Leadership Capability

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While India has vast mineral, technical and human resources, we remain a developing country even sixty-two years after Independence. This might be so because we may not have been able to develop sufficient leadership capability in our organizations. Indian managerial traditions are weak, and dependence proneness is high (Sinha, 1980).

Interest in leadership and managerial capability has not been found wanting in the Indian ambience. For example, Singh and Das (1977) in a study of leadership styles, found that the bureaucratic style is most prevalent among Indian managers, followed by the benevolent-autocratic, developer and democratic styles. Another study of leadership capabilities among branch managers by Das (1987) identified the following three elements: leading by example, job knowledge and business acumen, and managing subordinates.

Sinha (1980), who was one of the pioneer researchers on extant leadership styles at middle level management in public sector undertakings (PSU), reports that three specific expectations of subordinates characterize the leader-subordinate relationship in the relatively more collectivist culture of India:

a) A preference for a personalized over a contractual relationship with the leader

b) A tendency to depend on the leader for guidance, direction, and support

c) A willingness to accept the superior status of the leader

Accordingly, Sinha (1980, pg 55) proposes that subordinates in India work more effectively under a nurturant-task (NT) leader. He describes a nurturant leader as one who “cares for his subordinates, shows affection, takes personal interest in their well-being, and above all is committed to their growth.” However, in order to be effective, the leader makes his nurturance contingent on the subordinate’s task achievement. The leader structures roles in such a way that the subordinates understand and accept the goals and the normative structure of the group, and develops commitment to them. Those subordinates who meet the leader’s expectations are reinforced by nurturance. In the process, there develops a relationship of understanding, warmth and independence, leading to higher productivity and better growth of both the subordinate and the leader.

There have been a few studies on the styles of senior leadership as well. In a study of 25 top managers, Khandwalla (2004) categorized the leadership roles played by Indian managers into nine categories: inspiring subordinates, developing effective relationships, getting cooperation, emphasizing core values and norms, mentoring, fostering teamwork and collaborative effort, and effective conflict resolution.
There appears to be no consensus about any leadership style suitable specifically to Indian organizations, although there have been many comments by experienced executives about desirability of certain set of qualities. For example, Rangnekar (1990) found three characteristics that appear to contribute to capable leadership: credibility among subordinates, self-confidence in dealing with supervisors and colleagues, and an ability to develop a rapport with union leaders. Similarly, some authors have talked about as many as 50 leadership theories and models specifically suitable for Indian conditions (cf. Sharma, 2002).

Thus, even if there exists a need for a leadership capability model suited specifically to Indian conditions, there appears to exist no such empirically verified framework that is widely accepted in Indian organizations.

On the other hand, there is no dearth of scholarly literature on leadership that originates from the West. Connelly et al (2000) opine that leader characteristics and capabilities have long been a topic of interest in the leadership literature. Insight about the nature of leadership capabilities that impact leader behaviour and performance is invaluable for selecting and developing the necessary skills of leaders to further the goals of the organizations in which they work. Sometimes, the leadership issue is best understood in the context where it is embedded.

The context of leadership is the setting or the circumstances in which this phenomenon occurs. Thus, how individuals construct their idea of leadership creates opportunities for a wide range of perceptions of leadership capability.

Many scholars see leadership as a social construction. Berger and Luckman (1967) suggest that persons and groups interacting together in a social system form, over time, concepts or mental representations of each other’s actions, and that these concepts eventually become habituated into reciprocal roles played by the actors in relation to each other. Searle (1995, pg 7) refers to the social construction of reality in which people’s “world view depends on our concept of objectivity and the contrast between the objective and the subjective”. He argues that a real world exists independently of our representations, and puts forward a case for the correspondence theory of truth – that statements are true if they correspond to the facts in the world independently of the statement. Grint (2005, pg 1471) suggests that in theoretical works of social construction, “What counts as true, objective and as fact are the result of contending counts of reality. This implies that “reality” is constructed through language. In turn, since language is a social phenomenon, the account of reality which prevails is often both a temporary and a collective phenomenon”.

Barge & Fairhurst (2008) offer a practical theory of leadership grounded in systemic thinking and social constructionism. A systemic constructionist approach conceptualizes leadership as a co-created, performative, attributional, and contextual process where the ideas articulated in talk or action are recognized by others as progressing tasks that are important to them. Using a systemic constructionist approach...
framework, they argue that leadership theory and research needs to give attention to three important discursive practices: (a) sense making, (b) positioning, and (c) play.

The language derived from theories, definitions, concepts and outcomes of leadership provide accounts of how individuals construct their own understanding of leadership capability. The aforementioned classification of leadership definitions by Bass (1990) suggests a range of contexts for the application of leadership capability. For instance, if a leadership role involved inducing compliance in an organization, then a certain type of leadership would be applied. On the other hand, if a group process were required to achieve an outcome, then a different type of leadership would be applied.

There is an emerging consensus that there is no single prescription for effective leadership performance (Higgs and Rowland, 2003) The relationship between the approach of leaders (and their leadership style) and the context in which they operate is seen to be important. Bolman and Deal (2003) reinforce this view when they emphasize that leadership is situated in a context as well as a relationship. Citing the example of the September 11, 2001 attacks, and the subsequent leadership provided the Rudolf Giuliani, the then Mayor of New York City, Bolman and Deal (2003, pg 338) state “Traditional notions of solitary, heroic leaders can lead us to focus too much on the individuals and too little on the stage where they play their parts. Leaders make things happen, but things also make leaders happen …… Giuliani found himself on-stage in an unplanned theatre of horror, and he delivered the performance of his life. Another stage would have required, and permitted, different leadership”.

Adair (1984, pg 262) suggests that good leadership always exists in a form appropriate to its environment, and a shape that is fitting in one situation may not be so in another. He further adds that “when people condemn leadership, they are rejecting a particular image of it culled from a situation different from their own.” Avery (2004, pg 8) has also argued, “Leadership is not a concrete entity, but is more appropriately regarded as a social construction that occurs in a historical and social context, and within the minds of the people involved.” Barker (2001) opined that the “environment” of leadership is some form of social milieu, such as society, an organization, or a small group that has specific influences upon how the leader formulates leadership. It is presumed that relationships among system components (traits, abilities, actions etc) are established within a stable environment. A changed environment will require new definitions of these relationships.

Taking this issue of context further, one of the most important contexts of leadership is that of organizational culture. Johnson et al (2006) suggest that it is useful to conceive that the culture of an organization consists of four layers - values, beliefs, behaviour and taken-for-granted assumptions. A “cultural web” is created within the organization that connects all the taken-for-granted assumptions through stories symbols, power structures, systems, rituals and symbols. These webs produce organization cultures that are participative, autocratic, hierarchical or laissez-faire. Each of these cultures,
in turn, generates different styles of leadership requiring different types of leaders to produce the required leadership outcome.

The impact of culture on leadership has been thoroughly researched, with findings suggesting a number of tentative conclusions as described by Block (2002, pg 318). He referred to the following research outcomes:

1. The behaviours of leaders influence the perceptions of organization culture among followers (Chodowski, 1999)
2. Leaders use their knowledge of organizational culture to affect change (Brooks, 1996)
3. Contextual factors such as organizational culture have an impact on the emergence of specific leadership styles (Pillai and Meindl, 1998)
4. Specific leadership behaviours are associated with distinct cultural traits (Lok and Crawford, 1999)
5. Leadership creates an environment in which fundamental organizational change is more or less likely to occur (Hennessey, 1998)
6. The impact of leadership on firm performance is mediated by organizational culture (Ogbonna and Harris, 2000)

The common element in each of these research findings was the impact that the leadership – culture relationship has on the performance of the organization.

The GLOBE study carried out by House et al (2004, pg 727) also suggests from their findings that leaders grow up in their cultures and build their own worldview from their own experiences and learnings from leadership. The performance of individuals is influenced by the culture in which they contribute.

Porter and McLaughlin (2006, pg 543) undertook a review of leadership literature from 1990 to 2005, so as to determine the extent and nature of attention given to the organizational context as a factor affecting leaders’ capability and their effectiveness. The overall importance of context is underlined in their conclusion: “In the future, our understanding of leadership could be improved by making a concerted effort to focus directly on the nature of the organizational context (for example, the size and type of organization, and levels within it) as a primary area of interest, rather than treating it almost as an after-thought.”

**Descriptions of Leadership Capability**

Leadership capabilities are categorized into distinct areas by a number of authors. They may not use exactly the term “capabilities”, but use related words such as skills, attributes, behaviours, abilities, capacities and competencies.
Bennis (1993) cited technical competence, people skills, conceptual skills, judgment and character as leadership capabilities; while Zenger and Folkman (2002) identified character, personal capabilities, focus on results, leading change and interpersonal skills. Baker and Coye (2003) identified the “Seven Heavenly Virtues of Leadership”: humility, courage, integrity, compassion, humour, passion and wisdom. Other key competencies identified for leaders were reported by The Conference Board (2003) as ten core skills areas: cognitive ability, strategic thinking, analytical ability, making decisions, personal and organizational skills, influence, managing diversity, delegation, talent management and personal adaptability.

Ancona et al (2007) have proposed a Distributed Leadership Model that engages four leadership capabilities, founded on four core assumptions. The four key leadership capabilities are: sense making, relating, visioning and inventing. One additional capability is the notion of a change “signature” – an individual’s unique way of making change happen. The founding assumptions are:

- Leadership is distributed; it is not solely the purview of the Chief Executive Officer, but can and should permeate all levels of the organization.
- Leadership is personal and developmental – there is no one single way to lead. The best way to create change is to work with the particular capabilities that one has, while constantly working to expand those capabilities.
- Leadership is a process to create change – leadership is about making things happen, contingent on context. Leaders may create change by playing a central role in the actual change process, and by creating an environment in which others are empowered to act.
- Leadership develops over time – it is through practice, reflection, following role models, accepting feedback, and from theory that leadership is learnt.

Finally, transformational leadership, in its Full Range of Leadership (FRL) variant (Bass and Riggio, 2006), prescribes that leadership capability is indicated on the dimensions of Idealized Influence, Inspirational Motivation, Intellectual Stimulation, Individualized Consideration, Contingent Reward, Management-by-Exception, and Laissez faire.

**Leadership Capability Frameworks**

Leadership models, theories and frameworks each provide a range of behaviours, skills, abilities, and level of knowledge, competencies, traits, attitudes, attributes, values and principles. The present research categorizes these as leadership capabilities. The application of each of these leadership capabilities results in leadership or the outcome of the application. Table 2.2 provides a selection of these models, frameworks and theories, where the application of leadership capabilities provides the leadership outcome.

Table 1 Leadership Capabilities contained in a cross-section of models and theories of leadership
<table>
<thead>
<tr>
<th>Model / Theory / Framework</th>
<th>Reference</th>
<th>Leadership Capabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trait Theory</td>
<td>Stogdill (1974)</td>
<td>Traits: Adaptable to situations, Alert to social environment, Ambitious and achievement orientated, Assertive, Cooperative, Decisive, Dependable, Dominant (desire to influence others), Energetic, Persistent, Self confident, Tolerant to stress, Willing to assume responsibility Skills: Clever, conceptually skilled, creative, diplomatic and tactful, Fluent in speaking, knowledgeable about group task, organized, persuasive, socially skilled</td>
</tr>
<tr>
<td>Contingency</td>
<td>Adair (1973)</td>
<td>Task: Define the task, make the plan, allocate work and resources, control quality and rate of work, check performance against plan, adjust the plan Team: Maintain discipline, build team spirit, encourage, motivate and give sense of purpose, appoint sub-leaders, ensure communication within the group, develop the group Individual: Attend to personal problems, praise individuals, give status, recognize and use individual abilities, develop the individuals</td>
</tr>
<tr>
<td>Leaders &amp; followers</td>
<td>Katzenbach and Smith (1994)</td>
<td>Asking questions instead of giving answers, providing opportunities for others to lead you, doing real work in support of others instead of only the reverse, becoming a matchmaker instead of a central switch, seeking common understanding instead of consensus</td>
</tr>
<tr>
<td>Situational</td>
<td>Hersey and Blanchard (1977)</td>
<td>Directive Behaviour: One way communication, followers roles clearly communicated, close supervision of performance Supportive Behaviour: Two way communication, listening, providing support, encouraging, involving others in decisions</td>
</tr>
<tr>
<td>Transformational</td>
<td>Bass and Avolio (1985)</td>
<td>Living one’s ideals, inspiring others, stimulating others, coaching and development, respect, trust and faith</td>
</tr>
</tbody>
</table>

Source: Williams, 2008

The leadership capabilities depicted in this cross-section are all not skills, experience, behaviours or traits. They are, in fact, a mixture of what the present research defines as leadership capabilities – behaviours (e.g. assertive, sensitivity to the environment), skills (e.g. clever, conceptually skilled), abilities (e.g. make the plan, control quality), and level of knowledge (e.g. knowledgeable about group tasks), competencies (e.g. fluent in speaking, check performance against a plan), traits (e.g. adaptable to situations, dependable, ambitious), attitudes (e.g. persuasive, self confident), attributes (e.g. maintains discipline, adaptable to situations), values (e.g. lives one’s ideals) and principles (e.g. sensitivity to the environment, respect, trust).
Bolden et al (2003, pg 37) reviewed a broad cross-section of organizational leadership models and competency frameworks. In relation to these frameworks and models, listed in Tables 2.3, they concluded that organizations go to great effort and expense to develop these frameworks and models even though there appears to be a great deal of similarity between them.

Table 2 Leadership Capabilities contained in a cross-section of Leadership Capability frameworks.

<table>
<thead>
<tr>
<th>Frameworks</th>
<th>Leadership Capabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>AstraZeneca Leadership Capabilities</td>
<td>Provides clarity about strategic direction, ensures commitment, focuses on delivery, builds relationships, develops people, demonstrates personal conviction, builds self-awareness</td>
</tr>
<tr>
<td>BAE Performance Centered Leadership</td>
<td>Achieving high performance, focusing on the customer, developing others, continuously improving, working together</td>
</tr>
<tr>
<td>Federal Express Leadership Qualities</td>
<td>Charisma, individual consideration, intellectual stimulation, courage, dependability, flexibility, integrity, judgment, respect for other</td>
</tr>
<tr>
<td>Lufthansa Leadership Compass</td>
<td>Entrepreneurial leadership, breakthrough problem solving, winning others, leading people, attitude and drive, international business competencies</td>
</tr>
<tr>
<td>Philips Leadership Competencies</td>
<td>Shows determination to achieve results, focuses on the market, finds better ways, demands top performance inspires commitment, develops others and self.</td>
</tr>
<tr>
<td>Shell Leadership Framework</td>
<td>Builds shared vision, champions customer focus, maximizes business opportunities, demonstrates professional mastery, displays personal effectiveness, demonstrates courage, motivates, coaches and develops, values differences, delivers results.</td>
</tr>
<tr>
<td>Vodafone Global Leadership Competencies</td>
<td>Values communication, international team development, strategic vision, building organizational capability, commercial drive</td>
</tr>
</tbody>
</table>

Source: Bolden et al. 2003

Whichever way they may be stated, leadership capabilities are seen as critical to delivering organizational results. O’Regan and Ghobadian (2004) say that as leaders, Chief Executives face an increasingly dynamic, complex and unpredictable environment, technological change, globalization, and changing competitive approaches that impact the overall performance. For organizations to remain competitive, they must maximize the leadership capabilities within the organization.

Intagliata et al (2000) suggest that most organizations are, indeed, concerned about leadership and leadership development. Following the guidance of leading competency modeling practitioners, many have developed their own competency models or architectures to define the overall leadership behaviours expected in their culture, and many have invested in creating a number of additional job or role – specific models. However, Intagliata et al (2000, pg 15) conclude that although great efforts and expense have been invested in these models and frameworks, the models produced have not necessarily helped them to reach their goal of developing the leaders they want. According to them, the reasons for this are:

- Competencies are focused more on behaviour than on results
- Competencies are too generic
• Competencies are linked to the past and not the future
• Insufficient attention is paid to competency application
• Competency models are owned more by HR than the line management

Leadership Capability as Enabling Transformational Change

Change plays a very important part in driving the need for leadership capability application. Kets de Vries (2001) suggests that the world of change creates anxiety within individuals. Anxieties come in many guises such as adverse personal or professional situations or the needs for physical or emotional satisfaction. The anxious individuals, in turn, seek someone capable of containing their anxieties. Individuals identified as effective leaders often carry out this containment. Dubrin and Dalglish (2003) suggest that leaders bring about change through their actions and personal influence. Thus, leadership capabilities are often the focus in enacting change.

Kotter (1996) states that major change in an organization is often said to be impossible if the head of the organization is not an active supporter of change efforts. In other words, the leader must take up the mantle for leading the change. Zenger and Folkman (2002) state that an individual who leads change in an organizational environment has the ability to be a champion of change in the organization. In addition, such an individual must also have a strategic perspective and know how his or her work relates to his / her organization’s strategy. Finally, he or she must also be capable of translating the organization’s vision and objectives into challenging and meaningful goals for others.

Change has many descriptors. Ackerman (1997) distinguishes between three types of change. Developmental change is usually a first level of change focused on improving skills or processes. Transitional change seeks to achieve a desired state that is different from the existing one. Finally, transformational change is radical and requires a shift in assumptions made by the organization and its members. Quinn (1996) refers to leadership through a process of transformational change. He introduces the idea of “deep change” which requires changes in assumption, rules and paradigms at both at a personal and at the organizational level. The essence of a deep change suggests that the leader needs to be capable in inspiring a major shift in individual perspectives and performance.

It has been argued that enabling transformational change is a central aspect of leadership. Thus, the leadership capabilities to be applied for this research come from the “Full Range of Leadership Model” relating to the theory of transformational leadership. This model of transformational leadership has been claimed to be broad enough in its conceptualization and deep enough in its research base to encompass almost all that various other leadership theories had proposed (Avolio, 1999). Also, numerous studies have linked leadership effectiveness and leadership emergence with transformational leadership behaviour, as defined by the full range of leadership model (Bass, 1985). These are explained in the next chapter.
Transformational Leadership

Transformational Leadership refers to a process that changes and transforms individuals and organizations. It raises the level of human conduct of both leader and follower. Bass (1985) defined a transformational leader as one who motivates followers to do more than they originally expected to do. Transformational leaders broaden and change the interests of their followers, and generate awareness and acceptance of the purposes and mission of the group. They stir their followers to transcend their own self-interests for the good of the group, organization, or society; to consider their long-term needs to develop themselves, rather than their needs of the moment; and to become more aware of what is really important.

Transformational leadership is closer to the prototype of leadership that people have in mind when they describe their ideal leader. Further, it is more likely to provide a role model with which subordinates want to identify (Bass and Avolio, 1989). It is a behavioural process capable of being learned and managed. It is a leadership process that is systematic, consisting of purposeful and organized search for changes, systematic analysis, and capacity to move resources from areas of lesser to greater productivity to bring about a strategic transformation (Tichy and Devanna, 1986)

Measurement of Leadership Capability

Leadership capability, as conceived among the array of theories and measures of it, is an amorphous construct. It comprises a broad variety of skills, values, characteristics, actions and relationships. Whereas some conceptualizations emphasize measures of planning and vision, others focus on the leader’s task structuring, delegation, negotiating, influencing, concern for people, or conduct in interpersonal relationships. Thus, leadership capability is measured by a relatively large variety of dimensions or emphases, depending upon how it is conceived.

Miner (1960) and Nash (1966) reported patterns for forecasting leadership capability that were consistent with the personal factors connected with leadership. These patterns involved energy, risk taking, verbal fluency, confidence, independence, and the desire to be persuasive. Mahoney, Jerdee, and Nash (1960, 1961) showed that work-related, business related, and higher-level occupational interests predicted the success of 468 leaders in Minnesota-based companies. These concerned interest in leadership, independence, moderate risk and work that was not closely detailed. Finally, Ghiselli (1971) predicted leadership capability from a battery of tests of intelligence, supervisory ability, self-assurance, decisiveness, self-actualization, and motivation to achieve.

Research conceptualizations of the construct of leadership have ranged from very specific to very general levels of analysis, including behavioural descriptors, leadership styles, trait-based models, skill and competency formulations, values orientations and themes of effectiveness. Further, it is quite difficult to separate the behavioural level from the leadership style level of analysis because most research links a set of behaviours into a leader style in order to provide meaning to a range of similar actions and behaviours.
McKenna, Shelton and Darling (2002) concluded that behavioural style assessment techniques are superior to trait-based assessment in the prediction of specific leadership outcomes.

Leadership capability measurement may be said to be a relative process. In general, the degree of specificity with which leadership capability is described and measured defines the measurement approach. There are any number of variants in the measurement of leadership capability, each with unique strengths and weaknesses that must be evaluated in the context of the user, environment, intended purpose, and population of interest, regardless of the theory or the measurement format. It is very difficult to say that one method of measurement is good, and another is bad, some methods may be superior to others in some settings. The methodological variants within the measurement of leadership capability are illustrated in the Table 2.4

Table 2.4 Methodological variants in the measurement of Leadership

<table>
<thead>
<tr>
<th>Element</th>
<th>Methodological Variants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Method</td>
<td>Qualitative, Quantitative</td>
</tr>
<tr>
<td>Format</td>
<td>Interview; ethnography; content analysis; text production; observation; diary; paper-and-pencil questionnaire; simulation; web-based/computer-based questionnaire</td>
</tr>
<tr>
<td>Assessor</td>
<td>Self, supervisor, peer, subordinate, client / customer, other</td>
</tr>
<tr>
<td>Scale</td>
<td>Behavioural index, trait-based, competency assessment</td>
</tr>
<tr>
<td>Theoretical underpinnings</td>
<td>LMX, transformational, situational, path-goal theory, contingency theory, other</td>
</tr>
<tr>
<td>Purpose or intended use</td>
<td>Prescriptive, descriptive</td>
</tr>
<tr>
<td>Direction of assessment</td>
<td>Positive leadership, negative leadership</td>
</tr>
</tbody>
</table>

Source: Krocke, Lowe & Brown, 2004

To assess an individual’s leadership capability, as well as the traits, personal factors and individual dispositions related to it, a combination of assessments have been used. These include tests and judgments of capacity, clinical judgments from psychometric tests, achievement and verbal and non-verbal communication styles; interest, attitudes and values; sociability, initiative, confidence and popularity; task and relations orientation; and status, family, educational background and work history.

Measurement of leadership capability is broadly based on a combination of judgmental and mechanical methods. Simulations of leadership situations, paper-and-pencil simulations such as in-basket tests, initially leaderless group discussions, and other small-group exercises are used to generate the observations from which judgments are derived. In addition to information generated from tests and simulations, the measurement data are supplied by observers, interviewers, superiors, peers, subordinates as well as the leaders themselves. Objective tests provide samples or signs of individual differences in cognition and behaviour related to leadership. Responses to the test items are unit weighed rather than differentially weighed when they are totaled to form a score, since identical results will be obtained when
results with more than four or five items are to summed (Gulliksen, 1950). Keys are developed to score those items that correlated with leadership capability. The methods of combining the measures of leadership capability are statistical and/or judgmental.

Paper-and-pencil questionnaires and instruments have been the dominant means of measurement of leadership capability for most of the construct’s development throughout the 20th century, and into the present decade. Instruments such as Leader Behaviour Description Questionnaire (LBDQ), Leadership Opinion Questionnaire (LOQ), Leader Member Exchange Measure (LMX), the Multifactor Leadership Questionnaire (MLQ) and others have been the primary source of behavioural leadership assessment. They offer the greatest ease and convenience and yield data that lends itself well to empirical analysis. Although questionnaires limit the range of responses to just a few choices, and that these responses are “usually remotely distanced from actions, events, feelings, relations, and articulation of opinions emerging in everyday life situations” (Alvesson, 1996; pg 461), the ease of application and interpretation make questionnaires an indispensable tool in the arsenal of leadership research. Further, questionnaires have long demonstrated their usefulness, reliability and validity in the measurement of leadership capability. However, judgments of quality are better made at the level of the instrument, and selection of a measure needs to take into consideration the needs, limitations and constraints of the situation. For example, computer-based simulation may offer valuable tools in capturing elusive elements of the construct, but the cost and equipment requirements may not make it a realistic option in many situations. Instead, a well-developed paper-and-pencil test may present a more realistic alternative.

The procedure of Assessment Centers have become a popular means of combining scores on psychometric tests with observations of candidates in a variety of simulations that are relevant to current and future positions. The term “assessment centre” refers to a standardized set of procedures used to identify leadership potential (Yukl, 2006). Although no two Assessment Centre programs are exactly alike, they all utilize multiple methods of assessing traits and skills. Typical methods include interviews, projective tests, situational tests, written tests of personality and aptitude, a writing exercise (e.g. a short autobiographical essay) to evaluate written communication skills, and a speaking exercise to assess oral communication skills. An overall evaluation of each candidate’s leadership potential is made by several assessors, who attempt to integrate the information from these diverse sources into a coherent picture of the motives, skills, and behavioural tendencies of each candidate. Feedback of the consensual judgments is given to candidates in most centers to contribute to the leader’s capability development efforts. According to a survey of assessment centers by Bender (1973), the typical assessment center uses 6 assessors, including psychologists and managers at several levels above the candidates. Usually, candidates are processed in multiples of 6, which is seen as an optimal number for interactions and observation.
While selecting methods for leadership capability assessment, the role of the rater in leadership measurement has been found to be critical. Traditionally, performance appraisal and measurement have relied heavily on supervisor ratings (Facteau, Facteau, Schoel, Russel, & Poteet, 1998). However, researchers have begun to use other sources as well. The prospect of evaluating leadership capability with ratings from subordinates, peers, supervisors, customers and self has intuitive appeal. Further, research has shown that the use of these other sources is associated with several positive outcomes, including improved performance information (Mohrman, Reswick-West, & Lawler, 1989) and improved leader performance following the delivery of feedback (Atwater, Roush, & Fischtal, 1995). Given these findings, the interest in using alternative sources is growing, and the use of 360-degree feedback by practitioners is far ahead of the research findings (Testa, 2002).

The most useful insights for assessment of leadership capability come from the longitudinal studies that examined the predictive power of each trait and skill for leadership advancement. A good example is the research conducted at the American Telephone and Telegraph Company by a team of researchers (Howard & Bray, 1990) where the progress of several candidates in terms of advancement into middle management was tracked and related back to Assessment Centre scores. Prediction of advancement was computed after 8 years and after 20 years. An important discovery in this research was the effect of the job situation on the relevance of individual traits for leadership success.

Finally, it is difficult to imagine a single individual manifesting all the skills, values, characteristics, actions and relationships evaluated by the measures used in different theoretical approaches to leadership. If it is assumed that all these various dimensions of leadership are necessary for effectiveness, it becomes even more difficult to imagine that leadership, when measured by a single instrument with a narrow focus on only some of the demands for leader effectiveness, would correlate very highly with objective measures of success (Lowe, Kroeck et al, 1996). The finding of a significant correlation with success is a tribute to the construct validity of the instruments. The Multifactor Leadership Questionnaire (MLQ) is one such instrument. According to Bass & Riggio (2006), there is substantial evidence that transformational leadership, particularly as measured by the MLQ, correlates significantly with measures of leadership capability.
References


