

# Inventory of Leadership Styles

The mathews partnership have found the Hay Group Inventory of Leadership Styles (ILS) to be an excellent tool for giving Leaders insight into their leadership styles. We are pleased to be accredited in using the ILS for, as they put it:

“Helping Leaders Create High-Performing Organisations”

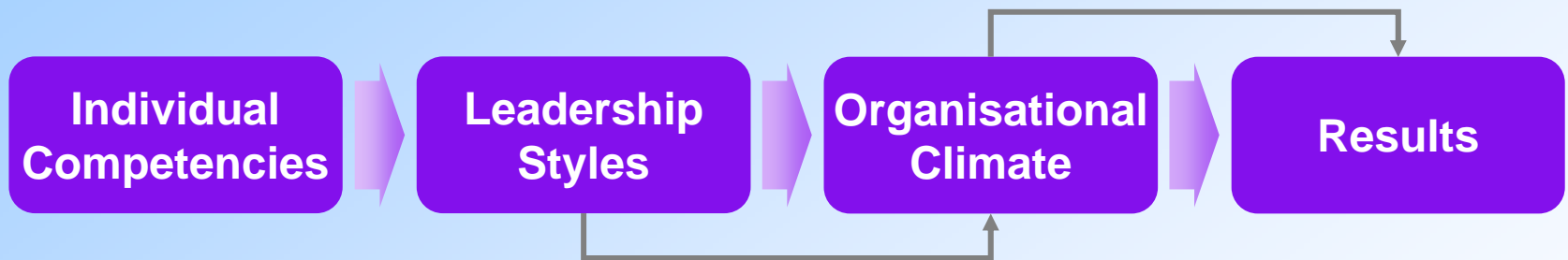
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# The Power of Leaders

## Leaders Create the Climate for Success

Up to 28% of variance in Financial Results (profits and revenue) can be explained by differences in Organisational Climate

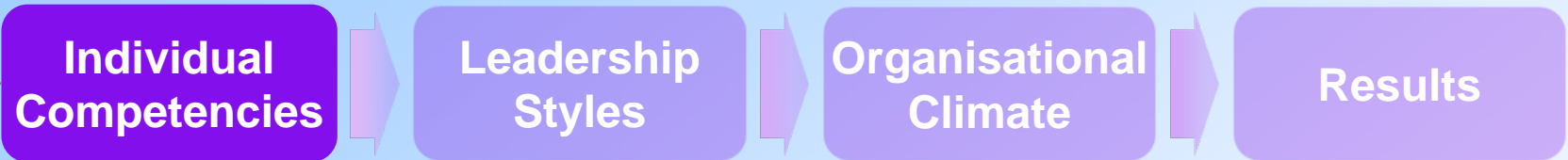


50-70% of variance in Organisational Climate can be explained by differences in Leadership Styles



# The Power of Leaders

## Leaders Create the Climate for Success



### INDIVIDUAL COMPETENCIES

- Competencies suggest how easy or difficult it will be to change leadership behaviour to match the situation.
- Competencies influence the optimal choice of leadership styles and help determine our success.



# The Power of Leaders

## Leaders Create the Climate for Success



### LEADERSHIP STYLES

- Patterns of behaviour
- Your ability to match your behaviour to the situation
- Use of the full array of styles



# The Power of Leaders

## Leaders Create the Climate for Success



### **ORGANISATIONAL CLIMATE**

- “The feel of the place”
- Your opportunity to create “star” performers
- The source of discretionary effort



# Leadership Styles

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# Six Leadership Styles

**Directive**

**Visionary**

**Affiliative**

**Participative**

**Pacesetting**

**Coaching**



# Directive Style

## Most effective:

- When applied to relatively straightforward tasks
- In crisis situations
- When deviations from compliance will result in serious problems
- With problem employees (when all else has failed)

## Least effective:

- When applied to tasks that are more complex than straightforward
- Over the long term
- With self-motivated, capable employees



# Visionary Style

## Most effective:

- When a new vision or clear direction and standards are needed
- When the leader is perceived as the “expert” or the “authority”
- With new employees who depend on the leader for guidance

## Least effective:

- When the leader does not develop employees
- When the leader is not perceived as credible
- When trying to promote self-managed teams and participatory decision making



# Affiliative Style

## Most effective:

- When used as part of a repertoire
- When giving personal help
- In getting diverse, conflicting groups to work together harmoniously

## Least effective:

- When employees' performance is inadequate
- In crises or complex situations needing clear direction and control
- With employees who are task-oriented or uninterested in friendship with their leader



# Participative Style

## Most effective:

- When employees are competent
- When employees must be coordinated vs. managed
- When a leader is unclear about the best approach

## Least effective:

- In crises
- When employees are not competent, lack crucial information, need close supervision



# Pacesetting Style

## Most effective:

- When employees are highly motivated, competent, know their jobs
- When managing individual contributors
- In making the organisation move fast
- For developing employees who are similar to the leader

## Least effective:

- When the leader cannot do all his/her work personally
- When employees need direction, development, and coordination



# Coaching Style

## Most effective:

- When employees acknowledge a discrepancy in performance
- With employees who are motivated to seek professional development

## Least effective:

- When the leader lacks credibility or expertise as a coach
- When employees require considerable direction and feedback
- In crises



# Leadership Styles Research Impact of Styles on Climate

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# Impact of Climate on Profitability

General Managers who created high performance climates for their teams achieved better margins\*.

## Average 2001 Business Results

	<i>Gross Margin*</i>	<i>Profit Margin*</i>
Type of Climate	<i>Energising</i>	<i>Demotivating</i>
	48%	29%
	36%	17%

\* p < .06

Global Technology organisation, Hay McBer 2002

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# Impact of Styles on Climate

General Managers who created high performance climates had a broader repertoire of leadership styles.

## Mean Percentile of Differentiating Leadership Styles\*\*

>66% is considered a dominating Leadership Style

		<i>Pacesetting</i>	<i>Visionary</i>	<i>Coaching</i>	<i>Affiliative</i>	<i>Participative</i>	<i>Directive</i>
Type of Climate	<i>Energising</i>	48%	80%	71%	76%	71%	26%
	<i>Demotivating</i>	75%	40%	40%	41%	46%	45%

\*\*p ≤ .05

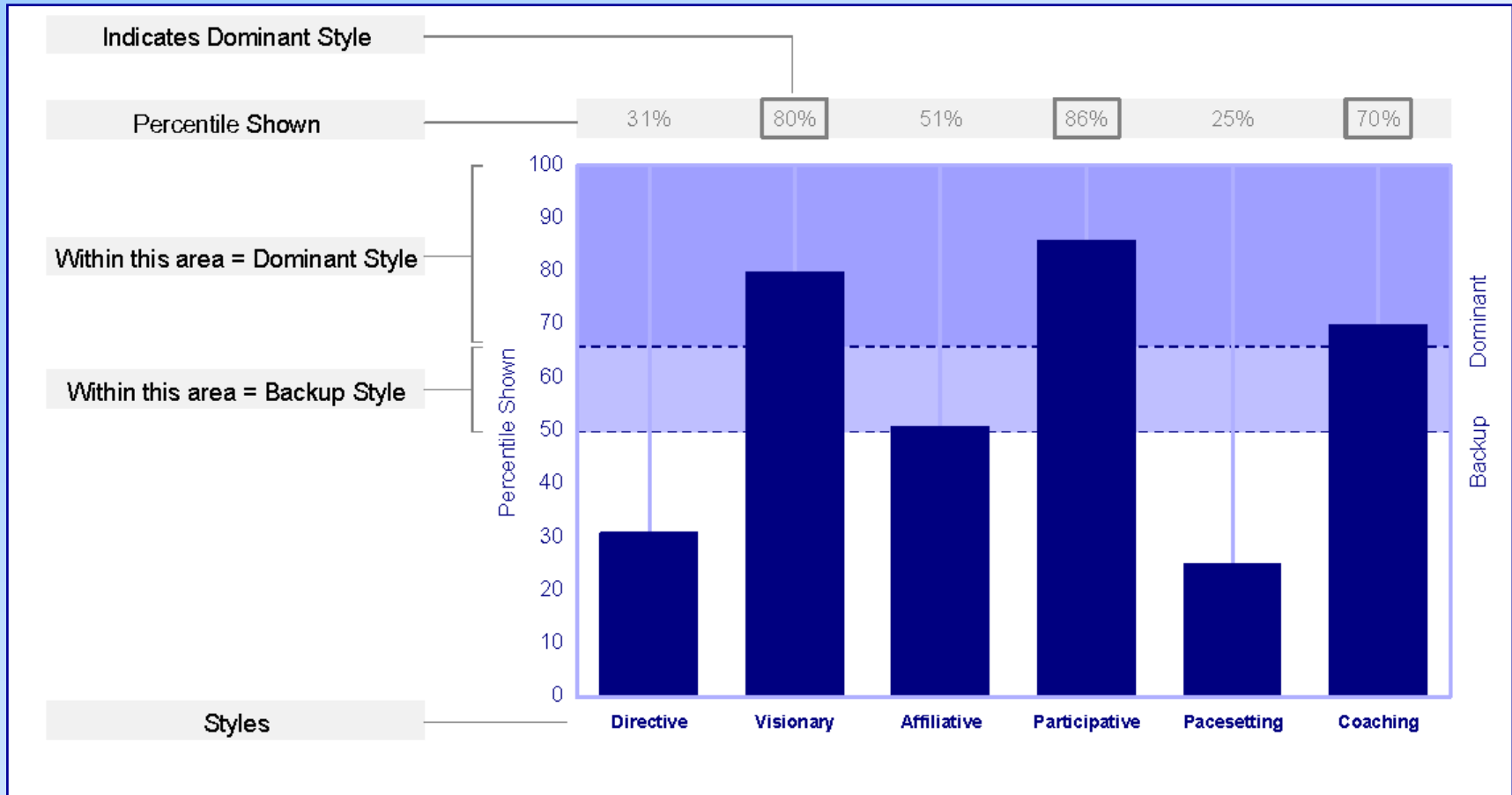


# Leadership Styles Feedback

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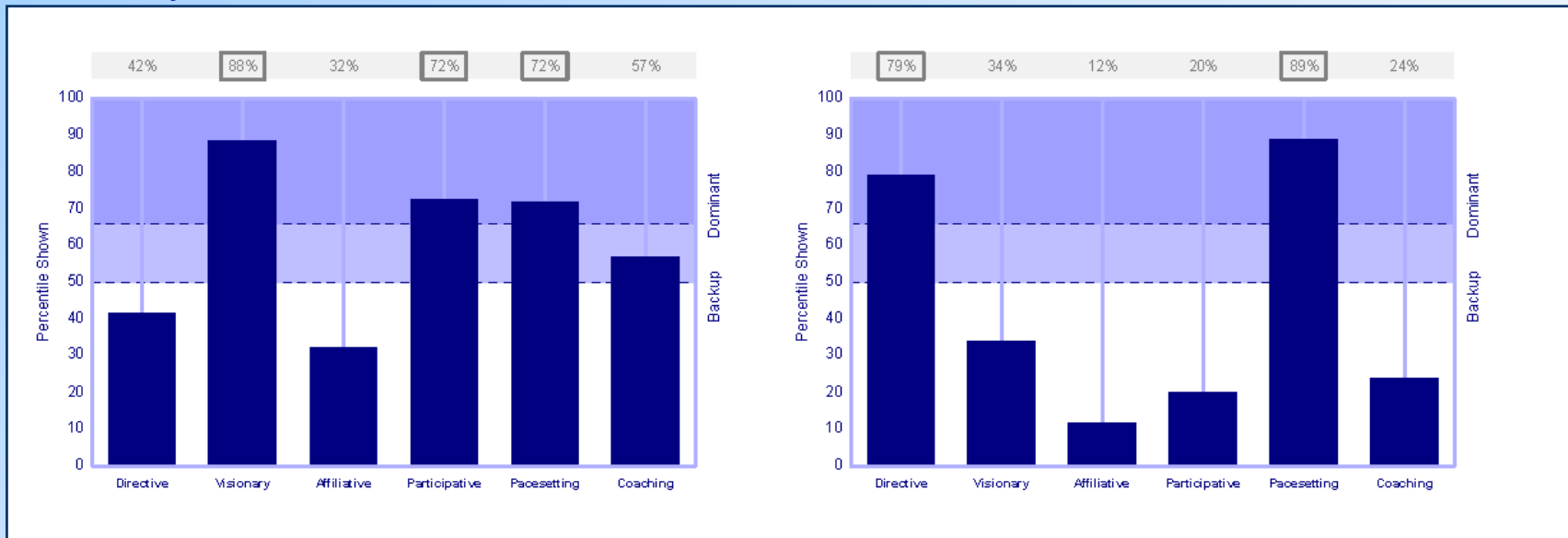


# What does the feedback look like?

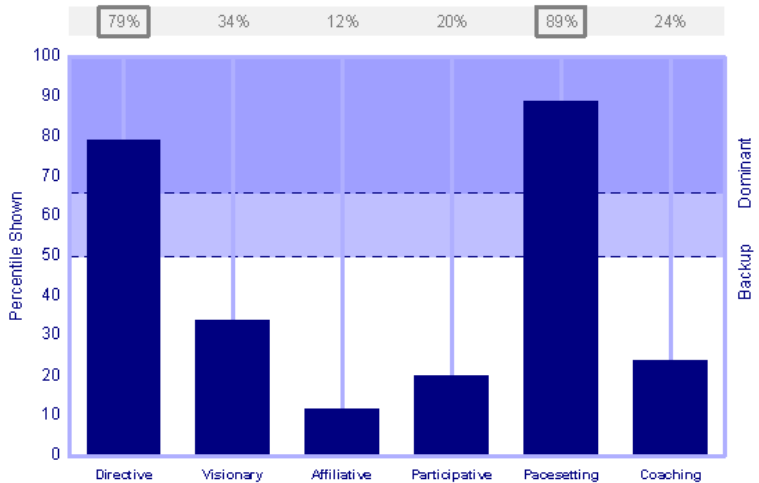


# Styles - Comparison

## Styles You Intend



## Styles Your Raters Experience



# **Inventory of Leadership Styles (ILS) Administration**

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# 3 Key People in the Process

## tmp

We contact Hay Group ILS Coordinator to discuss project and agree key information:

- Internet or fax-back
- Report format
- Dispatch method
- Deadlines
- No. of participants
- No. of raters
- Participant contact details

## Participant

- Identifies raters
- Explains purpose of survey to them
- Asks if they are willing to give feedback
- Lets them know they will receive an email from Hay Group
- If using the internet, nominates raters online
- Completes questionnaire on themselves

## ILS Coordinator

- Sets up questionnaires
- Sends out questionnaires (via agreed method)
- Chases participants and raters via email
- Monitors progress and lets us know if there are problems
- Processes and checks data
- Generates Feedback Reports
- Prints/email reports and sends to us

