Chapter 22

Shared Leadership and Team Performance: The Role of Emotions and Trust

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ABSTRACT

This chapter contributes to the existing evidence on the constructs of shared leadership, social, and emotional capitals to demonstrate their significant galvanizing effect on team and organizational performance through trust. This study aimed to ascertain how leadership self-efficacy might influence shared leadership team, trust, and performance in this IT Company. Managers with self-reported ratings for the self-efficacy attributes cluster of leadership demonstrate greater probability of improving both perceived and actual employee performance. The emerging results concur with the aforementioned premise because these appear to emphasize the leadership self-efficacy attributes cluster of problem solving. These results may have a positive impact on the team and organizational performance as a whole.

INTRODUCTION

In the current volatile environment, organizations are challenged with the impending need to deal with competition and uncertainty. In light of this premise, employee well-being and organizational performance require leadership to take on a strategic role. The construct of leadership self-efficacy, as an instrument of self-awareness and its association with individuals’ competencies, skills and limitations, has progressively been introduced in management. By the same token, self-confidence enables positive organizational values to flourish. This study also highlights emotional competencies and their interaction with social competencies. Social and emotional capitals primarily require nurturing in contemporary organizations. Trust is an integral part of the process of creating and sharing knowledge; it is considered an asset that encourages self-efficacy development. Emotional awareness leads organizations to greater levels of humanization. This chapter further reveals an analysis of shared leadership theory which takes into account

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individual and organizational performance associated with the leadership self-efficacy construct. This current chapter includes a case study, which gathered data on self-reported ratings pertaining to leadership self-efficacy. This chapter reviewed extant literature pertaining to the concepts of shared leadership, self-efficacy, trust, emotional and social capitals and their association with knowledge management. The chapter further highlights how these constructs informed the interpretation of the data gathered. Further to the limitations arising from this study, recommendations include that line managers be submitted to self-development plans in order to strengthen certain Attributes in their self-efficacy profile.

THE SHARED LEADERSHIP CONSTRUCT

Shared leadership is considered as group-oriented leadership. The construct of shared leadership may have developed from Gibb’s (1954) distributed leadership view which emphasizes the importance of leadership that is shared between members of a group, instead of continuing to be focused on one specific group member (Carson, Tesluk & Marrone, 2007). Pearce and Sims (2002) corroborate that shared leadership is multi-dimensional, namely, it entails four distinct dimensions impacting on the practice of shared leadership as a whole (i.e., joint completion of tasks, mutual skill development, decentralized interaction among personnel, and emotional support). On the other hand, literature reveals this shared leadership construct has existed since ancient times. Sally (2002, p. 84) posits that “(r)epublican Rome had a successful system of co-leadership that lasted for over four centuries. This structure of co-leadership was so effective that it extended from the lower levels of the Roman magistracy to the very top position, that of consul”.

According to O’Toole, Galbraith, and Lawler III (2002, p. 66), “for most people, shared leadership is counterintuitive: leadership is obviously and manifestly an individual trait and activity”, [and] the identities of American corporations are often viewed as mere reflections of the personalities of their leaders: entire organizations are portrayed as shadows of the ‘Great Men’ who sit in the chief executive chairs”. Leadership is not merely an individual attribute, but is also an institutional characteristic. Avolio, Walumbwa, and Weber (2009) examine that shared leadership is acquiring much importance in organizations as team-based structures replace hierarchical structures. Moreover, O’Toole et al. (2002, p. 67) affirm, “the trend over the last half-century has been away from concentration of power in one person and toward expanding the capacity for leadership at the top levels of corporations”. Yukl (2006, p. 4) acknowledges that those who support shared leadership approaches are mindful that “important decisions about what to do and how to do it are made through the use of an interactive process involving many different people who influence each other.”

SELF-EFFICACY: THE ANTECEDENT FOR INNOVATION

Recent studies on organizational learning show a strong link between the constructs of self-efficacy and organizational learning. The perception of self-efficacy is a key component in the social learning theory (Bandura, 1986, 1997). Self-efficacy is viewed as a value judgment on the quality of an individual’s performance whilst carrying out actions in given situations. In turn, self-efficacy is influenced by an individual’s past performance both through observing others carrying out similar actions as well as through the individual’s independent cognitive processing. Thus, self-efficacy is a key strategic element