Path - Goal Leadership

The path goal theory centers on the motivational factors of the subordinates that have significant influence on the outcome of the task. It was originally proposed by Robert House (1971) while he was trying to explain various anomalies that were found in studies related to people vs task concern leadership styles. According to the “situational-leadership”, if the leader adapted his style to complement the developmental level of the employees, the outcome should be maximized, but it was not found to be true in practice. The main reason was that the leadership was still focused on its own goals of task completion, while the employee’s perception of goal is the rewards that he might get on task completion. The subtle question that comes to every employee’s mind is “what do I gain out of this task?” Hence the path-goal theory intrinsically rests on the expectancy theory which states that an individual cognitively determines his motivation based on amount of effort required, the rewards or returns of the effort and the importance the individual gives to the rewards.

Path-Goal theory defines the role of a leader as one who defines the goal and lays down the path for the subordinate that facilitates completion of goal.

- Clarifies the task scope, boundaries and the process.
- Clarifies the role and responsibilities of the subordinates.
- Clarifies the criteria on which both the task success and subordinates accomplishments will be judged.
- Provides guidance and coaching.
- Removes obstacles that might affect the task completion.
- Provide psychological support and rewards as way to complement the work environment.

The path-goal theory stresses that if the subordinates find the leadership style to be satisfying and it meets their expectations, they will be motivated towards the goal of leadership. On the other hand, when the role of subordinate and the task structure are ambiguous, i.e. it’s not clear what is expected of one and how he will be evaluated, the subordinate feel extremely stressed and dissatisfying, and will disapprove of leader’s style.

Motivational Tools

The most common expectations of employees from their jobs have roots in their socio-economic status, people work not just to make a living but also how they compare against their peers. A motivational instrument can utilize the common socio-economic rewards from a task completion, namely:-

- Raises one’s technical skills.
- Formal recognition of one’s abilities.
- Promotion or career growth.
- Monetary benefits like salary or pay-scale increase.
- Job security, immunity from company wide cost-cuttings or layoffs.
- Low-cost rewards like spot bonus, time-off, and leisure packages etc.
- Making the subordinate role and job more meaningful and important, creating value.
- Instigating a sense of achievement and pride.

Components of Path-Goal Leadership
The path goal theory has three major components

1. **Leadership Style**: The basic styles are as defined by situational leadership, namely “directing”, “coaching”, “participating” and “delegating” but it adds more styles discussed later.

2. **Subordinate Preference**: It deals with accessing how a subordinate will perceive a particular leadership style; will he find it satisfying and motivating or stressful and unsatisfying? An employee might perceive his own abilities as high and thus views the coaching and directing behavior as irritating and de-motivating. Some subordinates might like to demand more authority on their work while other might expect better support.

3. **Task Structure**: It deals with analyzing the task and reformulating its structure in clear way. Thus removing any road blocks in the task, increasing the confidence or willingness of the employees.

The path goal theory is very complex since it proposes altering or tuning these three variables in each leadership situation for greater efficiency. However its main objective remains the same, to elevate the motivation.

**Propositions for leadership styles**

1. **Directive**: The leader clarifies the path to the goal by providing clear directives.
   - **Effective** when task is ambiguous and subordinates self perception of abilities is low; the clarification of task by leader is positive support.
   - **Ineffective** if subordinate perceives his on abilities as high and demands more authority.
   - **Ineffective** if task is routine & unambiguous, the clarifying behavior will be perceived as over-controlling or detrimental to one’s abilities.
   - **Effective** when subordinate has low preference for independence and self direction.

2. **Supportive**: Supportive leaders provide psychological support to subordinates and create friendly environment.
   - **Effective** when subordinate task are risky, monotonous, stressful, the leader uses relationship to enhance confidence, lowers stress and compensate for unpleasant aspect of work.
   - **Ineffective** when task are intrinsically motivating, supportive behavior will have little or no effect.

3. **Participative**: The leader encourages involvement of subordinates in decision making and operations. The leader aligns the subordinate and organizational goals, empowers subordinate by increased involvement in organization.
   - **Effective** when task is ambiguous but subordinate demands involvement in the task structure.

4. **Delegating**: The leader encourages performance excellence and exhibits confidence in ability of subordinates to meet challenging goals.
   - **Effective** when subordinates have individual responsibilities and control over
taking decisions of their tasks. Effective when subordinates exhibit high motivation for challenging tasks and are achievement oriented.

Apart from the 4 leadership behaviors described by earlier theories, path-goal also added some more behaviors. The four styles usually concentrated on the dyad of leader and subordinates, the extended set also takes into account that an organization is a system that has several teams, external demands, inter-dependencies between subgroups, other leaders etc. Based on the work environment of an organization, the following additional styles are proposed.

1. **Work Facilitation**: In an organizational unit where the technology to complete a task is new or unknown, the task is unclear and there are other perceived uncertainties, a leader must facilitate the work by responsibly planning and coordinating the task.
   1. **Effective** when the team does not have relevant knowledge and experience in the technology, confidence is low.
   2. **Effective** when the team has knowledge and experience, but would like the leader to coordinate and remove some uncertainties and reduce stress by bringing in some predictability.

2. **Interaction Facilitation**: In an organizational unit where team members do not get along well and there are frequent arguments, or when the team's task depends upon other groups, the leader must facilitate interactions by resolving disputes, emphasizing the importance of teamwork and encouraging collaborations between teams.
   1. **Effective** only when the work of team members is interdependent.
   2. **Ineffective** or wasteful when work is independent, will increase only social communication.

3. **Group Decision**: When a team or group is assigned a common project or task, it becomes important that the task related decisions have high acceptance in the group. The leader needs a group decision process that allows the group to participate in searching for a solution; this increases the acceptance of the decisions. This participative behavior requires more from a leader as compared to participating with individuals. The leader needs to encourage the members for participation, make them believe that their views do have importance, ensure that discussions are balanced and no individual dominates and everyone is heard.
   1. **Effective** only when mutual interest on decision making among the team members exists or can be established.
   2. **Ineffective** if individual or individuals in the team have special inclination towards a particular decision, or if their domination in the group cannot be balanced.
   3. **Effective** the team is technically capable and their agreement is preferred for motivation and efficient task completion.

4. **Networking**: When a team or group requires resources, information or technology from another unit, and there exists an external dependency giving more power to the other unit; it can be frustrating and de-motivational for the group. A leader has to network with other unit, their leader and establish good intra-group relations while constantly reaffirming the challenge and importance of the group’s task.

5. **Value based leadership**: When a leader adopts the approach of servant leadership, cherishes the values of subordinates, their aspirations and creates a vision for better future of the followers, he will accomplish extraordinary commitment and power over his subordinates. Value based leadership has been supported by various empirical studies and have powerful effect on employee motivation.

**Strengths of Path-Goal**

1. It is the first attempt to provide an expanded framework which combines the previous works of situational, contingent leadership and expectancy theory.
2. It is also the first theory to emphasize the importance of motivational factors from
the subordinate perspective. It defines very practical and clear roles for a leader.

Criticism of Path-Goal

1. It is very complex theory since it considers more parameters and requires analysis of those parameters to effectively choose leadership style.
2. It is challenging to evaluate and analyze various components of the theory in real organizational situations.
3. It is also criticized for placing a great deal of responsibilities on the leader and less on the subordinates, thus it might make the subordinates more dependent on leadership and inhibit their independent growth.