

LEADERSHIP IS A HYGIENE FACTOR

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I am a stone liberal, probably further to the political left than most of the people in this room. Nonetheless, on the subject of leadership I have a certain affinity with Ronald Reagan, the icon of conservatism in American (and my blood enemy). Reagan's favorite aphorism was, "He governs best who governs least," which is an interesting view. On a plane several years ago, I was sitting next to a retired aeronautical engineer, a very talkative and clever senior citizen. In the course of the conversation, he mentioned that he had been Ronald Reagan's boss in World War II; it was a logistic command in the Western Pacific. I asked him about Reagan's performance, and he said Reagan was the best natural manager he had ever known.

So I then asked him about the complaint in Washington that Reagan was way too hands off as President. He replied that Reagan was hands off because he knew what he was doing. He then pointed out that all the observers agreed that Reagan's transition into the White House was the smoothest in modern history. That brings me to the present subject.

Vast amounts of money and energy are spent each year studying, evaluating, and training leadership, and the money spent reflects the perceived importance of the topic of leadership. Nonetheless, it's worth asking if all this effort is justified, just to keep the inquiry process honest. In extreme and statistically infrequent cases (e.g., corrupt CEOs and incompetent heads of state), bad leadership can cause terrible problems for many people (Hogan & Kaiser, 2005; Kellerman, 2004; Padilla, Hogan, & Kaiser, 2007). But in the more typical case of a middle manager, is leadership important, and if so, how, and in what ways is it important?

From a purely theoretical perspective, one can argue that the importance of leadership is overblown. Three considerations support this view. First, hunter-gatherer societies are a proxy for the social organization of humans during perhaps one million years of prehistory. In hunter-gatherer societies, there are no formal leaders. Hunter gatherer groups are utterly democratic, they use distributed decision making, and if one person tries to exert authority, that person is quickly sanctioned (Boehm, 1993; 1999; Chagnon, 1997). If the person persists in trying to be the boss, he (it's always a he) will be terminated. Thus, people evolved living in leaderless societies and at a deep psychological level, we may find leadership alienating (Van Vugt, Hogan, & Kaiser, 2008).

Second, various researchers estimate that the base rate of incompetent management in corporate America (and no doubt around the world) is 50% or higher (Hogan & Kaiser, 2005). Based on these numbers, if leadership were important, most organizations should fail. That they don't fail suggests that something other than leadership is driving their performance.

Third, anyone who has spent time in real organizations conducting job analyses (or ever held a real job) will know that employees spend considerable time and effort finding ways to do their work without input from their boss. As a very successful salesman once told me, "I hate it when my manager comes around because I have to do things his way; but when he leaves I can get back to making money for me and the company." Consistent with anecdotes, a recent field

study of innovation (published in *Leadership Quarterly*) found that knowledge workers were more creative when the boss was out of the office (Amabile, Schatzel, Moneta, & Kramer, 2004).

The case for the irrelevance of leadership is even stronger from an empirical perspective. Pragmatic considerations suggest that I/O research should focus on the determinants of business unit performance. Common sense suggests that priority should be assigned to those factors and considerations that have the largest impact on team effectiveness and ultimately on the fabled bottom line. The research literature suggests that leadership style impacts staff morale, and that staff morale then predicts business unit performance. This means that the effects of leadership on organizational performance are mediated by the morale of the work group (Hogan & Kaiser, 2005; Kaiser, Hogan, & Craig, 2008). The group does the work, the leader takes the credit. Putting the point somewhat differently, staff morale predicts business unit performance (Harter, Schmidt, & Hayes, 2002). Leadership behavior correlates between .30 and .40 with staff morale (Harter, 2000; Judge Piccolo, & Ilies, 2004). However, staff members' personalities are even more highly correlated with morale—multiple correlations between job satisfaction and the Big Five personality dimensions, or the higher-order construct of Core Self-evaluations, are in the .50 range (Judge & Bono, 2001; Judge, Heller, & Mount, 2002). So, although leadership translates into business unit performance through its impact on staff morale, leadership is not the most important determinant of morale. The conclusion seems straightforward: the best way to enhance staff morale, and therefore business unit performance, is to hire staff based on their personalities. Leadership is a secondary consideration.

In Herzberg's (1966) pioneering study of the determinants of employee performance, he concluded that it is important to distinguish between motivator factors and hygiene factors. Motivator factors actually improve performance. Hygiene factors only serve to alienate employees and undermine performance. Removing hygiene factors removes sources of dissatisfaction, but does not actually enhance performance. The data suggest that leadership is a hygiene factor—bad leadership alienates employees, whereas good leadership doesn't necessarily improve performance, it just doesn't impede it. Consequently, leadership interventions should focus on weeding out the bad ones.

Many if not most leadership initiatives in organizations are “projects for promotion”—initiatives designed to enhance the status or the legacy of the person proposing them. My sense is that we primarily need leadership in times of crisis and when the group is faced with internal or external threat. The rest of the time people mostly want to be left alone. George Washington was the indispensable man during the War of the American Revolution, but as peace time President, he came in for massive criticism and died depressed. U. S. Grant was the greatest military leader in United States history and one of the four greatest generals of all time, but as peace time President, his performance was widely criticized. Martin Luther King was the indispensable leader of the American civil rights movement in the 1960s. I wonder how he would have performed as the leader of the movement after the passing of the civil rights legislation in the Johnson administration, that is, after the crisis had passed.

That leadership is crucial in times of crisis is indisputable. But in peace time, when things are going pretty well, Reagan was probably right—he who governs least governs best. And if we had followed his advice, we wouldn't be in Iraq.

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