

Unit 3: Principles of Management and Leadership in Organisations

Unit reference number: L/506/4478

QCF Level 4: BTEC Professional

Credit value: 6

Guided learning hours: 20

Unit aim

This unit provides the learner with an understanding of the concepts of leadership and managerial effectiveness within organisations. The unit also provides an introduction to the principles and practices of managing the performance of individuals in organisations.

Unit introduction

In work you will often be called on to take your lead from senior people in the organisation and then use your own management and leadership skills to gain the buy in of others and achieve organisational objectives.

In this unit you will learn about management and leadership in organisations and how to interpret and use the key terms such as levels, leadership, management, responsibility and accountability, vision and values. You will also gain an understanding of how organisations develop managerial effectiveness through delegation and various methods of leadership development. You will go on to find out how workplace performance is managed through formal performance management schemes and also through coaching and mentoring and the use of effective communication.

Effective management and leadership ensures that all employees' efforts are working together and contributing to future success of the organisation.

Learning outcomes and assessment criteria

In order to pass this unit, the evidence that the learner presents for assessment needs to demonstrate that they can meet all the learning outcomes for the unit. The assessment criteria determine the standard required to achieve the unit.

On completion of this unit a learner should:

Learning outcomes	Assessment criteria
1 Understand the concept of leadership in organisations	1.1 Compare the different levels of leadership in organisations 1.2 Compare the concepts of assigned leadership and emergent leadership 1.3 Distinguish between responsibility and accountability in leadership 1.4 Analyse the relationship between organisational vision, values and goals and leadership
2 Understand the development of managerial effectiveness in organisations	2.1 Describe the skills, attitudes and behaviours of effective leaders 2.2 Analyse different models and styles of leadership used in organisations 2.3 Analyse the practices of effective leaders and managers 2.4 Evaluate the role of delegation and empowerment in managerial effectiveness 2.5 Assess the impact of organisational structure, culture and climate on managerial effectiveness
3 Understand the principles and practices of managing the performance of individuals in organisations	3.1 Analyse the concept of performance management 3.2 Analyse the main tools used in performance management in organisations 3.3 Assess the value of mentoring and coaching in managing the performance of individuals in an organisation 3.4 Evaluate the role of effective communication in managing the performance of individuals in an organisation

Unit content

1 Understand the concept of leadership in organisations

Levels of leadership: definitions; difference between leadership and management, e.g. The 7-S organisational framework (Watson); leadership defined by role; leadership inside/outside of organisation's hierarchy, e.g. Maxwell's '5 Levels of Leadership' hierarchy

Assigned leadership and emergent leadership: assigned leadership, e.g. power (French and Raven, 1959); emergent leadership, e.g. communication behaviours (Fisher, 1974); personality (Foti, 1998); gender bias (Watson and Hoffman, 2004); social identity theory (Hogg, 2011)

Responsibility and accountability: responsibility, i.e. obligation of subordinate to perform duties, possibility of reprimand; accountability, i.e. ultimate responsibility, cannot be delegated, responsibility for staff, performance, results, accountability to senior managers, owners, stakeholders

Relationship between organisational vision, values and goals and leadership: vision for future; values shaping actions; goals feeding into action plans; leaders create and communicate vision, engage and motivate; get buy-in

2 Understand the development of managerial effectiveness in organisations

Leadership skills: traits vs. process approach; Action-centred leadership (Adair), people skills, e.g. relating, communication – verbal and non-verbal, patience, active listening); James Scouller's "Three Levels of Leadership" model from 2011 (Public, Private and Personal)

Leadership attitudes: Theory X, e.g. workers inherently lazy Y, e.g. workers inherently self-motivated, (McGregor)

Leadership behaviours: leadership as a behavioural category, e.g. 'Ohio State Leadership Studies', "Employee centred and production centred supervisors"; '2 Dimensions of Managerial Leadership' (Blake and McCaule)

Models and styles of leadership: models, e.g. Continuum of Leadership (Tannenbaum and Schmidt, 1973); leadership styles, e.g. - authoritarian, democratic and laissez-faire; functional approach; situational approach, Fiedler's Contingency Model, Hay and McBer Coercive, Authoritative, Affiliative, Democratic, Pacesetter, Coaching

Practices of effective leaders and managers: e.g. select right people, show empathy, communicate, lead by example, delegate, are positive and constructive, thank and reward staff, develop staff, encourage innovation, be flexible

Delegation and empowerment: definition of delegation, purpose of delegation; benefits of delegation to manager, organisation and staff; delegation and motivation; responsibility and authority; levels of decision making; delegation process, e.g. identification of work to delegate, matching of work to staff capacities; gradual delegation models, e.g. recommend/act/delegate; principles of learning such as learning curve, learning styles, conscious/unconscious competence (Johari Window); definitions of empowerment; forms of empowerment (Lashley), 'True Empowerment' (Stewart, Theory E), effectiveness of empowerment (Wall and Wood)

Impact on managerial effectiveness: definition of organisational culture/climate; link and interaction between leaders and culture (Organizational Culture and Leadership, Schein), Organisation Structure – types, e.g. functional, line, appropriacy of structures; benefits of different structures; flat vs. tall structures; impact on managerial effectiveness, e.g. hierarchies, span of control, workload; delegation, e.g. impact of culture: on practices, decisions, behaviour; different cultures, e.g. aggressive, constructive

Organisational climate: meaning of 'climate' such as prevailing atmosphere, level of morale, feelings of belonging, perceptions of members of the organisation; features of a healthy organisational climate; impact on performance, e.g. Goldsmith and Clutterbuck study of world's top companies

3 Understand the principles and practices of managing the performance of individuals in organisations

Performance management: control; monitoring activities against plans; key features, e.g. strategic, integrated, performance improvement, personal and professional development; purpose, e.g. achieving high levels of organisational performance; benefits and limitations

Performance management tools: performance appraisal, including features, techniques and benefits; 360 degree feedback, including limitations and benefits; learning and development including learning styles and learning interventions (formal and informal); objectives and performance standards; reward systems, e.g. performance-related pay

Mentoring: features of mentoring, e.g. structured programme; inductive and deductive, mentor as expert, value to organisation: spread expertise; efficient development responding to individual; benefit to individual: improved ability to do job; increase skill set; time efficient

Coaching: features of coaching, e.g. coach not necessarily an expert, primarily benefiting the individual; GROW (goals, reality, options, wrap-up) model; value to organisation: develop talent, motivate, coaching culture as 'revitalising' (Kalinauckas and King); aid constant improvement; value to individual: space and time to understand, support for change, time efficient personal development, individual at centre

Effective communication: features of effective communication, e.g. message clarity, mutual understanding; recognising others' point of view, trust, buy-in to goals, openness, improve organisational climate, collaboration; communication model: sender/encoder, receiver/decoder, message, channel, feedback/effects

Essential guidance for tutors

Delivery

For this unit tuition for the learning outcomes lends itself to flexible delivery. Tutors can deliver the unit using a wide range of teaching and learning strategies including lectures, discussions, seminar presentations, case studies, video clips, internet research and library resources, where the learner can work individually and in a group researching and gathering information about the subject.

Tutors can illustrate points with reference to examples of businesses that are recognised as having effective management and leadership practices. Many learners will use self-directed study together with the expertise and skills they may have developed in a career and be able to reflect on their experience of management and leadership.

To introduce the unit, it could be useful for learners to conduct research into the concept of leadership and the different theories of leadership models and styles. For learning outcome 1, tutor input on the concept of leadership can lead to a whole group discussion where learners can contribute based on their research and their experiences, whether from their employing organisations or societal. It is important that learners are able to underpin their understanding of the concepts with the relevant theories. Learning outcome 2 would be suitable for case studies and small group discussions supported by tutor input to summarise and emphasise key concepts and principles. This learning outcome presents a good opportunity for learners to reflect on their own experiences whether as the leader/manager or part of a team in relation to the assessment criteria. For learning outcome 3, a guest speaker with a Human Resource background could be used to introduce the topic by presenting an insight into the importance and economic value of performance management and the tools used in a good performance management system. This can then be followed up by tutor input and whole group discussion.

Assessment

This unit requires the learner to show an understanding of a range of management and leadership principles, models and concepts. Appropriate methods of assessment include written assignments, a reflective account and presentation. If a presentation is used evidence should be collected in the form of an observation record that is sufficiently detailed to enable internal and external verification to take place. This should be supported by other evidence such as the learner's presentation notes, slides or visual aids.

If the learner is concurrently undertaking a competence based qualification in management then it would be good practice for the assessment to be designed holistically; for example the learner could reflect on whether theory can be used to explain how their organisation's practices have been designed. All assessment criteria require the learner to compare, evaluate, explain, analyse etc. so care should be taken to ensure that the assessment methods and the methods of recording any oral elements permit the collection of suitable evidence.

Learning outcome 1 is about leadership in organisations and could be assessed through an assignment supported with research such as the learner interviews conducted with senior managers of organisations to highlight the hierarchical levels within an organisation (AC1.1). The learner will need to ensure that they make comparisons for both AC1.1 and AC1.2.

Learning outcome 2 is about the development of managerial effectiveness in organisations and includes a number of models. It would help to deter plagiarism and ensure relevance to the learner if the models are related, where possible, to examples from their own experiences whether as the leader/manager or part of a team, or to independently researched case studies. The responses to AC2.3 and AC2.5 could be largely drawn from an analysis of practices in researched case studies, linked with the relevant theoretical models.

Learning outcome 3 has links with *Unit 5: Business Performance Measurement and Improvement*, so a holistic approach could be considered. For AC3.1 and AC3.2 an analysis is required so the learner may need some support to ensure that there is sufficient depth in their evidence. For AC3.3 and AC3.4 the learner should demonstrate higher level skills such as the ability to use a range of sources of information, the ability to judge the relevance, reliability and impartiality of information sources, an understanding of different viewpoints and the ability to draw justifiable conclusions. Assessment of this learning outcome could be through an evaluative report, supported by an analysis of common performance management tools and an assessment of the value of mentoring and coaching methodologies used. This could be related to the case studies/evidence presented for learning outcome 2.

Evidence of Recognition of Prior Learning (RPL) can be used in the unit to confirm competence. Wherever possible, the learning outcomes in this unit should be assessed holistically across the qualification.

Indicative resource materials

Books

Adair J – *The Inspirational Leader: How to Motivate, Encourage and Achieve Success*, (Kogan Page, 2009) ISBN 9780749454784

Bennis W and Goldsmith J – *Learning to Lead*, 4th edition, (Basic Books 2010) ISBN 9780465018864

Boddy D – *Management: An Introduction*, 6th edition, (Pearson, 2013) ISBN 9781292004242

Maxwell J C – *5 Levels of Leadership: Proven Steps to Maximise your Potential*, (Center Street, 2013) ISBN 9781599953632

Mullins L J – *Management and Organisational Behaviour*, 10th edition (Pearson, 2013) ISBN 9780273792642

Shockley-Zalabak P – *Fundamentals of Organizational Communication: Knowledge, Sensitivity, Skills, Values*, 8th edition (Pearson, 2011) ISBN 9780205781089

Thompson J and Martin F – *Strategic Management: Awareness and Change*, 5th edition, (Cengage Learning EMEA, 2005) ISBN 9781844800834

Websites

www.careerfaqs.com.au/news/news-and-views/top-10-management-practices-of-effective-leaders/ - a careers website that has articles on management practices

www.cipd.co.uk - the Chartered Institute of Personnel and Development: provides a booklet on staff well being

www.mindtools.com - provides learning resources to support development of skills needed to succeed in a career

www.managers.org.uk - the Chartered Managers Institute: provision of learning resources on various aspects of management and HR issues

Other

Evan Davis 'Bottom line' podcast – *Leadership* (15/03/12), available from www.bbc.co.uk/podcasts/series/bottomline/all

Evan Davis 'Bottom line' podcast – *Who's the Boss?* (24/10/13), available from www.bbc.co.uk/podcasts/series/bottomline/all