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A Systematic Review of Various Leadership Theories

Vivek Deshwal

Research Scholar, Department of Commerce, Aligarh Muslim University, Uttar Pradesh, India

Mohd. Ashraf Ali

Department of Commerce, Aligarh Muslim University, Uttar Pradesh, India

Abstract

Leadership is an essential element in the success of any organization. The style of leadership used has a great influence on the behavior of employees, and thus their productivity directly relates to it. There are several theories developed which defines leadership in its way, and there is continuous development in this field. The current study examines the theories that emerged in leadership literature. Various theories like trait, behavioral, contingency, and emerging theories are described briefly in a systematic way. It is found that as time passed, the way to see leadership also changed, styles like transformational, transactional, authentic, ethical, servant emerged as new dimensions which suit to the changing business environment.

Keywords: Trait theory, Behavioural theories, Contingency theories, Full Range Leadership Model, Authentic leadership, Ethical Leadership, Servant Leadership.

Introduction

Leadership has always been an evergreen topic in the field of organizational behavior. As time changed, there come various theories of leadership and its style. An organization is a group of people; it always needs a leader to achieve its goal efficiently and effectively. Yukl, 2002 defined leadership as a “process of influencing others to understand and agree about what needs to be done and how it can be done effectively...process of facilitating individual and collective efforts to accomplish the shared objectives.”(Gregoire & Arendt, 2014). “Leadership is a process where leaders use their skills and knowledge to lead and bring a group of employees in the desired direction that is relevant to their organization’s goals and objectives. Additionally, an effective leader that has strong leadership skills should also have a certain characteristic, such as, passion, consistency, trust, and vision; for only leaders who own these characteristics can build trust in employees” (Domingo & Sa, 2017). The role of a leader is vital, and thus it cannot be overlooked. As time passed, various theories of leadership emerged, but due to change in scenario and environment, these theories also needed to have some modification in that because one single theory does not fit fully in different situations. The success or failure of an organization directly relates to the effectiveness of the organization. There are various stories in which even a sick organization revive it and move towards the way of success, and it happened only because using the right style of leadership.

Research Gap

After going through various research articles, it is found that all the theories of leadership are not discussed collectively in a systematic way. Authentic, Ethical, and Servant leadership styles are generally ignored or less discussed, along with other styles. Different papers were found which were discussing leadership styles differently, and all theories were not found under an umbrella.

Research Objective

The objective of the study is to examine the literature of leadership theories so that it is found out how these theories emerged one by one.

Research Methodology

Secondary sources such as research papers, textbooks, articles, and internet sources are used to go through the literature of the leadership and its various styles. The study is done in the chronological order of the emergence of various theories. The theories which were made earlier studied thoroughly at first, and then only the next emerged theory is studied. In this way, the proper sequence is maintained, and step by step process is taken into consideration. Based on a systematic and thorough study of various styles of leadership, conclusions are drawn.

Trait Theories

The trait theory was inspired by the Great Man Theory developed by Thomas Carlyle. Later Sir Francis Galton took this theory forward and concluded that leadership comprises a unique quality of extraordinary persons that cannot be imitated. In early 1900 the focus of leadership was on traits only. Several theorists were inspired by Carlyle and Galton, and they believed that leadership is a result of personal characteristics, but they also thought that they do not reside in a selected number of people only. Trait theory was very much accepted up to 1940 and early 1950s, but later new theories started emerging, and it was believed that it was not personal characteristics only which make leader, but there are other factors which affect it. John W. Gardner defined different attributes. He told that there are traits that make a successful person leader, and these traits are physical fitness, decision-making ability, adaptability, awareness of employee need and motivating him, trustworthiness, etc. (John, 2015)

In 1948, Stogdill opined that leadership is a mix of characteristics and situation both, a person who leads in one situation may not do it in another situation, and it is the situation only which affect a person to show his characteristics to lead. Later trait theory starts fading, and behavioral and situational theories of leadership emerged.

Behavioral Theories

After the criticism of trait theory, further research was conducted in the area of leadership. It was found that the behavior of a leader is the factor that affects leadership. Behavioral theories of leadership indicate that leadership can be learned, unlike trait theory. “Behavioural theories of leadership presuppose that particular behaviors are what distinguish leaders. That is, these theories begin with the assumption that an effective leader in any achievement context is one who exhibits the behaviors that are most conducive to group productivity and group psychosocial growth.” (Kovach, 2018). Ohio State Studies and Michigan Study are the two main studies of behavioral leadership that were conducted in 1945 and find out two dimensions of leadership.

1. Ohio State Studies

The dimensions which were found in the study were classified into two main types of style, Initiating Structure and Consideration.

- **Initiating Structure-** In this, a leader shows concern to the task and goal achievement. A behavior to organize work, work relationships, and goal achievement is shown by the leader, and he assigns the task to the worker and assures a standard performance by giving proper attention to get the work done at the proper time.
- **Consideration-** This dimension is concerned with the relationship between leader and employee by creating mutual trust and respect. This type of leader is approachable and friendly. The feelings of employees are taken care of, and they are given equal treatment, support, and appreciation.

2. Michigan Studies

These studies conducted in the 1950s by Rensis Likert, and he found two main dimensions first, employee-oriented leaders who give proper emphasize on interpersonal relation with employees and take care of their needs, individual differences are respected. Second, production oriented leader whose main emphasis is on technique and task of job. It focuses on achieving group goal.

On the basis of behavioural theories Robert Blake and Jane Moulton made a model named Managerial grid in 1964. Five leadership styles were suggested

by it, which was based on concern for people and concern for the achievement of the goal. These styles were impoverished, produce or perish, middle of the road, country club, and team style.

Contingency Theories

“Those theories argue that the best type of leadership depends on situational variables and that no one style of leadership pertains or should be followed to all given workplace situations. For this reason, effective leaders can adapt their leadership style based on the nature of the group, the situation, and the objectives to be achieved.” (Kovach, 2018).

a) The Fielder Model

In the year 1967, Fred Fiedler made the Fiedler Contingency Model, which states that the performance of the group depends upon the match between leaders' style of interaction with his subordinates and the level of degree which the situation gives the leader control and influence. Least Preferred Co-worker (LPC) is developed by Fielder to identify whether a leader is a task-oriented leader or relationship oriented. Along with this, he also identified three contingency dimensions that are leader-member relations, task structure, and position power.

b) Situational Leadership Theory

Paul Hersey and Ken Blanchard in 1969 defined situational leadership; it assumes that the effective leadership style does not remain static, and it changes as per the situation, and to be an effective and successful leader should adopt his style and approach to different situations. “Situational leadership means that leaders have to change the degree of supportiveness and directness to their employees according to the given situation of subordinates and their level of motivation. “This type of Leadership demands that leaders vary their behavior and leadership style according to their subordinate's commitment.” (Ghazzawi, Shoughari, & Osta, 2018). If followers are unable and unwilling to do work, then clear and specific directions must be given by the leader. If a follower is not able to do work but he is willing to do it, a leader should show high orientation in both task and relationship behavior. When the follower is able but unwilling,

then a supportive and participative style is used. When followers are able and willing, then-leader need not do much.

c) Path-Goal Theory

In 1971 Robert House developed path-goal theory. He was a graduate at Ohio State University; later, this theory was and revised in 1996. It uses initiating structure, consideration, and expectancy theory of motivation to make the theory. It defines states that a leader should clarify the path of the followers and lead him effectively towards goal by reducing roadblocks. When a task is stressful and ambiguous, directive leadership is preferable. In a structured task, supportive leadership yields high performance and satisfaction. “Path-goal leadership theory requires learning leaders, who are interested in spreading a learning culture to adopt directive, supportive, participative, and achievement-oriented behavior. Indeed, learning leaders can adopt one of these behaviors to achieve the goal of influencing subordinates' knowledge and experiences. Also, the adoption of an appropriate style is required to respond quickly to subordinates' expectations, needs, and wants.” (Domingo & Sa, 2017).

d) Leader Participation Model

The Vroom–Yetton contingency model is made by Victor Vroom and Phillip Yetton in 1973 and later in 1988 with Arthur Jago. It concluded that the best leadership style depends on the situation. Five styles are suggested, and these are Autocratic Type 1, in which leaders exercise decisions basis on the readily available information. Second, Autocratic type 2 style, in which information is taken up by the leader from followers but takes a decision on his own. The third style is Consultative Type 1, leaders share problems with only a few followers who are relevant enough and not all, but one by one, and followers are not allowed to discuss among them. Fourth, Consultative Type 2, in this a leader consults with followers in a group, but their ideas are heard, but the decision is taken by leader only by his own, Fifth, Group based Type 2, in which problems are discussed by leader with followers, and that decision is taken which is accepted by group.

Leader-Member Exchange Theory

Leader-member exchange theory originally made in 1975 states that because of time pressure, a leader and some members build a special relation and this group is known as in-group, and those members who are not the part of this group come in out-group. Those followers who are the part of in-group get some favorable attitude from the employees in comparison to those members who are the part of out-group. The focus of the leader-member theory is on the relationship quality of a leader and his subordinates. Based on relationships, two types of groups are made by the leader. Those who are in low-quality relationships form an “out-group,” and those with higher quality relationships form an “in-group.” More influence and confidence are received by the subordinate of in-group from their leaders, and they are more dependable and communicative in comparison to out-group subordinates; those who are in the in-group do extra tasks with more responsibilities (Megheirkouni, 2019).

Transformational and Transactional Leadership

Transformational leadership was firstly described by James V. Downton, and later James MacGregor Burns further described it. Bernard M. Bass (1985) later extended the work of Burns (1978). Transformational leadership is that form of leadership in which a leader has an idealized influence on followers; he motivates them, provides a challenging task, enhances their creativity, and pays individual attention to the followers. In 1974 Max Weber defined transactional leadership, which is later defined by Bernard Bass in 1981. “Transformational behaviors comprises Idealized Influence (walking the walk), Inspirational Motivation (exciting the masses and sharing the vision), Intellectual Stimulation (thinking out of the box”), and Individualized Consideration (compassionate leadership)” (Barbuto & Leadership, 2014). Transactional leadership uses a carrot and stick approach, which means contingent rewards are used to take better performance from followers. Those employees who perform nicely are rewarded, and those who perform below standard or unsatisfactorily are punished accordingly. “Transactional behaviors include laissez-faire (hands-off leadership), management-by-exception

(putting out the fires), and contingent rewards (let’s make a deal)” (Barbuto & Leadership, 2014).

Bruce Avolio and Bernard Bass in 1991 defined a concept of three leadership styles, which are transactional, transformational, and laissez-faire. A transformational leader can influence their followers so that they can give their full potential, which leads to better performance toward the achievement of goals. Transactional leadership is in contrast to the transformational style in which performance is linked with the contingent rewards. “Transactional leadership is less focused on emotion and inspiration; transactional leadership is sometimes afforded less respect than transformational leadership. This is unfortunate because most leadership positions require elements of both transactional and transformational leadership. Most commanders, for instance, not only lead people but are also responsible for managing resources – budgets, facilities, vehicles, etc.”(Domingo & Sa, 2017).

Authentic Leadership

Bill George wrote about the authentic leadership in his book ‘Authentic Leadership’ in 2003, although it was originated in 1960 to explain how an organization presents itself authentically through leadership. This style is influenced by the ethical behavior of a leader. Authentic leadership comprises with self-awareness of a leader; he knows his strengths and weaknesses, makes positive relationships with employees by inspiring and encouraging them. “Authentic leaders are those who are deeply aware of how they think and behave and are perceived by others as being aware of their own and others’ values/moral perspectives, knowledge, and strengths; aware of the context in which they operate; and who are confident, hopeful, optimistic, resilient, and of high moral character” (T, Bruce J Avolio, Gardner, William L, 2005). “According to George’s concept, several dimensions in authentic leadership include knowing the authentic self, learning from one’s life story, integrating all elements of life (work, family, community and friends), building support teams, balancing the intrinsic and extrinsic motivations, practicing personal values and empowering people to lead. “(Ghazzawi et al., 2018).

Ethical Leadership

Ethical leadership revolves around due respect and faith in ethics, beliefs, and values. It takes into consideration the rights and dignity of other persons. Trust, faith, fairness, honesty, consideration are the main elements of ethical leadership. Ethics refers to the values and morals which a person or a society as a whole finds reasonable to follow. It is related to the virtuousness of a person and his motives. The choices of a leader are also affected by his morality. "Ethical leadership is empirically related to some of the similar related constructs such as transformational, servant, and authentic leadership, but argued that it is well distinct from these constructs." (Kumar, 2018)

Servant Leadership

The term servant leadership was given by Robert K. Greenleaf in 1970. The new angle of ethical leadership is servant leadership. This type of leader pays more attention to the growth and development of followers. Persuasion is the tool to get the work done. A Servant Leader pays more attention to the needs of the employees helps them to grow and develop. Here the leader is there who serves the followers and shares his power with them.

Those people who accept servant leadership experience high-level satisfaction, trust, recognition, creativity in their work. By using servant leadership, one can achieve organizational goals without using positional and authoritative power. (Kumar, 2018).

Conclusion

This article deals with the summarised overview of various theories developed in the leadership literature. It is not easy to define leadership as its definition continuously changed as the research in it took place further. The main focus of trait theory was the characteristics of a leader. It tried to find out various traits found in successful leaders. Then behavioral approach of leadership came into existence, which diverted its focus and shifts from traits to behavior. Two main behaviors that are task-oriented behavior and employee-oriented behavior are found. It is said that a successful leader makes a balance in both its behavior. Then situational leadership emerged, which stated that one type of leadership style is not suitable for every type of

situation, so according to the situation, only a leader needs to choose a style. Later full range leadership model was developed, which defined three types of leadership, transformational, transactional, and laissez-faire leadership. In any organizational, both transformational and transactional leadership are needed, and these are not mutually exclusive styles. Authentic leadership focuses on knowing the authentic self of a leader, becoming aware of both sides that are strengths and weaknesses, making a balance between intrinsic and extrinsic motivations, and empowering people to lead. Later Ethical leadership emerged, which focuses on values and beliefs; trust plays an important role in this leadership style. Ethical leadership took a turn and defined servant leadership in which shift moved to the development of followers. It is found that a single leadership cannot be found appropriate for every type of situation and every type of worker or employee. By finding out the deficiencies in the existing literature various authors tried to define leadership in their own way. At first, the focus was on the traits of the leader, later it changed to the behavior and then situations. It was found that a single style of leadership cannot be proved successful in every situation a leader needs to change his style as per the need of the situation. Leadership also deals with employee motivation and development, increasing their intellect and making them more effective and efficient.

Limitations of the Study

This paper is purely theoretical and conceptual, which has its limitations. Along with this, most of the research papers which are chosen to study comprises from the period from 2014 to 2019 only.

Recommendations for Future Research

Future research can be done by using the relevant instruments for measuring various leadership styles. The effect of various leadership styles on the various dimensions of the behavior of followers can be studied.

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Author Details

Vivek Deshwal, Research Scholar, Department of Commerce, Aligarh Muslim University, Uttar Pradesh, India,
Email ID: vivekdeshwal1732@gmail.com

Prof. Mohd Ashraf Ali, Department of Commerce, Aligarh Muslim University, Uttar Pradesh, India,
Email ID: drashrafali1@gmail.com