

“LEADERSHIP STYLES - PAST PRESENT AND FUTURE”

Research Paper

Ramesh Kumar, SSBM, Geneva, Switzerland, ramesh247k@gmail.com

Dr. Anna Provodnikova, SSBM, Geneva, Switzerland, anna@ssbm.ch

Abstract

The new age global economy with its diverse workforce needs leaders with special skills. The nimble, aspirational and talented global workforce has unique requirements and expectations from their organisations. Organisations are expected to not only provide employment but are measured on employee satisfaction. Customer satisfaction is becoming directly proportional to employee satisfaction. All of these means leading teams now have become much more complex. Leadership styles are now under scrutiny and debated much more than ever before. This article discusses few of the common leadership styles and lists some of the merits and demerits of these styles. Leveraging and adapting to the right leadership styles can be the differentiator for both the leaders and the organization.

1 Introduction

In the new age of global economy, younger, flexible, nimble global workforce across the trending industry verticals such as Retail and Ecommerce, Banking and Financial services, Telecommunication, Hospitality, Travel and STEM Industries (Science, Technology, Engineering and Mathematics) leading teams and performing a leadership role is getting more complex and interesting.

This researcher must state that even after a century of research, there is still no agreement on a common definition of leadership though there are several quotes and theories, with coaching gurus and management leaders stating their own versions.

This researcher can summarize that ‘Leadership can be defined as a process whereby an individual influences a group of people to achieve a common goal’ Or ‘Leadership is the ability to influence a group of people to believe, act, and work together to meet the greater good’.

2 Role of Leadership

While it is common knowledge that there are several styles of leadership, there is not much of prescription or information on which style of leadership is better. There are various articles and research on different styles of leadership and how each of them are evolving and some probably are not as much in vogue as the others. For example a role of a Personnel Manager has been progressively changed to a Human Resource Manager. And the word Manager is slowly replaced by Leader.

In this regard, it is important to recognize that a person performing a leadership role has two fundamental aspects. Lead and Manage. (Yukl and Lepsinger, 2005).

Leading is building trust, relationship, motivation, culture and influencing people to work together in a direction desired by the vision and mission of the larger group, Whereas, Managing is more about administration of tasks such as planning, organizing, staffing, directing, controlling and coordinating.

Aspects of Managing such as planning, organizing, staffing, directing, controlling and coordinating are achieved through tools, processes, applications, systems and managers are trained to operate and use these tools and systems. Managing is a process of combining, systems, tools, policies, process and so on. Most of these are learnt on the job and some aspects are even covered by academia and schools.

Aspects of Leadership however have to be coached, learnt by observation, practice, beliefs, values, culture and so on. There has to be an inherent desire, commitment and passion to lead. All of these leadership traits can be imbibed with time and effort by an individual. The important aspect of leadership characteristics and traits is that the sooner these gets cultivated and practiced by an individual, the easier it becomes and then it gets ingrained into the person. Collectively, both aspects of Leading and Managing is expected from leaders.(Ciulla, 2020).

3 Cost Of Poor Leadership

Leaders and leadership have been one of the most widely discussed topics in the corporate world. The impact (positive or negative) that leaders have on business is considered the differentiator to the extent of success or failure of an organization.

Leadership is not for everyone. The first and foremost question that needs to be asked before we plan to make someone a leader is if the person is passionate, has an intrinsic motivation to lead, desire and drive to inspire others to do great things for all and for the organization.

A wrong decision at this stage goes on to impact the organization in loss of revenue, customers, employee engagement and profitability.

Leaders influence a variety of outcomes such as customer satisfaction, sales, revenue, productivity, employee satisfaction and employee retention. All of these collectively leads to customer loyalty, innovation, ultimately leading to higher revenues and profits. A consistently successful business is more likely to have capable leaders who are able to steer the organization towards the desired goals, vision and mission.

Conversely, Poor leadership can have a negative impact on all the above, lack of growth in business can also have further impact to economy, loss of jobs and livelihood. Symptoms of poor leadership are low employee engagement, high employee turnover, consistently not meeting the company goals, poor customer loyalty, low customer retention, low employee satisfaction and so on.

Most people understand that poor leaders have a negative impact on the organization however only when you look at how big the cost of poor leadership really is, the focus begins on the importance of leadership within the company. Poor leadership is undoubtedly one of the main potential factor that can lead an organization to failure.

Poor leadership can therefore be defined as leadership style, intents, actions that are pushing an organization away from realizing the organizations goals, mission and vision.

Leadership is a very common and relatively simple and easy topic for people to talk about. Everyone seems to know something about it and most people agree it's important for organizational success. However, when it gets right down to basics and brass tacks, businesses find it difficult to justify the case to actually invest in leadership.

This is due to the fact that justifying a Return on Investment is difficult or the outcome is not immediate. There are always other priorities for businesses which seem immediate as compared to developing leaders.

Leadership consists of intangible aspects and as part of this reason there is no specific area in a business case or a Profit and Loss statement that we can allocate leadership as an item. Therefore the hesitation amongst businesses and leaders in allocating budgets to build better leadership. However there is plenty of research that emphasises that leadership has an all-round impact on most items in a balance sheet of a business. The way forward is to convince leaders in an objective method about the benefits and critical need to focus on leaders and leadership.

Businesses that get it right and hire and train leaders based on talent along with a scientific approach to development will continue to thrive and gain significant competitive advantage.

Gallup CEO Jim Clifton had famously written in the summary accompanying his organization's 2013 'State of The American Workplace' employee engagement study,

The single biggest decision you make in your job-bigger than all the rest is who you name Manager. When you name the wrong person manager, nothing fixes that bad decision. Not compensation, not benefits, nothing. ('STATE OF THE AMERICAN WORKPLACE', 2013).

It is important to note especially in the current economic climate that finding great leaders doesn't depend on market conditions or the current labor force. Large companies have approximately one manager for every 10 employees, and Gallup finds that one in 10 people possess the inherent talent to lead. When you do the math, it's likely that someone on each team has the talent to lead -- but chances are, it's not the current designated manager. More than likely, it's an employee with high potential waiting to be discovered.

4 Styles of Leadership

In the last several years, there have been different classification systems to define the dimensions or styles of leadership. The most popular leadership styles are: Trait, Skills, Style Approach, Situational Approach, Authentic Leadership, Team Leadership, Directional leadership, Transformational Leadership and Servant Leadership.(Jahan, 2018)

While each of these styles have their own merits and demerits, some of the styles such as transformational leadership and servant leadership are getting more attention and focus. These styles are now more often debated in the corridors and boardrooms of corporates, in the media and HRD conclaves. Stakeholders are giving more attention and focus to these styles as compared to the other styles, since they feel these are more appropriate and relevant to the current business environment and talent pool.

The challenge is when put to practical test and when rubber meets the road, some of these leadership styles actually run into roadblocks and challenges. Organizations are very quick to move from one leader to another and from one style to another at the first sight of resistance or failure.

Studies, research and several case studies shows that impact of good leadership takes time and the organizations who are more patient and persevere are able to reap long term rewards.

5 Merits and Demerits

Transformational leadership style is widely believed to cause change in individuals, systems, processes and eventually resulting in innovation, change, transforming followers into leaders. Transformational leaders inspire their followers to achieve significantly higher and better outcomes and eventually transform from followers to leaders. They create intellectual stimulation leading to innovation and higher sense of ownership.

However the challenge is the leader entrusted with driving this transformational change is someone with a lot of charisma, centre of attraction, may result in self-promotion, the assumption is that everyone in the team is already a follower. The fear is this may not be a scalable model and there is always a risk of followers losing more than they gain from this model. In several instances we have seen that followers remain followers while the leader continues to be the prominent personality. The leader driving transformational leadership has the ability to inspire, influence, drive innovation but the demerits are that there is a fear of burn out at the other end since the receiver must be at the same pace as the driver of transformation. Another fear is that in this style there is a probability of more “telling” than enabling. Therefore, while change and transformation happens, it may not be consistent and constant.

There is some valid belief that this style probably works in smaller groups or specific projects and not a viable option for organizational transformation through leadership. Driving a transformational leadership style consistently for a long period of time is a challenge. It is also important to note that transformational leadership is a combination of multiple styles of leadership which in itself can lead to multiple challenges since each style comes with its own pros and cons.

Servant leadership is a much more recent leadership style though we may even state that it is not necessarily a leadership style but rather a way of “behaving” over a period of time. Servant leadership compliments the democratic way of leading and has similarities with transformational leadership style.

Servant leadership style focusses on the key aspects such as listening, empathy, awareness, persuasion, healing, growth of people and so on. (Gandolfi and Stone, 2016).

The primary difference between Transformational leadership and Servant leadership is that servant leaders develop people whereas the transformational leaders inspire people. In servant leadership environment it is generally noticed that teams have higher morale, collaboration, highly ethical behavior however the challenges or disadvantages of servant leadership is that it takes time, both the leader and the team members have to remain engaged, understanding needs and creating workable plans can take time. There is a high chance that the teams can lose sight of goals, it may not work in all situations and for all organizations. It has been observed that teams start with a high level of motivation since they feel important however at times when they need someone else to solve a problem then there is a tendency to lose motivation.

In Servant leadership the self-sacrificing behavior makes it not a very aspirational or scalable model since there is a sense of power and authority that is attached to being a leader. A certain level of ego is a normal behavior of people at leadership position, without the power and ego not many people may aspire to be a leader of this style.

In both Transformational and Servant leadership there is a strong element of mentorship. With mentorship, one creates a sense of support system which means team members are often

looking for help which can lead to an environment of constant suggestions from the leader which eventually leads to directional leadership.

The question remains of how scalable are these styles, are these replicable and repeatable, predicting a time bound outcome and sustenance could be a challenge in these styles of transformational leadership and servant leadership.

6 Leader as a Coach

This leads us to the concept or style of leadership called “ Leader as a Coach.”

While the leader as a coach is a new trend of leadership style, the concept in itself is not new and it was discussed based on Peter Druckers leadership concepts.(Peterson and Hicks, 1996).

The fundamental principle in this style of leadership is a leader wearing the hat of a coach creates a environment of psychological safety. Trust is mandatory in all of the new age leadership style, be it Transformational style or Servant leadership however Coaching leadership style attempts to bring psychological safety which takes trust to the next level.

Trust is interpersonal however an environment of psychological safety nurtures happy, high performing people and teams. Psychological safety ensures role clarity, support group and interdependence and creates an environment of team work, ensures there is an environment of learning. In this environment there is an assurance or safety feeling that people can speak up and they will not be punished, embarrassed or sidelined for speaking up. An outcome of this environment is higher engagement, constant learning, improved performance and development. (Ibarra and Scoular, 2019).

Leader as a coach or a coaching leader focusses on bringing out the best in each of the team members, they encourage conversation and collaboration, there is constructive feedback, though always focusing on being supportive than judgmental.

In this style of leadership, change is continuous, evolving and transformational in team members. There is a larger wholistic thinking that emerges and people are able to tap into their own internal resources to identify and solve for problems and also create proactive solutions for future.

The key aspect of a coaching leadership style is the ability to ask good questions. This style replaces the styles of telling people what to do, instead they guide team members to arrive at the right decisions or answers on their own.

While motivation and developing people are considered high on leaders agenda in all of the newer styles of leadership such as Transformational and Servant Leadership, we don't see this happening consistently in reality. This is due to various real-life challenges and situations in the work place however when leaders develop the ability of having effective conversations they empower others to develop themselves. In the leader as a coach style the approach itself encourages independent problem solving and ultimately leads to improved performance and creates future leaders out of the team members.

Coaching leadership style incorporates the key aspects of transformational and servant leadership such as empathy, listening, respect however the unique value addition and difference is that in a coaching leadership style the leader guides or encourages the team member towards creating his or her own solutions to situations. This leads to higher levels of ownership and engagement. The person with a situation is guided and navigated to find the solution for the situation. This means that the approach to the solution becomes their own agenda. Execution becomes flawless, eventually this becomes a means for strategic thinking. Team members are encouraged to take their own discoveries as learnings for future. This

means that not only a team member gets guided by the leader to think of a solution but is also encouraged to use similar learnings for future situations.

An environment of coaching leadership creates employees for the future. Employees understand their responsibilities and ownership, they are quick to arrive at resolution, problems turn into solutions faster and solutions become their own solutions leading to more ownership, engagement and eventually creates a learning organization.

There is always a better way of solving the problem next time, a culture of room for improvement and opportunities develops, this is not seen as negative but about fostering growth. Increase in motivation and loyalty happens as an outcome of this sense of belonging.

The objective of a coaching leadership style is not to target a set of results, the goal is to empower individuals to become the best version of themselves. The shift of mindset, unblocking of mental obstacles, stoking awareness of a different approach to solving, creating and building. All round growth and results are then bound to happen, consistently.

Coaching as a leadership style creates positive environment, empowered employees, higher levels of engagement and retention, creativity, strategic thinking. Innovation thrives.

The increasing appeal and interest to be a Coaching Leader among aspiring leaders is that apart from the consistency of results and overall benefits, the leader doesn't have to go to the extreme of self-sacrificing behavior needed for a servant leadership style nor get into the mentoring / directional mode of some of the other leadership style. This is more of a balanced approach to leading.

This doesn't mean Coaching style leadership doesn't have its own challenges.

Similar to the Transformational and Servant leadership style this style too takes time. Leaders must be prepared and skilled to lead in this style of functioning. Team members should be of a certain level of caliber and maturity.

Leaders who are used to operate in an environment of control or used to being a mentor or centre stage high visibility style of functioning may not be best suited for this environment.

7 Conclusion

So where does this leave us ? What is the best formula or best leadership style? The answer is there is no "one style" which fits all requirements. A directive style of leading may be most effective in an environment where there is a need of urgency, staff who are more used to operating in an environment of control, whereas a project based delivery may need a much more tactical style of leading. An emerging situation of business transformation may need a thinking of directional or transformational leadership. A mature team would benefit from servant leadership style.

Each leadership style has its own merits and challenges. Under these circumstances, a leader who is able to switch hats amongst various styles, depending on the need and situation seems to be able to deliver results successfully. Therefore is it best to say that a combination of leadership style depending on needs and situations maybe the best route? Maynot be true though, since while the combination approach can provide results in the interim however long term transformation and consistency of success is not guaranteed.

Organizations with leaders who embrace and exhibit a coaching style of leadership will continue to be consistently successful, a visible transformation happens and a steady pipeline of capable leaders emerge out of such teams.

Building an organization for future would certainly benefit from a coaching style of leadership. So we could say that Coaching Style of Leadership is one such style which will be at the forefront of leadership styles for the new and emerging global economy.

If your actions inspire others to dream more, learn more, do more, and become more, you are a leader – John Quincy Adams. (Adams, 2016).

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