CONTINGENCY THEORY

CONTINGENCY THEORY APPROACH

Frederick Fielder

Effective leadership is contingent on matching a leader's style to the right setting

Assessment Based On:

…Leadership Styles

…Situational Variables

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LEADERSHIP STYLES

Leadership styles are described as:

- *Task-motivated*
  - … *L*eaders are concerned primarily with reaching a goal

- *Relationship-motivated*
  - … Leaders are concerned with developing close interpersonal relationships

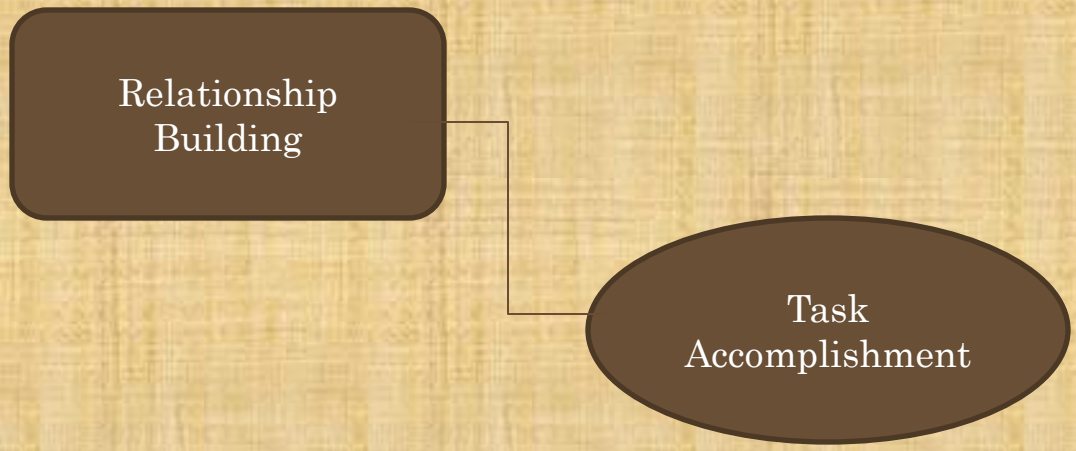
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LEAST PREFERRED CO-WORKER (LPC) SCALE

- "Think of the person with whom you can work least well. ….. Describe this person as he or she appears to you…."
- 18 dichotomous characteristics listed on an 8 point scale:
  - Pleasant …….. Unpleasant
  - Tense …….. Relaxed
  - Supportive …….. Hostile
  - Backbiting …….. Loyal

Least Preferred Co-Worker (LPC) Scale

- Low LPCs = Task-motivated
- High LPCs = Relationship-motivated
- Middle LPCs = Social-Independent



SITUATIONAL FAVORABILITY

- Leader-member relations
- Task structure
- Position power

LEADER-MEMBER RELATIONS

- **Group atmosphere** –
  - **Good** – high degree of subordinate trust, liking, positive relationship
  - **Poor** – little or no subordinate trust, friction exists, unfriendly

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TASK STRUCTURE

High Structure

- **requirements/rules** - are clearly stated/known
- **path to accomplish** - has few alternatives
- **task completion** - can be clearly demonstrated
- **limited number** - correct solutions exist

Low Structure

- **requirements/rules** - not clearly stated/known
- **path to accomplish** - has many alternatives
- **task completion** - cannot be clearly demonstrated/verified
- **unlimited number** - correct solutions exist

POSITION POWER

- **Strong Power –**
  - . . . authority to hire or fire, give raises in rank or pay
- **Weak Power** –
  - . . . no authority to hire or fire, give raises in rank or pay

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SITUATIONAL VARIABLES

Most Favorable

- good leader-follower relations,
- defined tasks (high structure),
- strong leader position power

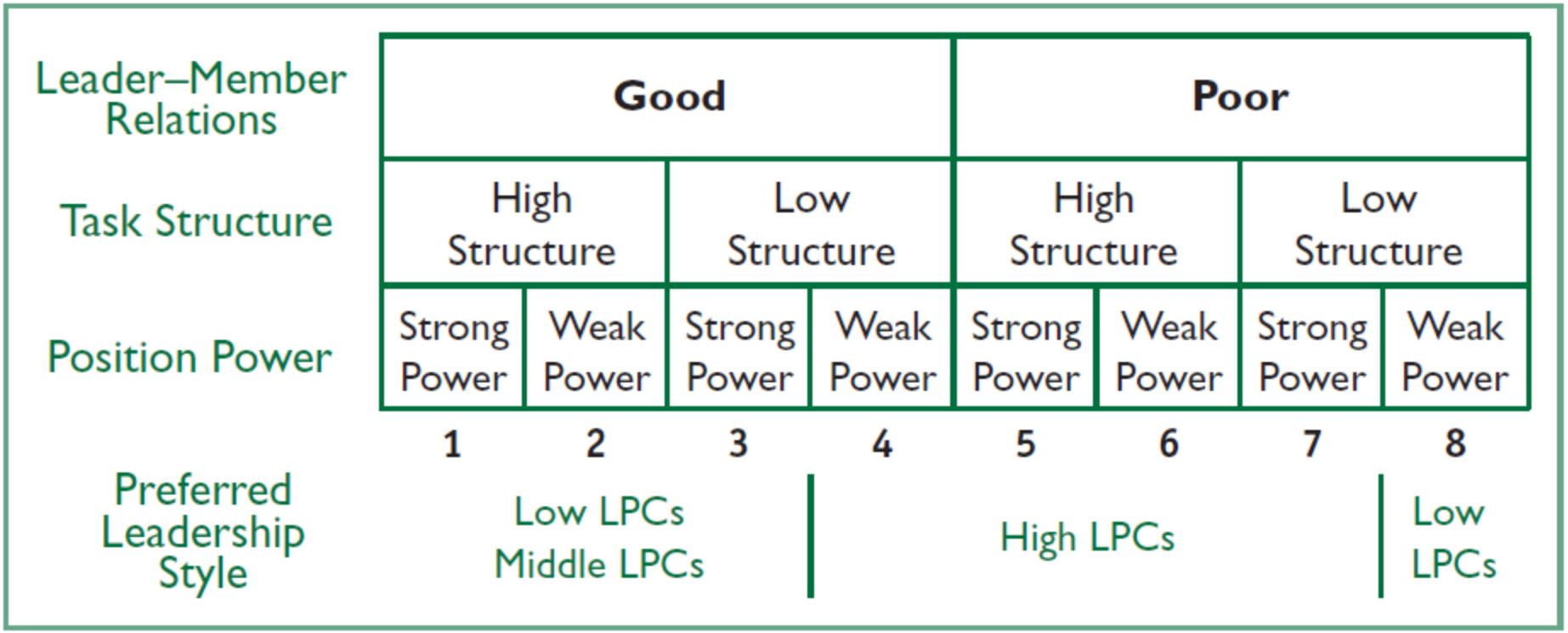
Least Favorable

- poor leader-follower relations,
- unstructured tasks (low structure), &
- weak leader position power

RESEARCH FINDINGS OF LEADER STYLE EFFECTIVENESS

LPC Score	Favorableness of Situation	Definition
Low	Very Favorable	Situations going smoothly
	Very Unfavorable	Situations out of control
High	Moderately Favorable	Situations with some degree of certainty; not completely in or out of leader's control

Figure 6.1 Contingency Model



SOURCE: Adapted from *A Theory of Leadership Effectiveness*, by F. E. Fiedler, 1967, New York: McGraw-Hill. Used by permission.

PREDICTING LEADERSHIP EFFECTIVENESS

Low LPCs – Task-Oriented → Effective in Categories – 1, 2, 3, & 8

High LPCs – Relationship-Oriented → Effective in Categories – **4, 5, 6, & 7**

Middle LPCs → Effective in Categories – **1, 2, & 3**

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RESEARCH FINDINGS OF LEADER STYLE EFFECTIVENESS

- By measuring Leader's ***LPC score*** and ***the 3 situational variables,*** it is possible to predict whether a leader will be *effective* in a particular setting

Reasons for leader mismatch, *ineffectiveness:*

- LPC style doesn't match a particular situation; stress and anxiety result
- Under stress, leader reverts to less mature coping style learned in earlier development
- Leader's less mature coping style results in poor decision making and consequently negative work outcomes