

## New competency leadership theory

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### Abstract

The higher education industry is dynamic and has been changing rapidly over the last 20 years. With decreasing government funding, increasing pressure from accreditation agencies and pressing competition from for-profit institutions, there is a need for new leadership skills for college administrators. The traditional leadership theories such as trait, contingency, situational, and transformational are not adaptive enough to analyze today's competitive environment. A proposed new leadership model, the new leadership competency theory (NLCT), is based on the need for college administrators to handle challenges while also motivating employees. The model utilizes a checklist to assist leaders in evaluating their own strengths and identifying competencies needed to be successful.

**Keywords:** higher education administration, leadership, employee development, online education

### 1. Introduction

In 2013, unemployment rate was close to 8%, but more than 2 million Americans resigned their jobs every month (Hall, 2013) [12]. The top three reasons cited for leaving employment are lack of trust in their supervisors, not feeling empowered, and feeling unappreciated (Llopis, 2013) [16]. This disconnect between leaders and those they supervise can lead to a decrease in productivity and morale, and hence, an unhealthy work environment. For an organization to be successful, there needs to be leaders who know how to develop, motivate, and retain employees.

The higher education industry has changed drastically in the past 20 years due to shrinking budgets, increasing pressure to retain students, and rising competition from other learning institutions (Deming, Goldin, & Katz, 2013) [9]. Administrators like presidents, chief officers, and academic deans need new management and leadership skills in order to overcome challenges in the competitive environment. The rise of for-profit institutions that operate like corporations rather than universities calls for new leadership styles that can meet demands in balancing enrollment and traditional academic tasks (Deming *et al.*, 2013; Hanover Research, 2013) [9, 13]. It is common for top administrators in higher education institutions to have resumes more aligned with wall-street than a university. The new president and CEO of DeVry education group was an executive vice president and CEO of a financial services company prior to her top administrative role at DeVry (business wire, 2016) [6]. Ken Starr, the recently demoted Baylor university president, was a solicitor general and federal judge before joining Baylor's executive leadership team (Tracy, 2016) [21]. Lasell College's president, Michael Alexander, indicated that their university leadership search committee looks for candidates from the corporate world with non-academic backgrounds (Carmichael, 2012) [7]. One of the biggest challenges administrators face is staff management and development, and the task is especially difficult in for-profit universities with new faculty models that heavily utilize adjunct faculty and contract curriculum designers, instructional personnel, and academic supervisors (Tucker,

Au, & Neely, 2015) [22]. Administrators need skills to mobilize employees and delegate tasks so they can make decisions to meet accreditation standards and market demands.

A common practice occurring in many higher education institutions is to replace those in leadership positions who leave their posts due to promotion, retirement, or termination with individuals who have the same qualities as those before them. This tendency is informally called *incestual hiring*. Incestual hiring has been observed in for-profit and not for profit, private, and public institutions. Employees who have similar traits as their supervisors may be groomed for positions in an effort to keep the status quo (Baer, 2014) [2]. In an industry that is rooted in tradition such as higher education, this type of relationship is expected, but it means people in leadership positions may not have the skills, training, or experience to perform their jobs. This can lead to low morale and high turnover.

This paper is based on the review of a sampling of university administrators from various higher learning institutions such as for-profit universities, non-profit colleges, and private institutions with online programs. Administrators had higher education leadership experience in roles like CEO, president, provost, department chair, dean, and program director. The review included interviews with university administrators, examination of literature related to higher education administration, and review of college publications. Based on our analysis, we are proposing a new leadership theory which is applicable to these institutions in the 21<sup>st</sup> century.

### 2. Literature Review

#### 2.1 Trait theory of leadership

Trait theories are based on the notion that certain personality traits are dominant in a person's life, and these traits impact how a person interacts with others (Colbert, Judge, Choi, & Wang, 2012) [8]. Some personality traits are more conducive to successful management than others. For example, companies that are looking to promote employees to leadership positions may favor a candidate being a good decision maker or public speaker (Nichols & Cottrell, 2014) [18]. Trait theories identify

and measure individual personality characteristics in an effort to explain behavior. A person may be labeled as extroverted, narcissistic, caring, honest, or even dishonest (Nichols & Cottrell, 2014) <sup>[18]</sup>.

Much time and effort has been put into trying to decipher what the key personality traits would be for a *good* manager. Allport (1961) <sup>[11]</sup> organized personality traits into three distinct categories, and they were cardinal, central, and secondary. Cardinal traits are the dominant ones that shape a manager's actions. Central traits are common characteristics that are found in most people, and secondary traits are personalities which a manager uses in certain situations (Allport, 1961) <sup>[11]</sup>. Allport (1961) <sup>[11]</sup> believed that some traits such as narcissism might govern a person's personality throughout their entire life while others are only present during certain circumstances, such as being nervous speaking to a group.

To utilize the personality trait theory in an organizational setting, managers need to determine what qualities they value in a leader, such as honesty, ability to delegate, or confidence, and then use an assessment such as the big five personality test to measure the fundamental dimensions of a person's personality. Trait theories assume that traits predict behavior and that people behave the same in all situations (Colbert *et al.*, 2012; Nichols & Cottrell, 2014) <sup>[18, 18]</sup>.

The higher education industry is slow to innovate in general. Change relies more on rhetoric than collaboration and is governed by faculty senates, which are based on tradition (Tagg, 2012) <sup>[20]</sup>. It is not uncommon for those in leadership positions in higher education to focus on the production aspect of education as they are regimented in institutional practices that have been in place for years (Tagg, 2012) <sup>[20]</sup>. This can lead to the same personality types being hired for leadership positions which stagnates the growth and innovation even further. It becomes a cycle where the environment in the higher education industry is changing, but those in a position to embrace and implement the change are not. While trait theory has some interesting connotations for analyzing current leadership in higher education, its success in predicting leadership effectiveness is lacking in the research (Busato, Prins, Elshout, & Hamaker, 1998) <sup>[5]</sup>.

## 2.2 Contingency Theory

Today's business environment is complex, requiring leaders to tackle complicated issues often in a short period of time. Contingency or adaptive leadership theories focus on the variables that can impact a manager's decision making style, and these theories are suitable for today's competitive business environment (Battilana & Casciaro, 2012) <sup>[4]</sup>. In the contingency model, managers choose the leadership style that is best suited for a specific situation (Otley, 2016) <sup>[19]</sup>. Contingency theory of leadership effectiveness focused on the combination of the leaders' tasks and motivation and the aspect of the specific situation (Fiedler, 1964) <sup>[10]</sup>. Fiedler's contingency theory assumes there is a correlation between a leaders' style and a group's performance in various situations (Fiedler, 1964) <sup>[10]</sup>.

Higher education institutions are multifaceted and the structure and culture can impact the decision making beyond what could be addressed in a contingency theory. Decisions are typically slow to come to fruition and adapting a leadership style to various situations within a higher education institution could be seen as weak and ineffective (Busato *et al.*

1998) <sup>[5]</sup>. Decision cycles are slow in higher education due to accreditation issues and traditions (Hanover Research, 2013) <sup>[13]</sup>. These make contingency leadership a difficult practice to employ.

## 2.3 Situational Leadership

The situational leadership model is an extension of the contingency model suggesting that there is not a one-size fits all approach to leadership that will work in all situations within an organization (McCleskey, 2014) <sup>[17]</sup>. In the situational model, leaders must identify their most important tasks or priorities, assess the willingness of their employees to deliver the tasks, and decide which type of leadership style to apply (McCleskey, 2014) <sup>[17]</sup>. Hersey and Blanchard (1993) <sup>[14]</sup> suggested that one of four functions of leadership, which are directing, coaching, supporting, delegating, should work for most situations.

The situational leadership model faces the same challenges as the contingency theories when trying to implement in higher education institution. Higher education institutions, especially for-profit institutions, rely primarily on enrollment for revenue (Deming *et al.*, 2013) <sup>[9]</sup>. The main organizational objective is enrollment management based on strategic planning and institutional research which does not lend itself to situation type leadership (Hossler & Bean, 1990) <sup>[15]</sup>.

## 2.4 Transformational Leadership

Charismatic and transformational leaders rely on their personality to appeal to their followers (McCleskey, 2014) <sup>[17]</sup>. This type of manager can inspire their employees to achieve their goals through their articulate speaking ability, active listening skills, and positive attitude (McCleskey, 2014) <sup>[17]</sup>. Weber (1947) <sup>[24]</sup> introduced the concept of charismatic leadership along with the domination theories of authority in The 1940s. Religious and political leaders such as Mahatma Ghandi and Barack Obama are often touted as charismatic leaders due to their exceptional speaking ability and skill at motivating those who are listening to them (Grant, 2012; Vernon, 2015) <sup>[11, 23]</sup>.

For this type of leadership style to work in a higher education institution, the leader would need to appeal to the values and beliefs of their followers, and connect with them on a personal level. In a hierarchal system such as a college or university, those in power positions such as president, provost, and chancellors often do not have much contact with those implementing the policies, who are faculty and staff, minimizing their ability to use this type of leadership style effectively (Deming *et al.*, 2013; Hanover Research, 2013) <sup>[9, 13]</sup>. Some of the online, for profit colleges and universities have utilized this type of leader to help counteract some of the negative press surrounding these colleges (Deming *et al.*, 2013) <sup>[9]</sup>. The issue is how to translate motivational speeches to implementation at the rank and file level. There can be some legal and ethical issues that surround this type of leadership style in higher education. The overzealous charismatic leader may lead to sexual harassment or other issues being perceived by the employees (Bailey, 2016). In addition, when the focus is on enrollment and revenue, the charismatic leader still has to find a way to sustain the motivation the employees may have after listening to a riveting speech into converting more student inquiries to actual college enrollment (Deming *et al.*, 2013) <sup>[9]</sup>. Employees

may feel inspired and motivated for a short time, but if the goals and reward systems remain the same, falling into old patterns can happen quickly.

### 3. Recommendations

The proposed leadership model, the new competency leadership theory (NCLT), combines leaders' existing competencies with the skills needed in a particular situation. Leaders are cognizant of the leadership competencies they currently possess, concede their competency deficiencies, and comprehend how prospective and current employees align with these competencies. This three c's approach (cognizance, concession, comprehension), may lead to a more harmonious work environment. The NCLT focuses on both the managers and the subordinates so both sides address their key competencies in an environment where there is not a distinctive hierarchy. Rather, employees and supervisors manage each other.

This theory follows a servant supportive leadership atmosphere where employees and their supervisors focus on their strengths and recognize their weaknesses. This theory takes manager's traits, skills, and experiences into consideration, as well as competencies managers are building with employees. For the successful implementation of the NCLT, an organization must have a learning orientation. The process involves managers and employees evaluating each other, and the organization's culture needs to embrace continuous improvement. In a learning organization, managers are open to criticism so they can gain new leadership skills.

A competent leader has to manage employees, communicate effectively, and be able to collaborate with stakeholders from all levels. Some other skills, such as problem solving, technical skills, and critical thinking skills, leaders can acquire through education. The first step is to analyze the three c's of competency based leadership: cognizant, concede, and comprehend. The key to successfully evaluating leadership competencies is ensuring the manager has a learning orientation, which is the leader's willingness to self-evaluate and take an honest assessment at their behavior on five key indicators of management performance.

- a) Problem solving and critical thinking: the ability to quickly detect and understand a problem, research alternatives, and make a definitive decision on how to resolve the problem. This also involves utilizing intercultural skills and ethical judgment in decision making
- b) Punctuality and accuracy: the ability to complete an assigned task accurately by the due date. Leaders with punctuality and accuracy skills are able to triage issues they are facing and resolve or delegate based on the urgency of the issue.
- c) Professionalism and conduct: the ability to portray an image that warrants respect including demonstrating specialized knowledge and competency in the field, honesty, integrity, accountability, and emotional intelligence.

- d) Productivity and technical expertise: the ability to create outcomes by utilizing corporate resources including: human, financial, and technical resources. In order for a manager to recognize the technical and functional expertise of their employees, they need to also possess this expertise to some degree.
- e) Personality and interpersonal skills: manager need the ability to recognize their own personality traits such as quiet, gregarious, nurturing, reserved, people-oriented, sensitive, analytical, creative, logical. Managers need to understand how these personality traits interact and align with those who share the same personality type and those who do not.

In order to evaluate each of these categories under leadership orientation, a simple checklist (Table 1) is utilized. If a tool is cumbersome, confusing, or takes too long to complete, managers will not use the tool. Managers can quickly evaluate their learning orientation by reviewing the checklist. The score ranges from 1 to 3: 1 is a high valued skill, meaning a manager feels completely confident in their skill level at that indicator. Additionally, marking a learning orientation 1 means this is an important trait for their subordinates to possess as well. If a manager puts a high value on their ability to be a problem solver and they expect employees to be excellent problem solvers as well, they might consider introducing a problem solving scenario in the interview process to see how potential employees fit in this category. Since this is a high value skill trait, those who do not score well on this indicator may not be a good fit for this manager's learning orientation.

The marking score of 2 means it is a skill that is not valued much by a manager and they do not put a high value on their own need to be competent in this skill, but it is a high valued skill for employees to have. Managers who put many 2's in their list to evaluate their skills and traits as a manager should be cautioned that this automatically sets up an out of alignment issue that will quickly be recognized by employees. For example, if the manager has a low value skill for themselves on punctuality but puts a high value on employee's punctuality, this can quickly escalate to cognitive dissonance and a sense of unfairness and misalignment.

The marking score of 3 is a skill that is not seen as a high value from the leaders' point of view and they do not put much value on their employees possessing it either. An example might be a personality trait. If a job requires very specific technical skills, and the employee will be working for the most part alone to get the job done, interpersonal skills may not be an issue for that position. An example would be someone who works in a laboratory or a production type environment where they perform tedious work which requires high technical skills. In this case, pre-employment interviews should focus on the technical aspects of the job not personality type questions.

**Table 1:** Leadership Orientation Checklist

Learning Orientation	1 High Value Skill High Value Trait	2 Low Value Skill High Value Trait	3 Low Value Skill Low Value Trait
Problem Solving And Critical Thinking			
Punctuality And Accuracy			
Professionalism And Conduct			
Productivity And Technical Expertise			
Personality And Interpersonal Skills			

Once the leader is cognizant of their leadership orientation, they need to concede the areas where they have some deficiencies and comprehend how these deficiencies could affect their department and organization. They need to consider a plan for finding resources and experiences to improve in these areas. If problem solving is a trait which is highly valued by a manager in their employees, but the manager recognizes he or she is deficient in this area, he or she might attend a workshop on problem solving and decision making. The manager might also consider a mentoring program where another supervisor who does possess high problem solving skills, mentors her for a short time to help her improve her skills.

**4. Implications for Practice**

The NCLT model requires leaders to review their own managerial and leadership skills by closely examining their strengths and weaknesses in critical thinking, accuracy, professionalism, technical expertise, and interpersonal skills. These skills are essential for leaders to be effective. Leaders have to assess scenarios when the skills are used and conduct an honest evaluation of their own performance. Then, leaders work with the subordinates to complete the second part of the NCLT model where leaders and subordinates measure each other’s leadership skills. This step enables leaders to discuss with their employees their individual strengths and areas for improvements. Subordinates often find it difficult to evaluate their supervisors, and this step requires leaders to practice their communication skills. It is important for leaders to create a learning environment where open communication is encouraged to gain employee trust.

During the interactions between leaders and subordinates, both sides can have dialogs on work issues. Leaders and employees can discuss challenges they are facing, operations that are going well, resources needed, and solutions to problems. New leaders may benefit from these conversations so they have an in-depth view of the department. Existing leaders benefit from the dialogs as well so they have updated information. Leaders can use this opportunity to foster good working relationships with their subordinates. The NCLT model not only assists leaders in developing competencies, but also work with employees, assess the work environment. And create an open organization culture.

**5. Conclusion**

Higher education in the 21<sup>st</sup> century is a dynamic sector as it faces many regulatory challenges, increasing competition, and changing student needs. Traditional Leadership Theories like Trait, Contingency, Situational, and Transformational are not Fluid Enough for College administrators to deal with the current environment. In order for higher learning institutions to be successful, administrators must possess unique

competencies so they can assess the rapidly changing internal and external environments, make decisions, delegate tasks, and motivate employees. The proposed new competency leadership theory allows leaders to work with employees to develop competencies that are needed. In this competitive higher education landscape, leaders must work with employees as a team to overcome challenges and barriers.

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