

Leadership and Information Processing: Linking Perceptions and Performance

By Robert G. Lord and Karen J. Maher

REVIEWED BY

CHRISTINE CLEMENTS
UNIVERSITY OF WISCONSIN-WHITEWATER

Robert G. Lord and Karen J. Maher's book, *Leadership and Information Processing* provides fresh and thorough coverage of a topic in need of reconceptualization. It reaches beyond traditional theories of leadership in examining executive leadership and performance outcomes, and supplies the grounding that is lacking in contemporary leadership theory with its social cognition and information processing approach. It is not written for a practitioner audience, however, despite running references to Ford's Phillip Caldwell and Chrysler's Iaccoca, and it is fairly arduous reading for anyone due to its detailed and extensive coverage of research, theory and models. Also, while Lord and Maher's approach does an excellent job of addressing executive leadership, there are inherent problems in the perceptual definition of leadership upon which this book is based. Nevertheless, their ability to move across levels and integrate theory and models make this interesting reading.

Leadership and Information Processing is organized into four parts. In the first part, Lord and Maher's definition of leadership is introduced. The "define leadership as the process of being perceived by others as a leader." This definition stems from a social cognitive approach, an area in which Lord has done considerable work, and the shift in focus from other leadership theory makes a major contribution to our understanding of leadership as a social process. The justification for this definition lies in the notion that the leadership label creates the discretion to engage in leadership behaviors, and this label is granted by others' interpretations of a leader's traits, behaviors and outcomes. To better understand how this labelling occurs, Part One also provides a description of human information processing, linking the process with perceptions of leadership and detailing the alternative models of information processing: rational, limited capacity, expert and cybernetic. These models become the integrating mechanism as the book moves from a micro to a macro level, tying together leadership, social processes, performance and change.

In Part Two, the role of perceptions in leadership attributions and the perceptual impact on dyadic relationships and at aggregate levels is explored. Lord and Maher discuss the need to move beyond trait theories of leadership to a categorical view, emphasizing the knowledge structures of perceivers or "recognition-based" processes. Basically, perceivers develop a mental prototype of leaders based on past experiences and compare an individual's characteristics to this prototype for fit. Additionally, leadership perceptions may be the result of inferential processes, wherein leadership is inferred based upon success or failure in achieving performance outcomes. Successful outcomes increase a leader's discretion to further affect performance outcomes and failure diminishes discretion. Lord and Maher suggest that the recognition-based leadership phenomenon may be more likely to occur with lower-level leadership perceptions, and the inferential processes would involve leadership perceptions at the executive level.

The rest of Part Two moves beyond the labelling of leaders and explores broader social information processing issues. The authors discuss the types of cognitive schemas that develop and the extent of information processing (automatic versus controlled) that is involved in creating these schemas. To explain how the differences in automatic and controlled processing affect the updating of perceptions, Lord and Maher introduce a cusp catastrophe model. While things start to become slightly unwieldy at this point, the comprehensiveness of the book makes that an eventual reality. The cusp catastrophe model is a useful vehicle for understanding perceptions, cognitive recategorization and their relationship to change at many levels. The last few chapters in this section do a good job of establishing the relevance of viewing leadership from an information processing perspective. The effect of sex-role stereotyping on perceptions of women as leaders and managers is discussed and dyadic relationships, specifically between superior and subordinate, are examined. Extending the earlier examination of subordi-

nates' perceptions of leaders, the focus here is on leaders' perceptions of subordinates and how these perceptions interact to define relationships and behaviors. Finally, in the last chapter of Part Two, the authors begin to aggregate the eventual outcome of schema development by considering culture. This is one of the stronger chapters in the book. Using Schien's model of culture as a starting point, Lord and Maher use information processing models to explain differences in organizational cultures and their relationship with leader behavior and change. Compared to much of the writing on culture that exists, this is quite readable and the information processing perspective makes culture a more understandable and usable construct.

The third part of *Leadership and Information Processing* is quite interesting. The authors examine the leadership paradox (on one hand, viewing leadership as a major determinant of performance and, on the other hand, leadership as a romanticized concept influencing perceptions of performance but not performance *per se*) and conclude that leadership does have an impact, but the use of indirect influence, bad management of follower perceptions and poor research designs in empirical studies do not always make this clear. Then Lord and Maher bring the cusp catastrophe model back to integrate executive leadership with organizational performance. Chapter 12 is a fascinating presentation of how the nature of change and environmental fit create a response surface along which organizations move based upon executive leadership of an organization's cultural aspects, design, strategic choices, etc. The shift from micro to macro levels and the integration of leadership and performance that occurs in this chapter makes for difficult reading, but is well worth the effort. It is rare to find a general model that provides such detailed comprehensive coverage of organizational issues.

Finally, in Part Four the social cognitive approach, executive leadership and organizational performance are all brought together. The authors discuss the methods for managing perceptions and information processes to create situations in which executive leadership can positively affect performance. Ultimately, what Lord and Maher provide is a basis for developing a contingency theory of executive leadership.

Lord and Maher make some valuable contributions to the study of leadership in this book. First, they address problematic areas of current leadership theory. The information processing perspective on leadership labelling pro-

vides insight into problems in trait research by clarifying weaknesses in the measurement process. They also demonstrate the reasons why current contingency theory lacks generalizability to executive level leadership in their discussions of categorical and inferential leadership. In addition, they develop a connection between leadership and organizational performance and elucidate the "leadership paradox" discussed above.

Second, *Leadership and Information Processing* develops a sound model of leadership based on the currently missing cognitive approach. This model grounded in information processing theory, easily extends to executive levels, as well as providing additional insights at supervisory levels. Furthermore, this approach provides a foundation for some of the more abstract contemporary leadership theory (transformational leadership, for example). The authors' discussions of managerial discretion (reasons for having it and methods for creating it) operationalize what has to this time been inspirational but abstract reading.

Probably the least positive aspect of this book is that it is really not very readable. In the process of developing a multi-level model that is well-anchored in other research, Lord and Maher have written a book that is laboriously detailed and difficult. They try to do too much with one book and it becomes very unwieldy, from a cognitive perspective. There is also something unsettling about viewing leadership as primarily a matter of perception. The idea that one can manage perceptions and thereby become a leader has Machiavellian undertones that are not adequately addressed. "Leadership as perception" is a useful and necessary perspective, but certainly other perspectives are needed as well.

Still, *Leadership and Information Processing* makes a valuable contribution to leadership theory. Integrating leadership theory with that of dyadic relationships, diversity issues, culture, power, change, strategy and organizational performance is a huge task and the authors have done an exceptional job. Such an undertaking is bound to have weaknesses, but on the whole, the authors are successful. The social constructionist view is completely lacking in most research on social processes in the management field. At least leadership can not claim this theoretical foundation and, in doing so, begin to understand the limitations of currently available research and theory. This book is essential for anyone with a serious interest in leadership.