Cognitive Resource Theory

Assumptions
Intelligence and experience and other cognitive resources are factors in leadership success. Cognitive capabilities, although significant are not enough to predict leadership success. Stress impacts the ability to make decisions.

Description
Cognitive Resource Theory predicts that:

1. A leader's cognitive ability contributes to the performance of the team only when the leader's approach is directive.

When leaders are better at planning and decision-making, in order for their plans and decisions to be implemented, they need to tell people what to do, rather than hope they agree with them.

When they are not better than people in the team, then a non-directive approach is more appropriate, for example where they facilitate an open discussion where the ideas of team can be aired and the best approach identified and implemented.

2. Stress affects the relationship between intelligence and decision quality.

When there is low stress, then intelligence is fully functional and makes an optimal contribution. However, during high stress, a natural intelligence not only makes no difference, but it may also have a negative effect. One reason for this may be that an intelligent person seeks rational solutions, which may not be available (and may be one of the causes of stress). In such situations, a leader who is inexperienced in 'gut feel' decisions is forced to rely on this unfamiliar approach. Another possibility is that the leader retreats within him/herself, to think hard about the problem, leaving the group to their own devices.

3. Experience is positively related to decision quality under high stress.
When there is a high stress situation and intelligence is impaired, experience of the same or similar situations enables the leader to react in appropriate ways without having to think carefully about the situation. Experience of decision-making under stress also will contribute to a better decision than trying to muddle through with brain-power alone.

4. For simple tasks, leader intelligence and experience is irrelevant.

When subordinates are given tasks which do not need direction or support, then it does not matter how good the leader is at making decisions, because they are easy to make, even for subordinates, and hence do not need any further support.

Discussion

CRT arose out of dissatisfaction with Trait Theory. Fiedler also linked CRT with his Least Preferred Co-worker (LPC) Theory, suggesting that high LPC scores are the main drivers of directive behavior.

A particularly significant aspect of CRT is the principle that intelligence is the main factor in low-stress situations, whilst experience counts for more during high-stress moments.

See also


Trait Theory, Fiedler's Least Preferred Co-worker (LPC) Theory