

**Concept of Leadership-** Leaders and their leadership skills play an important role in the growth of any organisation. Leadership refers to the process of influencing the behaviour of people in a manner that they strive willingly and enthusiastically towards the achievement of group objectives. A leader should have the ability to maintain good interpersonal relations with the followers or subordinates and motivate them to help in achieving the organizational objectives.

### **Definition of Leadership:**

According to Hersey and Blanchard- "Leadership is the process of influencing the activities of an individual or group in efforts toward goal achievement in a given situation".

According to Kouzes and Posner- "Leadership is the art of mobilizing others to want to struggle for the shared aspirations".

### **Features of Leadership**

- **Influence the behaviour of others-** Leadership is an ability of an individual to influence the behaviour of other employees in the organisation to achieve a common purpose or goal so that they are willingly co-operating with each other for the fulfillment of the same.
- **Inter-personal process-** It is an interpersonal

process between the leader and the followers. The relationship between the leader and the followers decides how efficiently and effectively the targets of the organization would be met.

- **Attainment of common organizational goals-** The purpose of leadership is to guide the people in an organization to work towards the attainment of common organizational goals. The leader brings the people and their efforts together to achieve common goals.
- **Continuous process-** Leadership is a continuous process. A leader has to guide his employees every time and also monitor them in order to make sure that their efforts are going in the same direction and that they are not deviating from their goals.
- **Group process** - It is a group process that involves two or more people together interacting with each other. A leader cannot lead without the followers.
- **Dependent on the situation-** It is situation bound as it all depends upon tackling the situations present. Thus, there is no single best style of leadership.



## Importance of Leadership:

- **Initiating Action:** Leadership starts from the very beginning, even before the work actually starts. A leader is a person who communicates the policies and plans to the subordinates to start the work.
- **Providing Motivation:** A leader motivates the employees by giving them financial and non-financial incentives and gets the work done efficiently. Motivation is the driving force in an individual's life.
- **Providing guidance:** A leader not only supervises the employees but also guides them in their work. He instructs the subordinates on how to perform their work effectively so that their efforts don't get wasted.
- **Creating confidence:** A leader acknowledges the efforts of the employees, explains to them their role clearly and guides them to achieve their goals. He also resolves the complaints and problems of the employees, thereby building confidence in

them regarding the organization.

- **Building work environment:** A good leader should maintain personal contacts with the employees and should hear their problems and solve them. He always listens to the point of view of the employees and in case of disagreement persuades them to agree with him by giving suitable clarifications. In case of conflicts, he handles them carefully and does not allow it to adversely affect the entity. A positive and efficient work environment helps in stable growth of the organization.
- **Co-ordination:** A leader reconciles the personal interests of the employees with the organizational goals and achieves co-ordination in the entity.
- **Creating Successors:** A leader trains his subordinates in such a manner that they can succeed him in future easily in his absence. He creates more leaders.
- **Induces change:** A leader persuades, clarifies and inspires employees to accept any change in the organization without much resistance and discontentment. He makes sure that employees don't feel insecure about the changes.

### **Qualities of a Leader**

1. **Personality-**A pleasing personality always attracts people. A leader should also friendly and

yet authoritative so that he inspires people to work hard like him.

2. Knowledge- A subordinate looks up to his leader for any suggestion that he needs. A good leader should thus possess adequate knowledge and competence in order to influence the subordinates.

3. Integrity- A leader needs to possess a high level of integrity and honesty. He should have a fair outlook and should base his judgment on the facts and logic. He should be objective and not biased.

4. Initiative- A good leader takes initiative to grab the opportunities and not wait for them and use them to the advantage of the organization.

5. Communication skills- A leader needs to be a good communicator so that he can explain his ideas, policies, and procedures clearly to the people. He not only needs to be a good speaker but also a good listener, counsellor, and persuader.

6. Motivation skills- A leader needs to be an effective motivator who understands the needs of the people and motivates them by satisfying those needs.

7. Self-confidence and Will Power- A leader needs to have a high level of self-confidence and immense will-power and should not lose it even in the worst situations, else employees will not believe in him.

8. Intelligence- A leader needs to be intelligent

enough to analyze the pros and cons of a situation and take a decision accordingly. He also needs to have a vision and fore-sightedness so that he can predict the future impact of the decisions taken by him.

9. Decisiveness- A leader has to be decisive in managing his work and should be firm on the decisions are taken by him.

10. Social skills- A leader should possess empathy towards others. He should also be a humanist who also helps the people with their personal problems. He also needs to possess a sense of responsibility and accountability because with great authority comes great responsibility.

## **Leadership Styles**

There are also plenty of different leadership styles. While leadership theories are focused on understanding what makes leaders successful, the leadership styles focus specifically on the traits and behaviors of leaders under a specific theory. Therefore, the leadership theory often contains a number of different styles. The different leadership styles are as follows:

### Lewin's leadership styles

Psychologist Kurt Lewin developed his framework of leadership styles in the 1930s, providing the foundation for many other styles following later. According to Lewin, there are essentially three core leadership styles, each of

which is shortly summarized below.

## **Autocratic leadership**

Autocratic or authoritarian leadership style emphasizes the role of the leader in terms of the decision-making process. The leader won't involve or even consult the team when it comes to deciding the next course of action.

The style is efficient in terms of making decisions, and can often be effective in crises or in circumstances where the leader has access to knowledge the subordinates don't. Nonetheless, autocratic leadership style can also lead to high staff turnover.

## **Democratic leadership**

Lewin's second leadership style was the democratic model. Lewin's style saw leaders under this framework still in charge of the final decisions, but instead of rejecting input from the subordinates, the leader seeks and encourages engagement. Therefore, the subordinates are more involved with the tasks or courses of action, even though they might not have actual power to decide.

The democratic style can remove the issues of low morale and high turnover through the more participative approach. On the other hand, decisions can take a long-time to make and the subordinate's ability to comprehend the intricacies of certain circumstances might not be equal.

## **Laissez faire leadership**

The final leadership style Lewin identified was the laissez faire leadership. Under this framework, the subordinates are given the ultimate power to decide how they want to

achieve the vision set forward by the leader. The leader's role is essentially to provide the subordinates with the right resources and advice, if needed.

Like the democratic leadership style, this can help increase job satisfaction, but the lack of structure can create problems within the organization. It also needs experienced and enthusiastic employees to work efficiently.

### **Goleman's 6 leadership styles**

After Lewin's three theories, a number of styles used these examples and developed the ideas further. In 2002, Daniel Goleman published a book *Primal Leadership* together with Richard Boyatzis and Annie McKee in which he introduced six leadership styles.

According to Goleman, each of these styles is based around the emotional state of the subordinate and leaders need to understand both the styles and the emotional responses in order to succeed. To Goleman, the six styles weren't separate, but rather pieces of a puzzle the leader can use in order to achieve the desired outcome.

Below is a short introduction to the six styles. Before you read them, check out this interview with Goleman regarding what makes a great leader.

### **Visionary leadership**

Visionary leadership is about creating a clear vision for the organization and ensuring everyone within the organization follows it. Goleman's visionary leadership style is often referred to as the authoritative style, as it involves clear guidance on what needs to be done. But it also provides a lot of autonomy in terms of how subordinates can achieve the objectives. It can help organizations that are lacking in direction, but it has



similar downsides as the laissez faire style.

## **Coaching leadership**

Coaching style emphasizes leadership development and it is almost like a charismatic leadership style. The leader's role is to develop subordinates in their professional approach and help them improve their understanding of the strengths and weaknesses they face professionally.

The aim is to create alignment with the goals of the organization and the subordinate. Coaching style can be great in motivating subordinates and improving the succession plan of the organization. On the other hand, the long-term focus can be problematic in any organization in the short-term, in terms of profitability or productivity.

## **Affiliate leadership**

The aim of affiliate leadership is to bring harmony into the workplace and create an organization based on healthy relationships. The affiliate style is involved with conflict-resolution and the style is effective in overcoming disagreements, turning the focus back on the tasks.

## **Democratic leadership**

Similar to Lewin's theory, Goleman's democratic style is about enhanced participation and active communication. The leader wants to get the subordinates involved and it seeks collaboration, instead of telling them what to do. It can be effective in terms of innovation and employee morale, but the style doesn't always necessarily create the most efficient systems for responding the issues swiftly enough.

## Pacesetting leadership

High standards and achievement of objectives are at the heart of Goleman's pacesetting leadership style. The leadership puts short-term goals at the centre of its focus and uses them to drive up performance in the organization. The style often requires an element of quick rewards to motivate the subordinates to act and make quick returns.

The style can be effective in the short-term, but it's among the styles Goleman believes can potentially have the most negative impact on an organization.

## Commanding leadership

Finally, there is the coercive or commanding leadership style. The style's near-military approach to leadership could also be referred to as the paternalistic style. The core message of the style is that the leader knows best and the subordinates' role is to comply.

Although it provides guidance and clear instructions on how to achieve the organization's objectives, the leader might come across as a 'know-it-all'. The lack of input from subordinates and the coercive elements behind it can lead to lack of morale and low productivity.

## Specific leadership styles

The above groups are often mentioned when leadership styles are discussed. As you saw, they provide a comprehensive analysis and basis to all sorts of different ways a leader can utilize emotions, decision-making and authority. But there are also popular styles that don't necessarily fall under the styles identified by Goleman and Lewin. Here are a few of the most common of these styles.

## Charismatic leadership

Charismatic leadership has its foundations in the work of the German sociologist Max Weber. Weber wrote in his book *The Protestant Ethic and the Spirit of Capitalism* that charismatic leadership was “a special personality characteristic that gives a person...exceptional powers that result in the person being treated as a leader”. The style is focused on the leader’s traits and often his or her own ambitions. Charismatic leadership doesn’t emphasize the development of the subordinates as much as his or her expertise.

## Bureaucratic leadership

Bureaucratic leadership style is another leadership style first coined by Max Weber. He identified the bureaucratic style as a rule-based system, where the emphasis is on achieving tasks. The style is based on ensuring the setting up of clear guidelines and procedures for work, and making sure subordinates follow these guidelines as closely as possible. It’s a style aimed at organizations dealing with enhanced safety risks or routine tasks. But the style’s problems arise from lack of flexibility and innovation.

## Servant leadership

The servant leadership style is based on the writings of Robert Greenleaf. The ideas were further developed in the 1990s by Larry Spears. The basic premise of the style is an emphasis on the subordinate and his or her needs. The leader’s role is to provide support for the subordinates and help them achieve more professionally, as well as privately. The style benefits from its focus on values and ethics, but it can be particularly tricky to implement and doesn’t work

well in situations where quick and strategic decisions need to be made.

## **Authentic leadership**

The authentic leadership style is among the newest styles developed in the field. It was first coined by Dr Bruce Avolio and Fred Luthans. The style focuses on four key aspects of leadership: self-awareness, relational transparency, balanced processing and internalized moral perspective. The idea is that leaders and subordinates alike are supposed to promote behaviors that lead to positive actions and the development of the self.

## **Situational leadership**

Dr Paul Hersey and Dr Ken Blanchard developed the situational leadership style, which falls under the category of the contingency theory. The style is based on the idea that leaders need to be aware of the different maturity levels of the subordinate and once they know it, select the right approach.

The situational leadership style can be effective because it recognizes that not all subordinates or situations are alike. Nonetheless, it's often considered more of a management style and can lead confusion within the workplace if the leader changes his or her approach from one to another.

# **Leadership Theories**

Leadership theories are often categorized based on what the theory believes to be the defining trait or characteristic of the leader or the framework he or she uses. While there are a number of theories, the

most popular theories include: the Great Man Theory, Trait Theories, Behavioral Theories, Contingency Theories, Transactional Theories, and Transformational Theories.

Each of these categories has various leadership styles, which can slightly differ from each other, but nonetheless, belong to the core group. Let's examine the theories and the assumptions they make about leadership.

### **The Great Man Theory**

The Great Man Theory is among the oldest leadership theories and it evolved during the mid-19<sup>th</sup> century. The premise of the leadership theory was essentially the argument that great leaders are born with intrinsic traits. It argued leaders aren't developed or taught, but you quite simply either have the qualities and characteristics to be a great leader or you don't. Furthermore, as the name implies, the leadership theory assumed only a man would have these intrinsic qualities – females are not born to lead.

*“There needs not a great soul to make a hero; there needs a god-created soul which will be true to its origin; that will be a great soul!”*

To Carlyle and other people who supported the Great Man Theory, leadership was often something instilled by a god, with the leader being destined to achieve greatness.

The Great Man Theory didn't base its arguments on any scientific knowledge or research. In 1860, the theory attracted a lot of criticism from Herbert Spencer, an English philosopher, who began talking about the

importance of environment and society in shaping leaders.

### **Trait Theories**

The trait theories are somewhat similar to the Great Man Theory in that they believe certain qualities in the leader will guarantee success in leadership. But unlike the Great Man Theory, trait theories don't assume these are necessarily something people are born with or that only men can possess them. Instead, they understand that these can be taught or developed during one's lifetime, providing everyone the possibility of being a leader.

The trait model is essentially focused on answering the question "*What are the qualities that make a good leader?*" According to these theories, qualities such as intelligence, innovation, and a sense of responsibility are some of the characteristics you need to be an effective leader. The idea of certain traits guaranteeing better leadership results has remained popular to this day. Studies on leadership characteristics are commonly conducted, with similar traits often mentioned in the findings.

However, it's not ever been proven that by having a specific set of traits you would be guaranteed to be a good or a successful leader. An American psychologist Gordon Allport studied trait theories and found that personality traits are can be unreliable when measured. Furthermore, the relationship between a specific trait and its impact on leadership often vaguely explained.

### **Behavioral Theories**

From the shortcomings of the trait theories, the focus shifted to behavioral theories. Instead of looking at the traits of a person, the aim is to discover what behaviors drive successful leadership. The question became "*What are the actions and behaviors of a good leader?*"

One of the most influential sets of behavior leadership theories was developed in the 1930s by Kurt Lewin. He identified three distinctive leadership behaviors in terms of decision-making and guidance: authoritarian style, participative/democratic style, and delegation/laissez faire style.

Furthermore, the behavioral theories were either focused on the tasks or the people. The task-focused theory, often referred to as the Role Theory, examined how people's behaviors change by the role they are doing. It argued that different roles might cause different reactions. On the other hand, the people-based theories considered the different levels of concern leaders show towards the subordinates and its impact on performance.

Behavioral theories are popular because they understand leadership is something people can become better at. Despite this, the theory has lost some ground due to the realization that different behavioral styles don't always suit every situation and while specific behavior might yield good results in certain circumstances, it can be catastrophic in others.

### **Contingency Theories**

The next step of evolution saw the question move to asking about the circumstances of leadership. "*How does the situation influence effective leadership?*" became the examination point for theories. The central argument of these theories was the idea that leadership styles' effectiveness depends on the situation. It believes people who perform well in a specific situation, can actually perform badly in others.

There is a certain similarity between contingency theories and trait theories. Both realize that personal characteristics are linked to the situations in which the

leaders use their leadership. Certain traits, in essence, perform better under specific leadership styles.

There have been a number of famous contingency theories, such as the Cognitive Resource theory and the Path-Goal theory. Perhaps the most common example of this style is the Situational Leadership developed by Hersey and Blanchard.

### **Transactional Theories**

Transactional theories are also often referred to as exchange theories. These theories focus on the power and influence of leadership and the different ways leaders can leverage these to achieve objectives. The basis for the theory is the examination of the transactions between the leader and the followers, focusing on understanding how to build a positive and effective relationship.

The transactional theories pay close attention to the motivations behind the actions. Therefore, the theories are interested in understanding the reward and punishment systems and their use in aligning the needs of the organization with the needs of the subordinate.

While the transactional style has been popular and it can be efficient in creating meaningful relationships between the leader and the subordinates, it's also attracted criticism. The most common objection to the style is its assumption that humans operate only to maximize pleasure or reward. It can sometimes dismiss other motivational factors altogether and just assume financial gain is all subordinates seek, for example.

### **Transformational Theories**

The final major category of leadership theories is transformational leadership. The focus of these theories is on the personal relationship the leader forges with the



followers. The theories believe effective leadership is about transforming the followers into something different, aside from simply achieving the organizational vision. The leaders who can do this are charismatic and inspirational, creating a sense of trust that helps the followers feel more motivated.

The popular transformational theories include James McGregor Burns' transformational leadership theory, which was later developed further by Bass' theory. Burns' core ideas are:

- Approach is more holistic and supportive
- High expectations for the group
- Lead by example
- Collaborate with the group to challenge and support
- Inspire group around its purpose and remind each group member of his worth

Both the transformational and the transactional leadership theories have also been developed and used as leadership styles, some of which we will delve into in the next section.