

LEADER IMPACT ON GROUP EFFECTIVENESS

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Over the past three decades, work groups have become a popular tool for organizations. Combining individual skills and abilities into a group results in increased resources, knowledge, skill, and aptitude, ultimately leading to improved outcomes. However, groups must operate in an effective manner in order to consistently produce the desired results.

The purpose of this paper is to present a critical review of current research regarding leader impact on group effectiveness. Specifically, the impact of leadership on group performance, information sharing, group confidence and group cohesion. Research will be synthesized and critiqued to present an overview of current findings.

Group Performance

One of the primary indicators used to determine a group's effectiveness is group performance. Group performance is defined as the group's level of productivity and quality of work. Leadership has been identified as a contributing factor to group performance.

Research shows that transformational leadership enhances group effectiveness. Masi & Cooke (2000) found a positive relationship between transformational leadership (leader focus is on the group and their process) and motivation and a negative relationship for transactional leadership (leader focus is on goals and final outcomes) with commitment to quality and productivity. Wofford, Whittington & Goodwin (2001) also found a direct relationship between transformational leadership and group effectiveness. Similarly, Peterson (1997) showed that transformational leadership is associated with increased leader support, greater group confidence, exemplary group processes, and better quality decisions.

Transformational leaders often create shared vision, a common mindset of group purpose and goals. The shared vision serves to focus the efforts of the group, leading to increased commitment to performance. Hare & O'Neil (2000) found that leadership has a significant positive impact on the degree to which vision is shared. The same study found that the lack of a shared vision results in unfocused efforts of the group, which compromises group effectiveness and efficiency. Similarly, Carless & De-Paola (2000) found that the development of shared commitment to group goals resulted in higher performing groups. Likewise, Sawyer, Latham, Pritchard & Bennett (1999) found that goal setting positively impacts group performance. Leaders who work to develop shared vision and commitment to group goals will likely see an increase in overall group performance.

Leader self-image also impacts group effectiveness. Masi & Cooke (2000) found that leader positive leader self image was directly and positively related to group productivity. Yorges, Weiss & Strickland (1999) showed that a charismatic self-image mediated the degree to which the leader positively influenced group performance. Lucas (1999) found that high performing group members who were appointed as group leaders showed increased levels of satisfaction, commitment, and performance. The resulting positive self image lead to increased group motivation and performance despite that the high performing group members who were not appointed as group leaders showed decreased levels of satisfaction. Thus positive leader self-image appears to enhance group performance.

According to the research, a leader who is process oriented, has a positive self-image, and helps the group develop shared goals increases group performance. The findings are generalizable because the majority of the studies used real work groups engaged in real tasks. However, questionnaire or interview techniques were used to collect most of the data. This may result in non-representative data as well as overlooked factors due to forced choice instruments.

Information Sharing

The information provided to the group predicts the quality of group decisions. It is often the leader who has the information or has access to the information. Oetzel (2001) found that effective communication processes, such as information sharing, facilitates successful group outcomes. Similarly, Johnson, Donohue, Atkin & Johnson (2001) found that effective communication processes have direct and indirect effects on perceived innovativeness in decision making. On the other hand, Devire (1999) found that group composition, including mental ability and task knowledge, were more strongly related to group effectiveness than communication variables. Additionally, Oetzel (2001) did not find a causal relationship between communication processes and performance.

Thus, the relationship between communication processes and outcomes remains unclear in the research. Limitations include the use of mock work groups performing unrealistic scenarios, Oetzel (2001) and Devire (1999). The mixed findings may be a result of the lack of task continuity lack of experience between group members. In contrast, Johnson et al (2001) used real groups performing actual work tasks. However, groups were selectively surveyed and only ¼ of the total results were presented. This may have resulted in the loss of significant data that could potentially change the findings.

While the relationship between communication processes and group effectiveness may be unclear, research supports the relationship between information sharing by leaders and the quality of group decisions. Cruz, Henningsen & Smith (1999) showed that with partial access to information, group decisions reflected the low quality decision advocated by the leader. Full access to information often resulted in group decisions that did not reflect the low quality decision advocated by the leader. Likewise, Devire (1999) indicated that groups with full access to information were frequently able to overcome conflict in reaching group decisions. Decisions reached by groups with full access to information reached better decisions than groups with only partial access.

The impact that full access to information has on group decisions may be related to member participation. Johnson, Donohue, Atkin & Johnson (2001) showed that the primary role of

communication is to stimulate the level of involvement of individual group members. Communication that occurs within a group results in higher levels of individual information contributions (Bornstein, Mingelgrin & Rutte, 1996). It is possible that when leaders share full access to information the group members are stimulated to share their information as well, resulting in fully informed group decisions.

Research indicates that leaders who grant groups full access to information have groups who make better decisions and have higher member participation. Whether or not these positive outcomes impact overall group effectiveness is unclear. Further research, which avoids the caveats of mock groups, is necessary before conclusions can be drawn.

Group Confidence

The level of group confidence often serves as a predictor of group effectiveness. Group confidence is the degree to which the group has faith in their resources, skills and abilities. Research often refers to group confidence as group potency, group efficacy, justice perceptions, or trust. Current research is focusing on the effect that leadership has on the level of group confidence in their processes and their ability to make an impact.

The level of group confidence in their ability contributes to group effectiveness. Sosik, Avolio & Kahai (1997) found that the degree to which the group believes it has the ability to be effective predicts group effectiveness. Pescosolido (2001) found similar results, indicating that the group's collective estimate of their ability to perform tasks was directly related to group effectiveness. Thus, group confidence in their ability predicts effectiveness.

Researchers are investigating whether or not group confidence in their leader results in similar outcomes. Worchel, Jenner & Hebl (1998) investigated the role of group confidence in leadership. The study showed that during times of leadership transition, the leader's position in the group was directly related to the level of group confidence. Former leaders who remained in the group were viewed as beneficially contributing to the group. In addition, the new leader was seen as more people oriented. Possibly, the level of confidence derived from the leader's membership in the group translates to confidence in new leadership and in the group itself.

Other studies have investigated the relationship between confidence in leadership and group confidence. Cruz, Henningsen & Smith (1999) found that groups confident that their leader gave them all pertinent information were more likely to stand by their decision and to occasionally overturn leader views. Phillips, Douthitt & Hyland (2001) showed that members who were confident that the group leader viewed them as valuable were more engaged in group tasks and more likely to individually uphold group decision. Additionally, Masi & Cooke (2000) found a positive relationship between confidence in leadership and group motivation. As confidence in leadership increases, group members were more engaged and contributed more to group effectiveness. Pescosolido (2001) similarly found that confidence in group leadership positively correlated with the group's confidence in their ability to perform tasks.

Another factor contributing to group confidence is leadership style. The style exhibited by leadership affects the level of confidence that groups have in their abilities. Sosik, Avolio & Kahai (1997) found that process directive leaders (focused on the group and its processes) affected the degree to which the group believes it has the ability to impact productivity and

quality more strongly than did outcome directive leaders (focused on goals and outcomes). Similarly, Peterson (1997) found that leaders who utilized high process directiveness showed a trend toward having groups that exhibited better group processes, quality decision, and greater confidence than leaders who utilized outcome directiveness. Additionally, Foels, James, Mullen & Salas (2000) showed that leaders who utilize a democratic style have more satisfied, confident group members than do leaders who utilize an autocratic style. These findings indicate that when leaders focus on group processes, the group's confidence in their abilities is higher, resulting in improved performance.

It is generally accepted that trust impacts group performance, but the exact nature of the relationship is not clear. Dirks (2000), found that trust mediated the predictive ability of past performance on future performance. Specifically, trust in leadership had impacted group effectiveness but trust in team members did not. This points to the importance of the development of trust between leaders and group members in order to facilitate group effectiveness.

Gomez & Rosen (2001) asserted that trust in group leadership is positively associated with employee perceptions of the group and a better communication with managers. This leads to higher quality relationships, competence, and feelings of empowerment. This is supported by Fox, Rejeski & Gauvin (2000) who showed that leader trust in conjunction with a supportive group environment lead to greater individual enjoyment of the group. In addition, findings from Hare & O'-Neil (2000) indicated that frustration and lower morale often resulted from mistrust between the leader and the group as well as from undefined leader / follower roles.

Overall, research has shown that groups who are confident in their leadership show increased confidence in their abilities as a group, which predicts effectiveness. The sound methodological approaches utilized in the studies contribute to the weight of the overall findings. Select samples of real groups in natural settings were studied extensively. However, researchers made assumptions that, while grounded in research, could be unfounded. Additionally, the self-report nature of the studies is subject to bias.

Cohesion

A disjointed group is less likely to be effective than a cohesive group. Carron & Brawley (2000) defines cohesion as “ a dynamic process that is reflected in the tendency for a group to stick together and remain united in the pursuit of its instrumental objectives and satisfaction of member affective needs.” Carron & Brawley (2000) contends that members will increase their efforts to be accepted resulting in a more cohesive groups.

Researchers agree that group cohesion impacts group effectiveness. It is speculated that cohesion has an effect due to the increased effort of group members on behalf of the group. Gammage, Carron & Estabrooks (2001) found that cohesion leads to increased perceptions of accountability to the group so that members work to meet their responsibilities. Gomez & Rosen (2001) speculated that cohesive groups feel more empowered, taking on ownership and working in accordance with that ownership. Carless & De-Paola (2000) stated that cohesion increased member attraction to the group, encouraging members to work toward task accomplishment.

While group cohesion leads to increased effort, the exact reason is undetermined. Researchers do agree on a reciprocal relationship between member engagement and group cohesion. Gammage, Carron & Estabrooks (2001) found a positive relationship between cohesion and individual performance and engagement. Gomez & Rosen (2001) showed that members who perceived the group as cohesive had more positive views of the group. Phillips, Douthitt & Hyland (2001) found that members tend to be more engaged when they feel like part of a cohesive group. Specifically, that their voice is heard, that their suggestions are taken into account, and that they are viewed as valuable by the group and by the group leader.

The leader's ability to be seen as a member of the group has been shown to be an important aspect of overall group cohesion. Platow & Van-Knippenberg (2001) found that the group was unwilling to endorse a leader, regardless of his or her behavior, if the leader was not viewed to be part of the group. However, in-group leaders received the strongest endorsements, especially when they were seen as fair. Worchel, Jenner & Hebl (1998) discovered that when the former leader remains a member of the group during a change of leadership, the attractiveness of the group is increased. Neubert (1999) found that the number of internal informal leaders was positively related to performance and cohesion. Results indicate the group's need to feel that the leader is a member of the group and therefore has their best interest at heart.

Overall, groups who view their leader as part of the cohesive unit have members who are highly engaged and who put forth increased efforts on the group's behalf. The findings are generalizable due to the use of real groups performing real tasks. Additionally, individual efforts and member engagement are quantitative measures. However, studies rely heavily on member perceptions of cohesion, which are qualitative and may not be representative of actual group cohesion.

Conclusion

In Summary, leadership impacts group effectiveness in four ways. First, a leader who is process oriented, has a positive self-image, and helps the group develop shared goals increases group performance. Second, leaders who grant groups full access to information have groups who make better decisions and have higher member participation. Third, groups who are confident in their leadership show increased confidence in their abilities as a group, which predicts effectiveness. Fourth, groups who view their leader as part of the cohesive unit have members who are highly engaged and who put forth increased efforts on the group's behalf. While not solely responsible, leadership does have a significant impact on overall group effectiveness.

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