
LEADERSHIP STYLES AND ITS EFFECTIVENESS ON EMPLOYEE'S PERFORMANCE

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Abstract:

Leadership style is a variable that has received significant attention in the management literature. This study suggests that effective leadership style may not be dependent on whether an organization is for-profit or not-for-profit. The findings of this study indicate that even in a not-for-profit context, effective leadership is defined not only by task and people orientations but also the interaction between them. Therefore, in developing the psychological profile of effective not-for-profit leaders, as is the case in the for-profit sector, management researchers should explore both their task and people orientations.

The culture of an organization is often an outgrowth of the personalities of its leaders. Managers, owners and directors of companies and service groups need to be conscious of the type of leadership they are offering if they want to control the forms of communication and activity that are prevalent in their organizations.

Leadership has a direct cause and effect relationship upon organizations and their success. Leaders determine values, culture, change tolerance and employee motivation. They shape institutional strategies including their execution and effectiveness. Leaders can appear at any level of an institution and are not exclusive to management. Successful leaders do, however, have one thing in common. They influence those around them in order to reap maximum benefit from the organization's resources, including its most vital and expensive: its people. Libraries require leadership just like business, government and non-profit organizations. Whether a public, special or academic library, that library's leaders directly affect everything from patron experience to successfully executing stated missions, including resource allocation, services offered and collection development strategies. In fact, the influence of leaders and their effectiveness in moving people to a shared vision can directly shape the library's people, its materials, how patrons use or interact with them and whether or not that experience is beneficial. With leadership potentially playing such a vital role in the success of information centers and patron experiences, it is useful to consider the different types of leaders and their potential impact on libraries as organizations.

Introduction:

Current leadership theories describe leaders based upon traits or how influence and power are used to achieve objectives. When using trait-based descriptions, leaders may be classified as autocratic, democratic, bureaucratic or charismatic. If viewing leadership from the perspective of the exchange of power and its

utilization to secure outcomes, leaders are situational, transactional or transformational. Understanding these different tropes can provide a vocabulary for discussion that can lead to meaningful, desired results. It bears noting that not all leaders are created equal, and leadership quality may vary enormously across industries or simply within an organization. In addition, identifying an individual leader's style is central to evaluating leadership quality and effectiveness especially as it relates to organizational goals. Below is a brief examination of each common leadership style listed above and their potential impact on a group as well as their relative usefulness.

Autocratic

Autocratic leaders are classic "do as I say" types. Typically, these leaders are inexperienced with leadership thrust upon them in the form of a new position or assignment that involves people management. Autocratic leaders can damage an organization irreparably as they force their 'followers' to execute strategies and services in a very narrow way based upon a subjective idea of what success looks like. There is no shared vision and little motivation beyond coercion. Commitment, creativity and innovation are typically eliminated by autocratic leadership. In fact, most followers of autocratic leaders can be described as biding their time waiting for the inevitable failure this leadership produces and the removal of the leader that follows.

Bureaucratic

Bureaucratic leaders create, and rely on, policy to meet organizational goals. Policies drive execution, strategy, objectives and outcomes. Bureaucratic leaders are most comfortable relying on a stated policy in order to convince followers to get on board. In doing so they send a very direct message that policy dictates direction. Bureaucratic leaders are usually strongly committed to procedures and processes instead of people, and as a result they may appear aloof and highly change adverse. The specific problem or problems associated with using policies to lead aren't always obvious until the damage is done. The danger here is that leadership's greatest benefits, motivating and developing people, are ignored by bureaucratic leaders. Policies are simply inadequate to the task of motivating and developing commitment. The specific risk with bureaucratic leaders is the perception that policies come before people, and complaints to that effect are usually met with resistance or disinterest. Policies are not in themselves destructive, but thoughtlessly developed and blindly implemented policy can de-motivate employees and frustrate desired outcomes. The central problem here is similar to the one associated with autocratic leaders. Both styles fail to motivate and have little impact on people development. In fact, the detrimental impact could be significant and far outweigh any benefits realized by these leadership styles.

Democratic

It sounds easy enough. Instead of one defined leader, the group leads itself. Egalitarian to the core, democratic leaders are frustrated by the enormous effort required to build consensus for even the most mundane decisions as well as the glacial pace required to lead a group by fiat. The potential for poor decision-making and weak execution is significant here. The biggest problem with democratic leadership is its underlying assumptions that

everyone has an equal stake in an outcome as well as shared levels of expertise with regard to decisions. That's rarely the case. While democratic leadership sounds good in theory, it often is bogged down in its own slow process, and workable results usually require an enormous amount of effort.

Charismatic

By far the most successful trait-driven leadership style is charismatic. Charismatic leaders have a vision, as well as a personality that motivates followers to execute that vision. As a result, this leadership type has traditionally been one of the most valued. Charismatic leadership provides fertile ground for creativity and innovation, and is often highly motivational. With charismatic leaders at the helm, the organization's members simply want to follow. It sounds like a best case scenario. There is however, one significant problem that potentially undercuts the value of charismatic leaders: they can leave. Once gone, an organization can appear rudderless and without direction. The floundering can last for years, because charismatic leaders rarely develop replacements. Their leadership is based upon strength of personality. As a result, charismatic leadership usually eliminates other competing, strong personalities. The result of weeding out the competition is a legion of happy followers, but few future leaders.

Situational

Situational leadership theory suggests that the best leaders constantly adapt by adopting different styles for different situations or outcomes. This theory reflects a relatively sophisticated view of leadership in practice and can be a valuable frame of reference for experienced, seasoned leaders who are keenly aware of organizational need and individual motivation. Most importantly, it allows experienced leaders the freedom to choose from a variety of leadership iterations. Problems arise, however, when the wrong style is applied inelegantly. Also, considering our earlier discussion regarding some of the more ineffective leadership styles like autocratic and bureaucratic, this style requires a warning or disclaimer related to unintended or less than optimal results when choosing one of these styles. With that said, situational leadership can represent a useful framework for leaders to test and develop different styles for various situations with an eye towards fine-tuning leadership results. Situational leadership, however, is most effective when leaders choose more effective styles like charismatic, transactional, and transformational.

Transactional

The wheeler-dealers of leadership styles, transactional leaders are always willing to give you something in return for following them. It can be any number of things including a good performance review, a raise, a promotion, new responsibilities or a desired change in duties. The problem with transactional leaders is expectations. If the only motivation to follow is in order to get something, what happens during lean times when

resources are stretched thin and there is nothing left with which to make a deal? That said, transactional leaders sometimes display the traits or behaviors of charismatic leaders and can be quite effective in many circumstances while creating motivated players. They are adept at making deals that motivate and this can prove beneficial to an organization. The issue then is simply one of sustainability.

Transformational

Transformational leaders seek to change those they lead. In doing so, they can represent sustainable, self-replicating leadership. Not content to simply use force of personality (charismatic) or bargaining (transactional) to persuade followers, transformational leaders use knowledge, expertise and vision to change those around them in a way that makes them followers with deeply embedded buy-in that remains even when the leader that created it is no longer on the scene. Transformational leaders represent the most valuable form of leadership since followers are given the chance to change, transform and, in the process, develop themselves as contributors. Organizationally this achieves the best leadership outcome since transformational leaders develop people. Transformational leadership is strongly desired since it has no artificial constraints in terms of buy-in and instead is focused on getting followers on board based upon their own evolving thought process and changing responses to leadership challenges. It is particularly suited for fast-paced, change-laden environments that demand creative problem solving and customer commitment.

Libraries need more than leaders and leadership; they need the right kinds of each. To remain viable as institutions, and to add value to the constituents they serve, a library's leadership must manage change, develop employees and provoke customer commitment. That said, there is a clear difference between leadership styles and there may be instances where one style is more effective; thus a need for flexibility and perhaps an inventory/awareness of who might best lead an initiative based on their styles. In fact, certain leadership styles actually undermine morale, creativity, innovation and employee commitment. Taking the time to consider the types of leaders you have in your library could be a worthwhile exercise in terms of understanding leadership and its impact on your organization.

Conclusion:

Leadership can have a negative impact on organizational performance. Leaders who are overly dominant or become obsessed with achieving goals can overlook various details in the business organization. Managers and employees may also be less willing to help dominant or extremely critical leaders with accomplishing goals and objectives. Dominating leadership creates difficult business relationships. Other companies and business owners avoid dominant leaders who consistently request financial benefits.

Many studies has shown that each of charisma and intellectual stimulation/individual consideration traits of transformational leadership style exerts positive but insignificant effect on followers and performance. The other trait, inspirational motivation, exerts negative but insignificant effect on performance, and the traits are weak in explaining variations in performance.

On the other hand, each trait of transactional leadership style considered in this study, constructive/contingent reward and corrective and management by exception has significant positive effect on followers and performance, and both jointly explain very high proportion of variations in performance.

This paper concludes that transactional leadership style is more appropriate in inducing performance in small scale enterprises than transformational leadership style. Consequently, the I recommend that small scale enterprises should adopt transactional leadership style but strategise to transit to transformational leadership style as their enterprises develop, grow and mature.

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