

## **Examining the Impact of Social Intelligence, Demographics, and Context for Implementing the Dynamics of the Situational Leadership Model**

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### *Abstract*

We focus on factors that may impact the implementation of Hersey and Blanchard's Situational Leadership Theory (SLT). Four are examined: (1) social perceptiveness - an accurate awareness of situational demands, (2) behavioral flexibility - appropriate responses to these demands, (3) individual characteristics such as education and age and their potential impact on leader ratings on follower development level, and (4) span of supervision, which implies the larger the number of followers, the greater the difficulty for leaders to accurately assess follower competence and commitment. The study population was drawn from 437 respondents working in Norwegian financial organizations. Results of linear regression analysis indicate leaders who

are more socially aware are better able to rate follower competence and commitment than leaders who are less aware. Results of omnibus testing support the contention that leaders who are more socially flexible are better able to match leadership style to follower competence and commitment than leaders who are less flexible. Support was obtained for the significance of age for implementation of SLT, as older superiors are better able to rate follower competence and commitment than younger superiors. Finally, in small groups leaders are better able to rate follower competence and commitment than leaders in larger groups. The evidence suggests other factors may influence leaders' ability to apply SLT, and these factors should be taken into consideration when testing the validity of the theory.

Keywords: situational leadership, social perceptiveness, behavioral flexibility, demographics, span of supervision

## **Introduction**

Situational leadership theory (SLT) has undergone a number of cosmetic and substantive changes since it was first introduced in 1969 as the "Life Cycle of Leadership" (Hersey and Blanchard, 1969). In the 1977 presentation of SLT, Hersey and Blanchard provided the most explicit description of the theoretical foundations for the original version of their model (Hersey and Blanchard, 1996). In 1985 Blanchard introduced a second version of SLT which has since undergone several revisions (e.g., Blanchard, 1988; Blanchard et al., 1985; Blanchard et al., 1993) and recently in 2007 (Blanchard, 2007). A significant difference between the original model and the second version of SLT was the modification of the three-way interaction between directive and supportive leader behavior and follower development level (Blanchard 2007; 2010). For example, originally SLT stated that followers low on competence and low on commitment should benefit from directive behavior, but the latest version of SLT predicts followers low on competence but high on commitment benefit from directing behavior (low leader consideration combined with high leader structuring). For other levels of competence and commitment, the second version of SLT suggests that followers low on competence to having some competence in combination with low commitment, benefit from coaching behavior (high leader consideration combined with high leader structuring). Followers who are moderate to high on competence but have variable commitment benefit from supportive behavior (high leader consideration combined with low leader structuring), and finally followers high on both competence and commitment benefit from delegating behavior (low

leader consideration combined with low leader structuring). Assessment of follower competence and commitment, which is a critical contextual feature in dictating an optimal leadership style, is an integral component of SLT (Blanchard, 2010), implying that both leader and follower should assess competence and commitment separately and then attempt to come to some agreement.

Despite its inherent intuitive appeal and several revisions, it has proven exceedingly difficult to verify the principles of SLT. The theory has been tested several times and has compiled a mixed record of support (Thompson and Vecchio, 2009). Judged in their totality there is some evidence to support the theory's prescriptions for dealing with followers at low development level with greater directiveness, and then substituting directiveness with supportiveness as follower competence increases (Vecchio, 1987; Norris and Vecchio, 1992; Fernandez and Vecchio, 1997; Vecchio et al., 2006; Thompson and Vecchio, 2009). Context, instrumentation and/or research design applied in the studies on SLT may have limited the obtainment of evidence in support of SLT. For example, previous studies have used follower self-report when assessing competence and commitment. Numerous research has found self-report to be inflated, unreliable, invalid, biased and inaccurate (Yammarino and Atwater, 1993; Schriesheim et al., 2011). Leaders may be inclined to make assumptions about one attribute based on judgments about other attributes - for example, a competent follower may also be assumed to be committed (Thompson, 2008). However, the results may also reflect a need for an alternative approach to examining the theory. No study has examined leader ability to implement the dynamics of SLT. More specifically, it is unknown what influences leader ability to understand the social setting (follower development level) and respond to the dynamics of this setting (matching leader style to follower development level). A number of factors may influence leader ability to apply SLT.

### **Literature review**

Many authors (Zaccaro et al., 1991; Mumford et al., 2000; Connelly et al., 2000; Zaccaro, 2007) suggest in their studies on social intelligence that effective leaders have a degree of social intelligence that results in accurate perception of social requirements and the selection of appropriate behavioral responses. High social intelligence is vital for interpretation of social problems and for implementation of effective solutions. More specifically, effective leaders need two social attributes: (1) social perceptiveness, which promotes an accurate awareness of

situational demands, and (2) behavioral flexibility, which facilitates appropriate responses to these demands. Social perceptiveness refers to leader capacity to be aware of and sensitive to the needs, goals, demands, and problems at multiple system levels, including individual members, and relationships among members. Furthermore, social perceptiveness is orientated towards personnel dynamics that may be relevant to implementation of planned action, such as follower ability and capabilities. Leaders who are socially perceptive will for the most part be quicker in perceiving and understanding follower competence and commitment. More specifically, leaders who are more socially aware will be better able to rate follower competence and commitment than leaders who are less aware. Thus leaders who are more socially aware will experience lower discrepancies between their evaluations of follower competence and commitment, and follower self-evaluations of competence and commitment, than leaders who are less aware.

***Hypothesis 1:** Leaders who are more socially aware are better able to rate follower competence and commitment (as suggested by SLT) than leaders who are less aware.*

Behavioral flexibility refers to leader ability to respond to different situational requirements. This ability dimension of behavioral flexibility requires a response repertoire which allows for a correct response to situational demands. Besides ability, willingness is a second dimension of behavior flexibility, which refers to leader desire to vary responses according to situational requirements. Simple awareness of a large repertoire of possible behaviors does not mean a leader will employ all or even a substantial subset of those behaviors (Thompson and Li, 2010). A leader who does not perceive distinct situational differences may respond in the usual manner regardless of the situation. Other leaders may recognize the need for certain behaviors, have the ability to execute the necessary behaviors, and believe they can execute these behaviors successfully, but still decide not to do so either because they do not care, do not see enough personal gain, do not want to hurt other people, or for other reasons of their own. Leader responses are task specific and situation driven. To behave flexibly, leaders need a response repertoire and ability to select the correct response for particular situational demands. Thus leaders who are more socially flexible are better able to match their leadership style (combination of directive and supportive behavior) to the development level of followers (combination of competence and commitment) than leaders who are less flexible.

***Hypothesis 2:** Leaders who are more socially flexible are better able to match leadership style to follower competence and commitment as suggested by SLT than leaders who are less flexible.*

Social perceptiveness and behavioral flexibility represent key social skills, laying a foundation for effective leadership by providing leaders with the capability to understand the social setting and respond to the dynamics of this setting. However, no study has investigated the significance of social perceptiveness and behavioral flexibility when implementing SLT, and it is germane to ask whether implementation of SLT is dependent on the social intelligence of leaders.

Previous research has not investigated determinants of rating incongruence in connection to SLT. However, self-other rating agreement (SOA) research has investigated the relative importance of a number of biographic variables and their interaction with self-other agreement. Below are outlined two demographic factors and their potential impact on leader ratings on follower development level.

#### *Education level*

Rating congruence provides the basis for selecting optimal leadership style, implying that both leader and follower should assess competence and commitment separately and then attempt to come to some agreement (Blanchard, 2010). SOA research supports the contention that a number of variables influence self-other agreement, like individual characteristics such as rater education level (Vecchio and Anderson, 2009; Fleenor et al., 2010). Generally, it is reasonable to assume that individuals with higher degrees of analytic and cognitive ability, which correlate with education, are better able to process more information with greater accuracy (Yammarino and Atwater, 1997; Ostroff et al., 2004). This would yield more accurate ratings of others. Thus, leaders with more education may be better able to rate follower competence and commitment than leaders who have less education and will experience lower discrepancies between their evaluations of follower competence and commitment and follower self-evaluations of competence and commitment.

***Hypothesis 3:** Leaders with more education are better able to rate follower competence and commitment as suggested in SLT than leaders who have less education.*

### *Age*

Individual characteristics such as age can also influence perceptions of others (Yammarino and Atwater, 1997; Fleenor et al., 2010). It may be that older superiors have greater experience, which is presumed to be an asset, as well as a maturational dynamic beneficial for assessment of follower development level. The mechanism underlying this process may be that superior age and experience translates into better judgment of follower competence and commitment, and that older superiors experience lower discrepancies in rating of followers than younger superiors.

***Hypothesis 4:** Older superiors are better able to rate follower competence and commitment than younger superiors.*

Other variables may also affect leader ability to implement the dynamics of SLT, like context or situational factors influencing rating by the superior. Contextual factors are linked to job context or organizational situation, such as span of supervision, job pressures, political processes, organizational position, prior rating experiences, etc. (Yammarino and Atwater, 1997; Ostroff et al., 2004).

### *Span of supervision*

Contextual factors may influence the way superiors rate followers, resulting in incongruence between superior ratings of follower development level and follower self-rating. Leaders with larger numbers of followers may experience problems making precise assessments of follower competence and commitment. It may be that the larger the number of direct reports, the larger the gap between leader assessment of follower development level and follower self-assessment of development level. The reason for this assumption is that opportunities for interaction between leader and individual followers are less likely, and may limit the possibilities for precise assessment of follower development level. Thus we will investigate the influence of span of supervision on rating by superior of follower competence and commitment.

***Hypothesis 5:** In small groups leaders are better able to rate follower competence and commitment as suggested in SLT than leaders in larger groups.*

## **Method**

### *Setting and sample*

Data were collected from 80 supervisors and 357 followers from 10 Norwegian financial institutions. Leaders and their followers at different organizational levels (top, middle, and operational) contributed data. The selection of the study population from different levels was done because we have little knowledge about the distribution of match/mismatch in organizations. If “mismatching” is widely distributed, the possibility for testing SLT in field settings becomes problematic. Furthermore, examination of the model demands a large sample that includes full ranges of job experience. Large sample sizes must be obtained in order to capture the hypothesized range of situations and conduct statistically powerful tests of the theory. This study population of 437 respondents is the second largest number of leaders to be examined in an empirical test of SLT. Response rate was nearly 91.6% based on 477 contacted individuals. Questionnaires were distributed to the leaders and followers while at work. The leaders and the followers were predominantly males (55% and 56%, respectively). The respondents also provided demographic information on education as well as age. The average age of the leaders was 44.6 years, with an average education of 15.5 years. Follower average age and education was 44.3 and 14.2 years, respectively.

## **Measures**

### *Supervisor assessments*

Each supervisor completed a packet that contained the following instruments: assessment of follower development level on a modified 10-item Employee Readiness Scale (Fernandez and Vecchio, 1997) (sample items for competence: “Knowledge of the subject area,” sample items for commitment: “Willingness to take responsibility,” anchors: 1 = Low, 7 = High). Leader self-rating of social perceptiveness was measured with a nine-item scale taken from the TEIQue instrument (Petrides and Furnham, 2003) (sample item: “Understanding the needs and desires of others is not a problem for me,” anchors: 1 = Completely Disagree, 7 = Completely Agree). Leader self-rating of behavioral flexibility was measured with an eight-item scale taken from the TEIQue instrument (Petrides and Furnham, 2003) (sample item: “Generally, I’m able to adapt to new environments”).

### *Subordinate assessments*

Each subordinate provided ratings for each supervisor on the following scales: LBDQ-XII

(Stogdill et al., 1963) was used for measuring supervisor considerateness and structuring. Leader consideration was measured with a four-item scale composed of items taken from the LBDQ-XII instrument (sample item: “My supervisor’s relations with me can be described as friendly and approachable,” anchors: 1 = Never, 2 = Seldom, 3 = Occasionally, 4 = Often, 5 = Always). Leader structuring was measured with four items taken from the LBDQ-XII, using the same 5-point response scale for each item (sample items: “My supervisor schedules for me the work to be done”). Subordinate self-assessment of development level was measured on a modified 10-item Employee Readiness Scale (Fernandez and Vecchio, 1997) (sample items for competence: Knowledge of the subject area; sample items for commitment: Willingness to take responsibility, anchors: 1 = Low, 7 = High).

#### *Translation and pilot test*

The original questionnaires to be used in this study were developed in English. Even though respondents are expected to have good knowledge of English, the questionnaire was translated into Norwegian to avoid the risk of misunderstanding or misconception. The questionnaires were put through a translation-back translation conversion process. Translation-back translation was used to ensure equivalence of item meaning (Brislin et al., 1973; Cavusgil and Das, 1997). After the translation was completed, it was field-tested to ensure respondents comprehended all questions. A pilot study further tested the instruments, distribution of questionnaires, and data collection procedure. Pre-testing of the questionnaire was undertaken before it was finally administrated in order to detect possible shortcomings in the design and administration of the questionnaire. Finally a focus group of five supervisors participated in pilot test of the instruments and concluded that the instruments were relevant to an industrial setting.

#### **Analysis and results**

Table 1 provides descriptive statistics and intercorrelations among independent and dependent variables. The coefficient alpha estimates for the multi-item scales are listed on the primary diagonal of the intercorrelation matrix. The alpha coefficients were in an acceptable range for all the variables of interest. Social perceptiveness was significantly correlated with education, span of supervision and leader rating of follower development level. Furthermore, behavioral flexibility correlated with age, education, span of supervision, leader rating of follower development level, and follower self-rating of development level. Finally, age and education correlated with leader rating of follower development level.



**Table 1**  
**Means, Standard Deviations, Reliabilities, and Intercorrelations**

	<u>M</u>	<u>SD</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>
Social perceptiveness	47.25	6.14	(0.65)								
Behavioral flexibility	37.10	4.75	0.52**	(0.61)							
Consideration	3.96	.64	0.04	-0.04	(0.77)						
Structuring	3.67	.70	-0.10*	-0.02	0.36**	(0.84)					
Age	44.61	6.36	0.00	0.17**	0.07	-0.06	(-)				
Education (years)	14.21	2.44	0.13*	0.23**	-0.06	-0.02	0.17**	(-)			
Span of supervision	7.16	4.26	-0.13*	-0.10*	-0.13*	0.06	-0.30**	-0.01	(-)		
Supervisor rating of follower development level	12.76	2.08	0.11*	0.17**	0.27**	0.04	0.24**	0.14**	-0.23**	(0.91)	
Follower self-rating of follower development level	13.64	1.34	0.03	0.15**	0.17**	0.17**	0.09	0.01	-0.03	0.22**	(0.81)

N ≤ 357. Cronbach alphas on primary diagonal; \*  $p < .05$ ; \*\*  $p < .01$ .

### *Social perceptiveness*

Hypothesis 1 predicts that leaders who are more socially aware will be better able to rate follower competence and commitment as suggested in SLT than leaders who are less aware. Linear regression was applied to test the hypothesis (Aiken and West, 1991; Tabachnick and Fidel, 2007). Table 2 summarizes the results of these analyses for the dependent variable difference in rating of follower competence and commitment. Significant results were obtained in support of the prediction of an inverse relationship between leader social perceptiveness and difference in leader rating of follower competence and commitment and follower self-rating of competence and commitment.

**Table 2**  
**Summary of Linear Regression Analyses. Test of the Relationship between Social Awareness and Difference in Rating of Follower Development Level**

**Dependent variable: Difference in Rating of follower competence**

<b>Predictor</b>	<b><u>beta</u></b>	<b><u>R<sup>2</sup></u></b>
Social awareness	-.10*	.01

+  $p < .10$ ; \*  $p < .05$ ; \*\*  $p < .01$ .

**Dependent variable: Difference in Rating of follower commitment**

<b>Predictor</b>	<b><u>beta</u></b>	<b><u>R<sup>2</sup></u></b>
Social awareness	-.12*	.01

+  $p < .10$ ; \*  $p < .05$ ; \*\*  $p < .01$ .

### *Behavioral flexibility*

Hypothesis 2 assumes leaders who are more socially flexible will be better able to match leadership style to follower competence and commitment as suggested in SLT than leaders who are less flexible. SLT principles suggest that for followers at low competence level, effective leadership calls for high directive behavior. As followers gain more competence, the need for directive behavior will be reduced and then subside as followers achieve a higher level of development. Hence, cases were identified as representing the four development levels in accord with the terms used by Blanchard (2007, 2010). Then matches were identified within each level by identifying proper combinations of leader structuring and leader consideration. Matches were then contrasted with mismatches across all development levels. The use of the SLT II classification system for defining categories of developmental level meant that 213 of 357 cases were not potentially classifiable, as they did not fall into specified subsets of the two-dimensional space mapped by the detailed combinations of competence and commitment. More specifically, follower self-assessment of competence was quartized at the sample value of 6.2, 6.8, and 7.2, and follower self-assessment of commitment was trichotomized at the sample value of 6.8 and 7.4. For the leader behavior dimension, four levels of structuring were quartized at the sample value of 3.25, 3.75, and 4.25, and consideration was dichotomized at

the sample median value of 4. Omnibus tests provided for direct comparison of results across conditions, and were applied in order to have an adequate sample size for conducting the necessary statistical tests across the cells.

The result of the omnibus test is presented in Table 3 and provides support for hypothesis 2 in that level of mean match cases significantly exceeded the mean of mismatched cases.

**Table 3**  
**Results of Omnibus Test: Comparisons of Matched Cases with Mismatched Cases**

Group	M	SD	N	T
Match	40.20	2.38	5	2.09+
Mismatch	37.45	4.46	35	

+  $p < .10$ ; \*  $p < .05$ ; \*\*  $p < .01$ .

### *Education*

Hypothesis 3 predicts that leaders with more education may be better able to rate follower competence and commitment as suggested in SLT than leaders who have less education. Linear regression was applied to examine whether there was an inverse relationship between leader education level and difference in leader rating of follower competence and commitment and follower self-rating of competence and commitment. The results are presented in Table 4 and show no support for the hypothesis.

**Table 4**  
**Summary of Linear Regression Analyses. Test of the Relationship between Leader Education and Difference in Rating of Follower Development Level**

**Dependent variable: Difference in Rating of follower competence**

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<b>Predictor</b>	<b><u>beta</u></b>	<b><u>R<sup>2</sup></u></b>
Leader education	-.01	.00

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+  $p < .10$ ; \*  $p < .05$ ; \*\*  $p < .01$ .

**Dependent variable: Difference in Rating of follower commitment**

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<b>Predictor</b>	<b><u>beta</u></b>	<b><u>R<sup>2</sup></u></b>
Leader education	-.01	.00

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+  $p < .10$ ; \*  $p < .05$ ; \*\*  $p < .01$ .

However, an additional analysis was conducted for leaders with 5 years education and more at university level, which corresponds to a master's or doctoral level. The linear regression analysis is presented in Table 5 and reveals significant results for leaders with a higher education.

**Table 5**  
**Summary of Linear Regression Analyses. Test of the Relationship between Leader with Higher Education and Difference in Rating of Follower Development Level**

**Dependent variable: Difference in Rating of follower competence**

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<b>Predictor</b>	<b><u>beta</u></b>	<b><u>R<sup>2</sup></u></b>
Leader education	-.15+	.02

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+  $p < .10$ ; \*  $p < .05$ ; \*\*  $p < .01$ .

**Dependent variable: Difference in Rating of follower commitment**

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<b>Predictors</b>	<b><u>beta</u></b>	<b><u>R<sup>2</sup></u></b>
Leader education	-.19*	.03

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+  $p < .10$ ; \*  $p < .05$ ; \*\*  $p < .01$ .

### *Age*

Hypothesis 4 predicts that older superiors will be better able to rate follower competence and commitment than younger superiors. Linear regression was applied to examine whether there was an inverse relationship between age and difference in leader rating of follower competence and commitment and follower self-rating of competence and commitment. Table 6 shows significant results were obtained for the independent variable age.

**Table 6**  
**Summary of Linear Regression Analyses. Test of the Relationship between Leader Age and Difference in Rating of Follower Development Level**

**Dependent variable: Difference in Rating of follower competence**

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<b>Predictor</b>	<b><u>beta</u></b>	<b><u>R<sup>2</sup></u></b>
Leader age	-.17**	.03

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+  $p < .10$ ; \*  $p < .05$ ; \*\*  $p < .01$ .

**Dependent variable: Difference in Rating of follower commitment**

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<b>Predictors</b>	<b><u>beta</u></b>	<b><u>R<sup>2</sup></u></b>
Leader age	-.17**	.03

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+  $p < .10$ ; \*  $p < .05$ ; \*\*  $p < .01$ .

#### *Span of supervision*

Hypothesis 5 predicts that in small groups leaders will be better able to rate follower competence and commitment as suggested in SLT than leaders in larger groups. The span of supervision in the present sample consists of groups varying from 2 to 18 direct reports, with 6 followers in a group as median. Linear regression was applied to examine the relationship between span of supervision and difference in leader rating of follower competence and commitment and follower self-rating of competence and commitment. Table 7 outlines the results of the analysis. Significant results indicate that rating incongruence between leader and follower assessment of follower development level increases with larger groups.

**Table 7**  
**Summary of Linear Regression Analyses. Test of the Relationship between Span of Supervision and Difference in Rating of Follower Development Level**

**Dependent variable: Difference in Rating of follower competence**

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<b>Predictor</b>	<b><u>beta</u></b>	<b><u>R<sup>2</sup></u></b>
Span of supervision	.19**	.03

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+  $p < .10$ ; \*  $p < .05$ ; \*\*  $p < .01$ .

**Dependent variable: Difference in Rating of follower commitment**

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<b>Predictor</b>	<b><u>beta</u></b>	<b><u>R<sup>2</sup></u></b>
Span of supervision	.17**	.03

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+  $p < .10$ ; \*  $p < .05$ ; \*\*  $p < .01$ .

## **Discussion**

Over the last 25 years various attempts have been made to empirically validate SLT's predicted three-way interaction. There have been six empirical studies to fully test this three-way interaction (leader directiveness, leader supportiveness and follower development level interact in determining outcomes such as performance and affective response). While these studies show some progress has been made in testing the validity of SLT, clearly additional work is needed to highlight the strengths and shortcomings of this theory. In this study we extended the work by examining a number of background and context antecedents that may influence leader ability to implement the dynamics of SLT. The present study represents the first attempt, using omnibus testing and multivariate regression that allows for determining the influence of the antecedents for implementing SLT. It is therefore not possible to contrast these findings with those obtained in other investigations. However, several interesting patterns were identified concerning social intelligence. Significant results were obtained in support of the prediction of an inverse relationship between leader social perceptiveness and difference in rating of follower competence and commitment. Leaders who are more socially aware are better able to rate follower competence and commitment than leaders who are less aware. This is important

evidence given that rating congruence provides the basis for selecting optimal leadership style. Partnering for performance is an integral component of SLT, where both leader and follower need to come to some agreement on the determination of follower development level (Blanchard, 2010). If the rating of development level is based on some agreement, then it is assumed that the leader can provide the follower with an appropriate amount of direction and support. The results of this study have contributed to the understanding of what factors are related to leader-follower agreement.

Furthermore, the result of the omnibus test display support for the prediction that leaders who are more socially flexible are better able to match leadership style to follower competence and commitment as suggested in SLT than leaders who are less flexible, in that the level of mean match cases significantly exceeded the mean of mismatched cases. This evidence is significant because behavioral flexibility is an integral component of SLT Blanchard (2010), which proposes a taxonomy consisting of four leadership styles ranging from directing to delegating, and a framework for matching each style to different situations. Leaders who are low on behavior flexibility may have difficulty tailoring leadership style to follower development level, and instead use an intermediate leadership style with all followers. In some situations leaders may over-supervise, in other situations under-supervise. When leaders over-supervise, followers become frustrated. When leaders under-supervise, they usually do not obtain the desired results (Hersey and Blanchard, 1996).

For biographic variables and their interaction with self-other agreement, the results were mixed. No support was obtained for the prediction that leaders with more education may be better able to rate follower competence and commitment as suggested in SLT than leaders who have less education. However, for leaders with a higher education some support was obtained, implying that individuals with a greater degree of analytic and cognitive ability may be better able to process information, perhaps by making a more precise assessment of follower development level (Kingston et al., 2003). Also, Ostroff et al. (2004) found that those with more education were in greater agreement with others when self and others' ratings were compared, which is consistent with the findings in this study. For the second biographic variable - age - support was obtained for the notion that older superiors are better able to rate follower competence and commitment as suggested in SLT than younger superiors. Older leaders with many years of experience may, on the average, be more aware of follower potential, and how to develop their



skills and confidence, than more recently hired individuals. Previous studies on age have found that older managers as compared to younger managers tend to over-rate their effectiveness (Vecchio and Anderson, 2009). In this study we extended previous work by examining how manager age influences ratings of followers.

Significant results were obtained for the prediction that in groups with a large number of direct reports, discrepant assessment between leader rating of follower development level and follower self-rating of development level will occur. The evidence suggests that in smaller groups leaders will experience less rating discrepancies. This result is consistent with the study by Schriesheim et al., (2000), who state that interaction between leader and individual followers is less in large groups, which limits precise assessment of follower development level. However, the result contradicts findings by Ostroff et al. (2004), who concluded that contextual variables, like span of supervision, may be of less importance in understanding self-other agreement than demographic variables.

### **Implications**

What do these results mean for implementing SLT? Evidence suggests that in small groups, leader and follower experience fewer rating discrepancies. The basic issue in the design of group size concerns how large a group should actually be. How many should report to each manager? The issue is not a simple one. Direct supervision is only one factor among many in deciding unit size. For example, the greater the use of standardization for coordination, the larger the size the work unit may be (Mintzberg, 1992). However, when discussing span of supervision in connection to SLT, we need to keep in mind of the dynamics of SLT itself, which focuses on the dyad, the basic unit of human interaction, and emphasizes learning reinforcement skills. Furthermore, situational leadership means it is essential to treat individual subordinates according to the dynamics of the situation, and that we be aware of opportunities to build subordinate skills and confidence (Thompson, 2008). However, in large groups leaders may find opportunities for interaction less likely, and may experience problems making precise assessments of follower competence and commitment because they have more constraints on their time than do supervisors of smaller groups. This important contingency antecedent of SLT has been identified in this study.

A second implication of this research is how to orchestrate leadership training processes.

Evidence suggests social intelligence is an important antecedent to leader-follower agreement. Hence, leaders would probably profit from developing attributes like social perceptiveness, which allows an accurate awareness of situational demands and behavioral flexibility. Such attributes promote appropriate situational responses. Leadership training programs should therefore focus on improvement of interpersonal skills (sensitivity to others' feelings and needs), and develop leader adaptive skills (ability to adapt and respond to various situational requirements). This may be a more suitable approach to developing leadership skills than traditional leadership courses, where the efficacy of such programs is questioned (Yukl, 2010).

### **Limitations and future research**

The data for this study was collected from a single sector, the finance industry, to control or eliminate alternative sources of error variance. Mixing samples from different types of organization can create problems when combining results across firms. Results that look significant can be an artificial creation of the unique combination of across-firm data (Hair et al., 2010). However, the data here collected from only one industry may limit the generalizability of the research from this sample of leaders to other settings and other nations. Future research should therefore compare data from other business settings and the public sector.

Another limitation perhaps is the whole concept of development level in SLT. Blanchard (2010) proposes that follower development level is connected to a specific task. That is, followers may be competent performing one facet of a job and less competent performing a different facet of the same job. Researchers have commonly extended this principle to the level of an entire job, as has been done in this study (Thompson and Vecchio, 2009; Vecchio et al., 2006).

Finally, the discussion above of the rating process in connection to the implementation of SLT highlights the need for more research of potential mediator variables. Ostroff et al. (2004) suggest personality-type traits like self-esteem and self-confidence are important antecedent mediators for self-other agreement. Furthermore, although some background and context variables were investigated in this study, additional factors may be relevant. Job pressures, political processes, organizational position, prior rating experiences, organizational culture, etc., are contextual variables that may influence superiors' assessments of their followers.

Future research is needed to address whether the results found in this study hold for various contextual settings.

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