to organizational goals and more likely to fulfill responsibilities with higher levels of performance. The in-group is "rewarded with more of the leaders' positional resources (i.e., information, confidence, and concern) than individuals assigned to the out-group" (Luthans, 2002, p. 583).

Not surprisingly, in-group members report fewer problematic issues with leader–member interactions and higher levels of responsiveness with the leader than do members of the out-group. Additionally, it is noted that the ingroup is more often led with less emphasis on formal authority to control and influence, while the out-group is more often supervised with a much stronger emphasis on formal authority to control and influence. The mere nature of the high quality of the leader–member relationship that occurs with the in-group generates individuals who accept greater responsibility and exhibit higher levels of contribution to organizational goals (Graen & Ginsburgh, 1977; Liden & Graen, 1980).

A more recent application of VDL is known as the Leader–Member Exchange (LMX) Theory. Taking VDL one step further, LMX examines the characteristics of individuals belonging to the in-group, noting similarities that exist between in-group

members and the leader in the dyadic relationship. Individuals with high self-efficacy will tend to form in-group relationships with the leader. In this dyadic relationship, the leader perceives the followers to be more friendly, approachable, and similar in personality to the leader him- or herself. The perception of similarity becomes a very important factor for the inclusion in the in-group and the resultant development of relationships and contributions to task accomplishment.

According to Robbins ([2005](#), p. 163), "studies confirm many of the LMX predictions that leaders do differentiate among followers and those with in-group status have higher performance ratings, lower turnover intentions, and higher satisfaction with superiors than those in the out-group."

SUMMARY

Contingency theories provide us with the understanding that one leadership style is not effective across all the variable situations that exist in organizations. The leader who is able to respond to ever-increasing levels of environmental uncertainty through the utilization of more than one style of leadership will be most likely to increase employees' levels of motivation, satisfaction, and productivity. One should not underestimate the importance of the interrelationship of applying the appropriate leadership style based upon the accurate analysis of situational factors.

END-OF-CHAPTER DISCUSSION QUESTIONS

1.

Describe Fielder's Contingency Model. What is the impact of his assumption that leadership style is "fixed"?

2.

Summarize the path–goal model of leadership. What theories of motivation (Chapters 5 and 6) can you tie to the assumptions of the model?

3.

Identify healthcare situations in which the Tannenbaum and Schmidt's Continuum of Leadership would suggest the autocratic leadership style as the most appropriate.

4.

Discuss the role of leadership style in response to follower maturity (development) as presented in the work of Hersey and Blanchard.

5.

What impact does the assignment of followers to the "in" or "out" group (LMX) have on worker performance and satisfaction?

6.

Apply the contingency theories discussed in this chapter as they relate to your work environment to assess the appropriate style of leadership and the implications for motivation, satisfaction, and productivity.

EXERCISE 10–1

Write a brief description of a personal experience as either the leader or follower when:

- • A "telling" style of leadership was used.
- • A "selling" style of leadership was used.
- • A "participating" style of leadership was used.
- • A "delegating" style of leadership was used.

Examine the effectiveness of the style by answering some questions about it, such as: Did it work? Could a different style have worked better? Which style do you prefer your supervisor to use with you? Which style are you most comfortable using yourself ? Why?

Form a group of 3 to 4 individuals, and share and discuss your questions with your group.

Case Study 10–2 A New Employee Scheduling System

You are the Director of Human Resources of Baptist Health System, an integrated network of nonprofit hospitals, physician clinics, and home medical services with over 4,000 employees. You wish to implement a new software application to upgrade and automate employee-related scheduling. You estimate that replacing the organization's antiquated system and automating this labor-intensive, time-consuming task can save the health system thousands of dollars each year. Frank is a person in the organization's Office of Technology (OT) who has the skill set you need. However, Frank does not report to you and you know that OT is understaffed and overworked. You have permission from Frank's boss, Jane, to use some of his time only if it doesn't interfere with his regular duties.

Scenario One:

Upon obtaining Jane's permission, you send Frank an e-mail stating "I need you to assist staff in my department with the implementation of a new software application to upgrade and automate the organization's employee-related scheduling. This needs to be completed within two weeks. My assistant will contact you tomorrow to discuss the specific details of this project so you can start immediately."

Scenario Two:

You schedule a meeting with Frank for the next day to discuss your situation. "Frank, I want to talk to you about this project I am working on because I understand that you have experience with database conversions and Jane told me that you were the best person to talk to about this subject. This project is very important to the organization because, like most healthcare organizations, we are facing ongoing challenges of labor cost control and maintaining the appropriate staff levels necessary to maintain high levels of patient care. Baptist has been using an antiquated application to manage staffing and scheduling for several years; the software is outdated and no longer fulfills the needs of the organization. We need a new employee scheduling system that is flexible and scalable enough to accommodate continued organizational growth.

"Frank, let me tell you what I'm trying to accomplish in the next 30 days. The system has to integrate with our existing time and attendance system so information can be shared between our facilities. We also want to get a handle on our data in real time, not 14 days after the pay period. Additionally, the Joint Commission on Accreditation of Healthcare Organizations requires high levels of tracking and reporting, so the organization has to find a way to deal with these reporting expectations. Frank, how can you help us reach our goal?"

Using Hersey and Blanchard's Situational Leadership Model, discuss how Frank will react under each of the preceding scenarios. Why?

Exhibit 10–1 Leadership Style Survey

Directions

This questionnaire contains statements about leadership style beliefs. Next to each statement, circle the number that represents how strongly you feel about the statement by using the following scoring system:

- • Almost Always True - 5
- • Frequently True - 4
- • Occasionally True - 3
- • Seldom True - 2
- • Almost Never True - 1

Be honest about your choices as there are no right or wrong answers—it is only for self-assessment.

Leadership Style Survey

1. I always retain the final decision-making authority within my department or team.   5 4 3 2 1

2. I always try to include one or more employees in determining what to do and how to do it. However, I maintain the final decision-making authority.   5 4 3 2 1

3. I and my employees always vote whenever a major decision has to be made.   5 4 3 2 1

4. I do not consider suggestions made by my employees, as I do not have the time for them.   5 4 3 2 1

5. I ask for employee ideas and input on upcoming plans and projects.   5 4 3 2 1

6. For a major decision to pass in my department, it must have the approval of each individual or the majority.   5 4 3 2 1

7. I tell my employees what has to be done and how to do it.   5 4 3 2 1

8. When things go wrong and I need to create a strategy to keep a project or process running on schedule, I call a meeting to get my employees' advice.   5 4 3 2 1

9. To get information out, I send it by e-mail, memos, or voice mail; very rarely is a meeting called. My employees are then expected to act upon the information.   5 4 3 2 1

10. When someone makes a mistake, I make a note of it and tell them not to ever do it again.   5 4 3 2 1

11. I want to create an environment where the employees take ownership of the project. I allow them to participate in the decision-making process.   5 4 3 2 1

12. I allow my employees to determine what needs to be done and how to do it.   5 4 3 2 1

13. New hires are not allowed to make any decisions unless it is approved by me first.   5 4 3 2 1

14. I ask employees for their vision of where they see their jobs going and then use their vision where appropriate. 5 4 3 2 1

15. My workers know more about their jobs than me, so I allow them to carry out the decisions to do their job.   5 4 3 2 1

16. When something goes wrong, I tell my employees that a procedure is not working correctly and I establish a new one.   5 4 3 2 1

17. I allow my employees to set priorities with my guidance.   5 4 3 2 1

18. I delegate tasks in order to implement a new procedure or process.   5 4 3 2 1

19. I closely monitor my employees to ensure they are performing correctly.   5 4 3 2 1

20. When there are differences in role expectations, I work with them to resolve the differences.   5 4 3 2 1

21. Each individual is responsible for defining his or her job.   5 4 3 2 1

22. I like the power that my leadership position holds over subordinates.   5 4 3 2 1

23. I like to use my leadership power to help subordinates grow.   5 4 3 2 1

24. I like to share my leadership power with my subordinates.   5 4 3 2 1

25. Employees must be directed or threatened with punishment in order to get them to achieve the organizational objectives.   5 4 3 2 1

26. Employees will exercise self-direction if they are committed to the objectives.   5 4 3 2 1

27. Employees have the right to determine their own organizational objectives.   5 4 3 2 1

28. Employees seek mainly security.   5 4 3 2 1

29. Employees know how to use creativity and ingenuity to solve organizational problems.   5 4 3 2 1

30. My employees can lead themselves just as well as I can.   5 4 3 2 1

On the fill-in lines below, mark the score of each item on the questionnaire. For example, if you scored item one with a 3 (Occasionally), then enter a 3 next to Item One. When you have entered all the scores for each question, total each of the three columns.

Item	Score	Item	Score	Item	Score
1	_____	2	_____	3	_____
4	_____	5	_____	6	_____
7	_____	8	_____	9	_____
10	_____	11	_____	12	_____
13	_____	14	_____	15	_____
16	_____	17	_____	18	_____
19	_____	20	_____	21	_____
22	_____	23	_____	24	_____
25	_____	26	_____	27	_____
28	_____	29	_____	30	_____
TOTAL_____		TOTAL_____		TOTAL_____	

Authoritarian Style Participative Style Delegative Style

(autocratic)   (democratic)   (free reign)

This questionnaire is to help you assess what leadership style you normally use. The lowest score possible for a leadership style is 10 (Almost never) while the highest score possible for a stage is 50 (Almost always).

The highest of the three scores indicates what style of leadership you normally use. If your highest score is 40 or more, it is a strong indicator of your normal style. The lowest of the three scores is an indicator of the style you use least. If your lowest score is 20 or less, it is a strong indicator that you normally do not use this leadership style.

If two of the scores are close to the same, you might be going through a transition phase, either personally or at work, except:

If you score high in both the participative and the delegative, then you are probably a delegative leader.

If there is only a small difference between the three scores, then this indicates that you have no clear perception of the leadership style you use, or you are a new leader and are trying to feel out the correct style for you.

Source: Available at: http://www.nwlink.com/~donclark/leader/survstyl.html. Created July 15, 1998; last update February 24, 2002. Copyright by Donald Clark. Reprinted with permission.

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