

# **Taking it to the Next Level: Leadership and Goal-raising**

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# The Problem Space

Van Knippenberg & Hogg (2003) asked...“What makes leadership in organizations effective?” A range of theories have taken on this issue.

## Situational and Contingency Theories

Fiedler, 1964, 1986; Hersey & Blanchard, 1972; House, 1971; Vroom & Yetton, 1973

## Trait Theory

Stogdill, 1974; McCall & Lombardo, 1983

## Leader-Member Exchange (LMX) Theory

Dansereau, Graen & Haga, 1975; Graen & Cashman, 1975; Graen & Scandura, 1987

## Charismatic and Transformational Leadership Theories

Bass, 1985; Burns, 1978; Conger & Kanungo, 1988

## Leadership Categorization Theories

Eagly & Karau, 2002; Lord & Maher, 1991

## Identity-based Theories

Lord & Brown, 2004; Shamir, House, & Arthur, 1993; Van Knippenberg & Hogg, 2003

# Conceptualizing Leadership

Exercising **influence** over others through words or actions to achieve individual, group or organizational objectives.

(Yukl, 1994; Sitkin & Lind, 2006)

# Elaboration on Leadership

A leader is:

A person who influences others

A person who exhibits specific leadership behaviors

A person who accepts a leadership role and identity

Leadership is:

A set of behaviors and their effects

A social role

A perspective or identity

Leadership is not:

Formal authority or position

Only positive (effective leaders can pursue evil)

A set of traits that cannot be developed or modified or learned ("you can't teach height" but you can teach leadership)

# How Does Leadership Affect Performance – Our Focus

One mechanism: Effect on Goal-setting

Challenging goals lead to the strongest performance  
(Locke & Latham, 1990)

Goal adjustment necessitates a willingness to alter  
one's aims based on exogenous factors

Goal choice can be influenced...leadership  
revolves around social influence

Although many factors' effects on goal-setting have  
been studied...

Little research on the influence of leadership, despite it  
being an obvious candidate

Important deficiency in literature

# Proposed Model



## Two Key Constructs

**Inspirational Leadership:** Building others' desire for excellence.

Previous Definitions emphasize influencing followers toward positive performance gains (Bass & Avolio, 1994; Bennis & Nanus, 1985; Dvir, Eden, Avolio, & Shamir, 2002)

**Goal-raising:** Any voluntary enhancement of one's goal or aspiration level across time.

# Conceptualizing Inspirational Leadership Behavior

What makes leaders inspiring?

## 1. Commitment to high standards

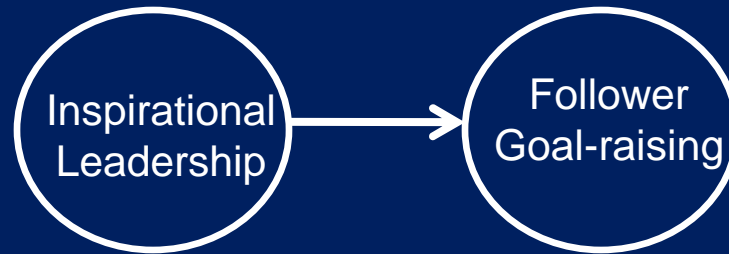
Kotter, 1996; Locke & Somers, 1987

## 2. Demonstrating optimism

Conger & Kanungo, 1988; Gardner & Schermerhorn, 2004; Shamir, Zakay, Breinin, & Popper, 1998; Sosik & Megerian, 1999

## 3. Displaying enthusiasm

George, 2000; Lewis, 2000; Paglis & Green, 2002



Individuals initially set goals at levels they think can be attained (Locke et al., 1990)

Inspirational leadership causes follower goal-raising by:

**Increasing goal desirableness through**

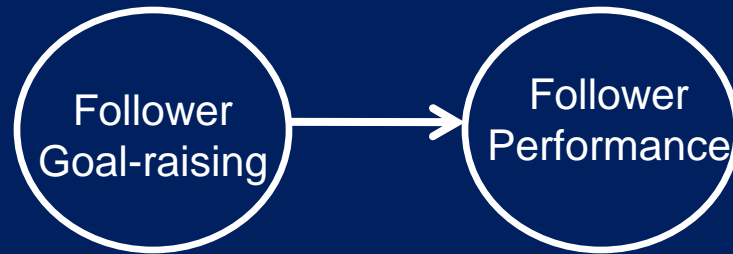
Demonstrating goal commitment (Kotter, 1996; Locke & Somers, 1987)

Connecting goals to follower identity as a group member (van Knippenberg & Hogg, 2003)

**Increasing follower emotional arousal and self-efficacy**

Displaying optimism and enthusiasm (Conger & Kanungo, 1988; George, 2000; Lewis, 2000)

**H1:** The more inspirational a leader is perceived to be, the more followers will raise their goals.



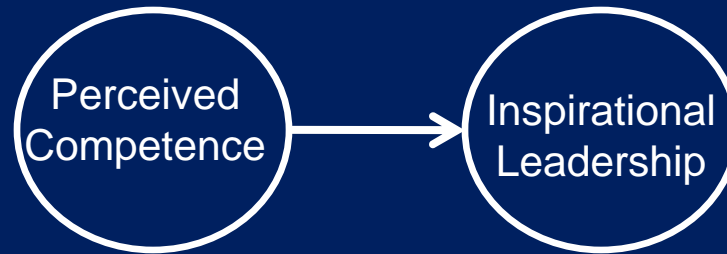
More challenging goals result in better performance than less challenging goals (Locke & his colleagues, 1969, 1990, 2002).

Increases attention and effort towards goal-relevant activities

Raises persistence

Note: Assumes goal acceptance

**H2:** The more followers raise their goals, the higher will be their performance.



Effective leadership requires influence; source credibility is a key aspect of persuasion (Hovland et al., 1953)

Two components of source credibility: **Expertise + Trust**

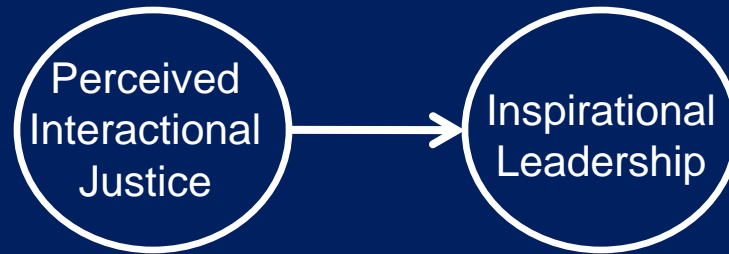
**Expertise:** Supported by demonstrated **Competence** (Woodward & Denton, 1988)

Increases attention to and desirableness of leader's influence over group goals

Displays of optimism are viewed as realistic

Leader is not seen as *fooling him- or herself*

**H3:** Leaders perceived as demonstrating greater competence will be perceived by followers as more inspiring.



**Trust:** Supported by demonstrating **Interactional Justice** (Bies & Moag, 1986)

Increases attention to leader's influence over group goals

Interactional fairness signals that leaders can be trusted and follower efforts will be rewarded (Van den Bos & Lind, 2002)

High standards, optimism and enthusiasm viewed as believable

Leader is not seen as *fooling his or her followers*

**H4:** Leaders perceived as demonstrating greater interactional fairness will be perceived by followers as more inspiring.

# Proposed Model



# Study 1 - Method

Four conditions: Two (high or low competence) x two (high or low interactional justice) factorial design

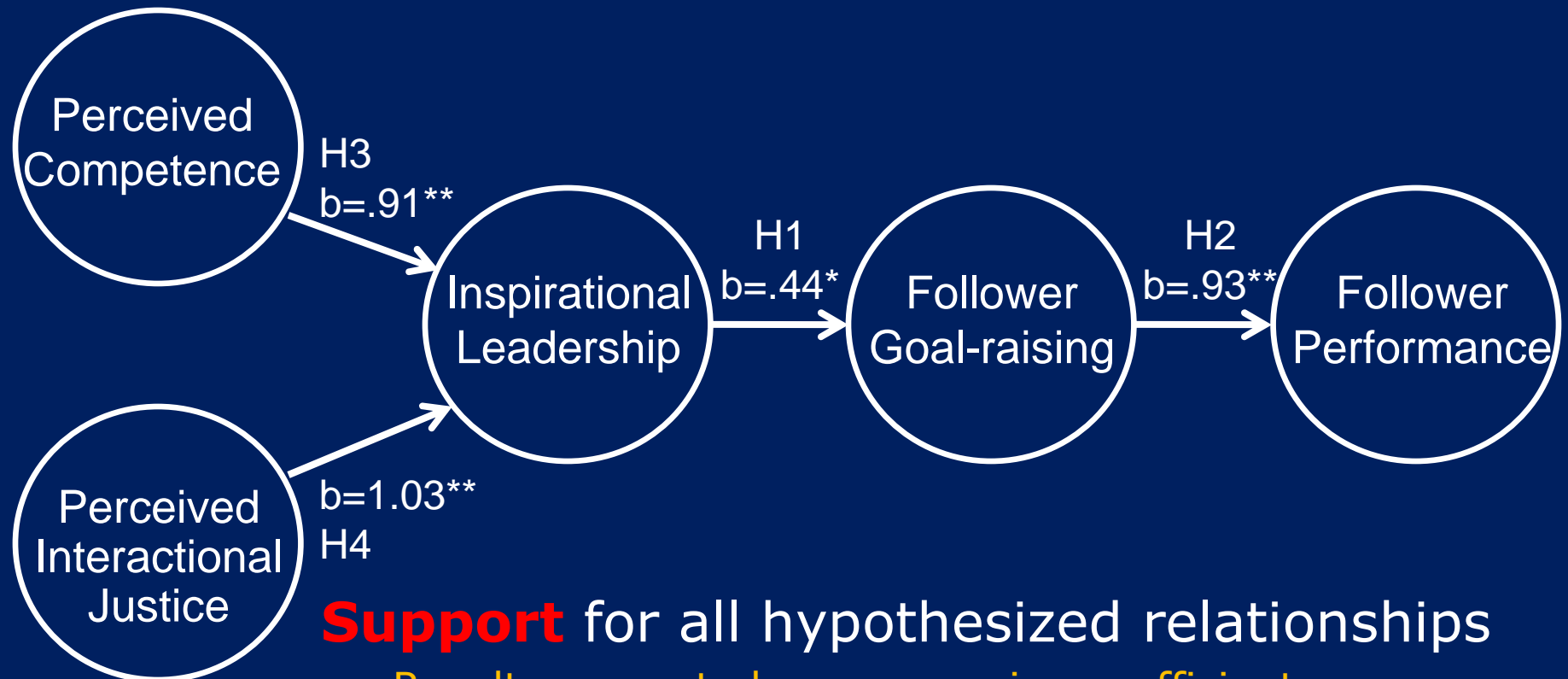
Sample: 103 Executive MBA students

Task: Brainstorm uses of a technology device.

Steps:

1. General introduction to task (constant across conditions).
2. Practice brainstorming task.
3. Asked to set an initial goal for performance on the actual brainstorming task.
4. Exposed to 1-of-4 consultant (leader) messages (e.g., [Video 1](#) & [Video 2](#)).
5. Given opportunity to update goal → **second goal**.
6. Perform actual task → “Write as many uses as you can think of for a cellular telephone”.
7. Measure perceptions of leader.

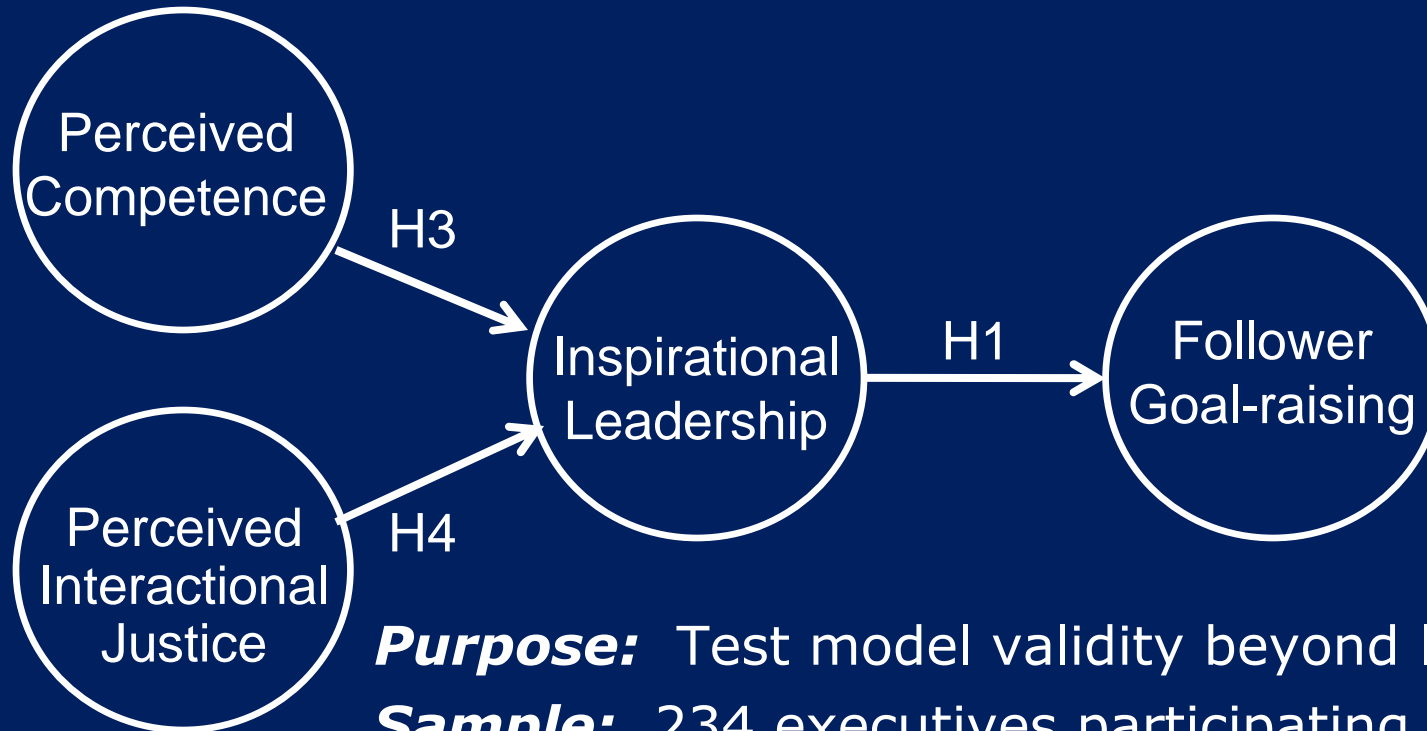
# Study 1 – Results



**Support** for all hypothesized relationships  
Results presented are regression coefficients

Each regression model controls for the other antecedent variables and performance on the practice task

# Study 2 – Field Survey

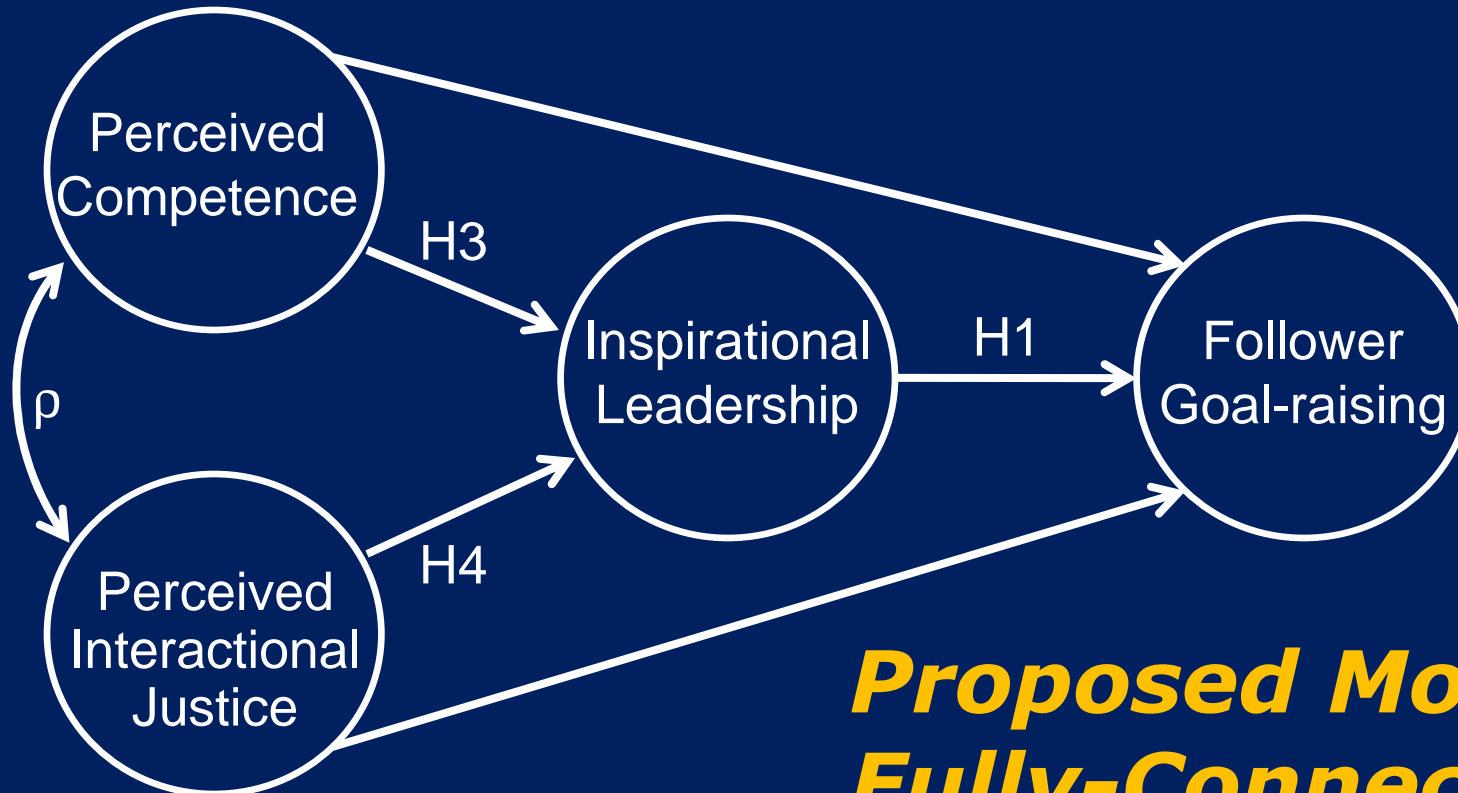


**Purpose:** Test model validity beyond lab.

**Sample:** 234 executives participating in a course on leadership.

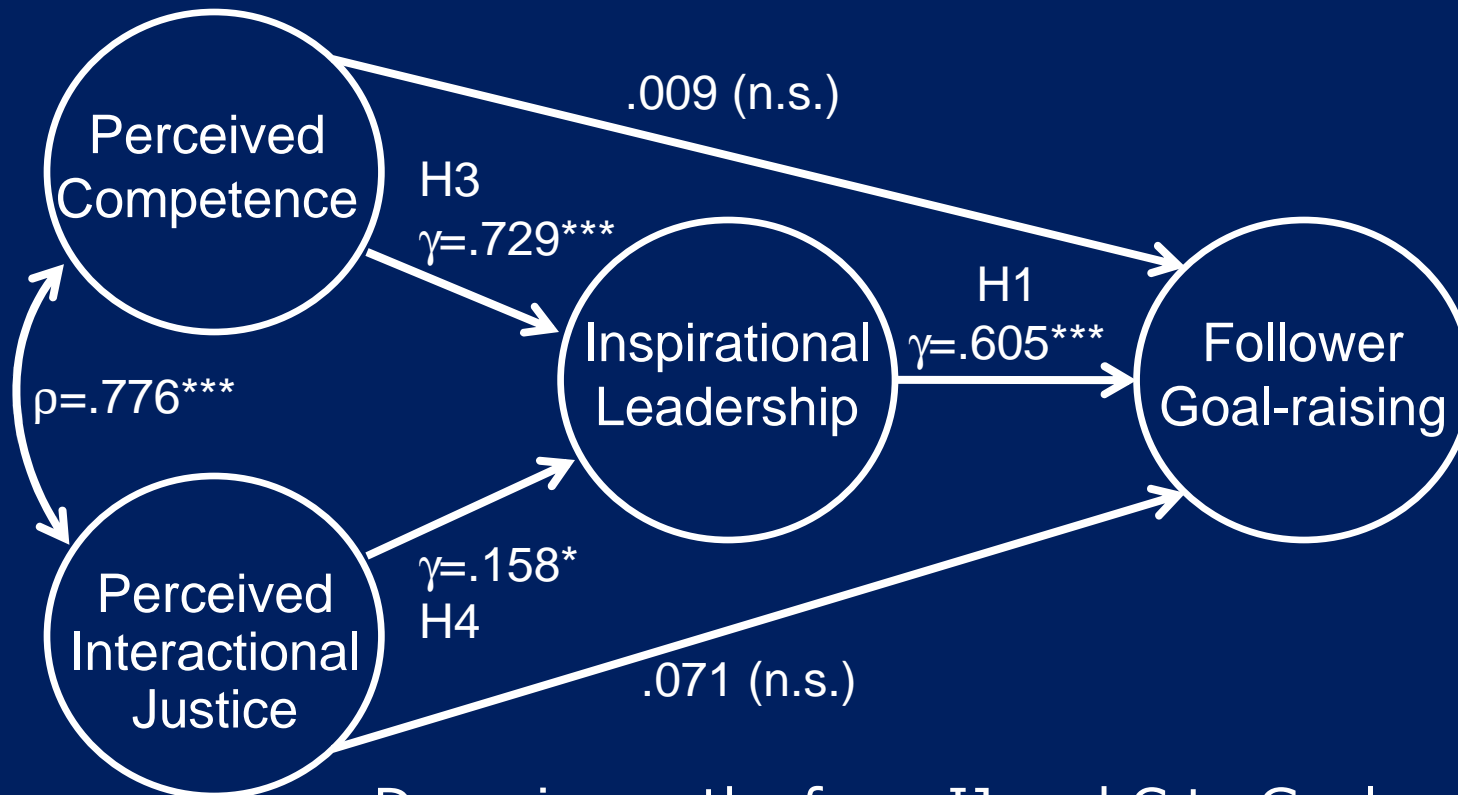
**Method:** SEM of executives' leadership evaluations provided by their direct reports (N=791); data were collected electronically and aggregated.

# Study 2 – Test of Hypotheses



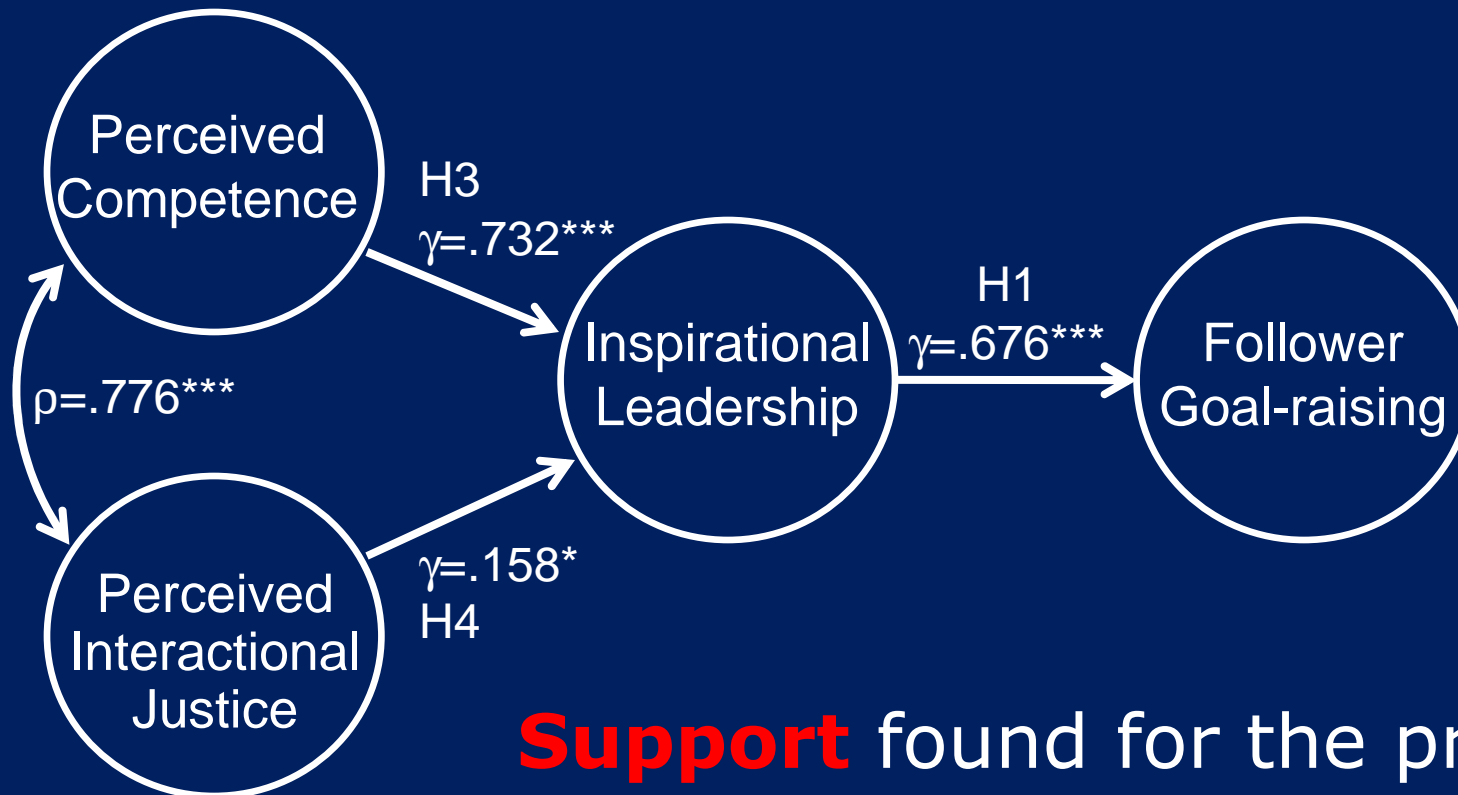
***Proposed Model vs.  
Fully-Connected  
Model***

# Study 2 – Results



Dropping paths from IJ and C to Goal-raising did not significantly alter the model Chi-square.  
Excellent overall model fit was obtained (TLI=.95, RMSEA=.055).

# Study 2 – Results



**Support** found for the proposed model (H1, H3 & H4).

# Implications for Theory

Proposed a causal model explaining how  
Inspirational Leadership affects Performance  
Through Goal-Raising (Aspirations)

Established two determinants of Inspirational  
Leadership

Competence and Interactional Justice

Demonstrated that updated (second) goals  
predict employee behavior (not initial goals)

Goal setting is a dynamic process

# Future Steps

Elaborate on factors influencing perceptions of competence and fairness

Both verbal and non-verbal cues may play a role

Direct test distinguishing how different specific inspirational behaviors affect goal-raising

Setting high standards, demonstrating optimism and enthusiasm

Explore other leadership behaviors affecting perceptions of inspirational leadership

Generalize the model to include other personal and relational behaviors affecting trust & credibility

## **In summary, our research...**

successfully establishes strong causality,  
demonstrates that leader behaviors affect  
performance, and

provides guidance on how to measure and  
test the constructs of inspirational leadership  
and goal-raising (aspirations) in future  
research.