LEADERSHIP THEORIES REVIEW

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Abstract

Through years many theories, definitions and classifications about leadership have been developed and can be found in the contemporary literature. Despite the fact that volumes of writings about leadership exist in global literature still it is considered a debated subject since the leadership content remain inconsistent and unclear. In addition, researchers in an effort to define and classify leadership have concluded that it is a complex, flexible and multidimensional phenomenon which requires plenty light to be shed on it. The most prominent theories that emerged during 20th century and will be analysed in chronological order constitute of the Great Man theory, Trait theory, Contingency and Behavioral theory. The purpose of the present paper is to examine the wider context of leadership and its effectiveness towards improving, through organizational changes, the public sector in times of crisis. It can be considered as an additional conceptual approach to the existing literature.

Keywords: *Leadership; Decision Making; Public Sector; Financial Crisis; Humanitarian Crisis*

JEL Codes: *M10, M12, J24*

1. Introduction

In recent years many factors such as political, economic, social and cultural standards, technological changes, international competition, and deregulation of markets play an important role in shaping new conditions in work place which requires the implementation of new leadership approaches and techniques (Daft, 2015). Especially in times of humanitarian and financial crisis, immediate response is imperative in order to cope with the fast changing economic environment and increasingly globalised world. In order for any sector to adjust to the new conditions, change must be implemented and this can be achieved through the implementation of the most suitable leadership style according to the environment in which it is practiced. It goes without saying that proper leadership is considered to be the driving force for this change. This is why it is crucial for leaders to be able to adapt to the new requirements and react with immediate organizational changes in order to provide the organization with the most effective and productive leadership implementation. But

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what are those qualifications that may give prominence to the most capable leader. Are the leadership skills acquired or inherited traits?

It is commonly believed that a good leader must be well educated, skilled, experienced, committed, patient, and most importantly be capable to set the goals and cooperate accordingly with his subordinates in order to achieve their purpose. In order for a leader to be considered capable is to gather all those traits and behaviours that are required so as to increase his leadership capabilities. Although, many researchers have defined different leadership theories that have been refined and modified with passage of time. As Warren Bennie and Stogdill (1948) have mentioned the leadership sector has been examined and defined in great extent by many authors but still little knowledge we have on it. This is why leadership is considered as complex subject and still generates captivating and confusing debate. Even though we cannot define accurately and restrict the term and concept of leadership, we can provide a general perception of the term. This perception of leadership can be described as the ability of an individual (leader) to build a relationship of trust and commitment between him and other individuals or group of individuals (followers) influencing and empowering them in order to pursue and achieve the goals of a vision.

The information mining through the followed methodology and the literature review allows a wide applicable range of scientifically supported views while conducting a systematic review of the current scientific literature.

2. The Conceptual Framework of Leadership

Much research has been devoted in order to find and describe the features of the most capable leaders whose leadership style may find application in the most effective and productive way.

Despite the prevailing belief that that public sector's organizational effectiveness depends primarily on factors beyond the control of the leader, such as social, economic or market conditions, government policies and technological changes, there are authors who suggest that there is an innate need for people to find someone in the face of whom to see the leader that is capable to lead, guide, organize and inspire them (Golensky & Hager, 2020).

The portrait of this leader is constituted by a self-composed leader with capacity building and acquisition of expertise, capable to lead and whose actions can be predicted and understood and not the result of random events (Pfeffer, 1977). A leader is the person who can accept, adjust and cope with the change. He is the one to take on the change process of an organization by creating and defining the vision of the future through specific directions, strategies and innovations. In other words, the leader is capable to provide the right direction to their followers by inspiring, motivating, influencing and empowering them to overcome any obstacle through the provision of the right incentives to achieve the vision they share (Kotter, 1990). Fiedler (1971) pointed out that there is a wide range of definitions of the conceptual

framework of leadership as well as corresponding theories. Taking that view into consideration, the different meaning of the term "leadership" and according to W. Bennis and B. Nanus (1986), who believe that leadership is the most visible phenomenon but little understood we will adduce the theoretical approaches of leadership that have been developed through years so as to provide readers with deeper and more complete knowledge on the subject. According to Bourandas (2005), leadership is a process of "Influencing the thinking, feelings, attitudes and behaviors of a small or large, formal or informal group of people by one person (leader), in a way so that voluntarily and willingly and with the appropriate cooperation to give their best itself to effectively implement the goals arising from its mission team and its ambition for progress or a better future". In other words, leadership reflects the interactive relationship between leader and followers who share a common vision which is to join forces within democratic decision-making processes in order to achieve an aim common for all so that everyone can enjoy its benefits (Daft & Lane, 2018). Additionally, leadership can be described as an interactive activity or a procedure during of which a leader sets a vision, influences the behaviour and actions of the followers, empowers them and cooperate with them in order to shape the culture of the organism and achieve the purposes. It is not clear if the ability to lead is product of innate factors or something that is acquired due to the fact that there are factors and situations that prevent from shaping a clear perception of it. For instance, few decades ago researchers using as tool the development of psychology proceeded to adding few more traits such as the age, social characteristics such as popularity as well as skills such as fluency, personal integrity, responsibility, intelligence, interpersonal skills and independence (Daft & Lane, 2018). The environment, the culture and the situation in which a leader acts plays crucial role too. Particular situations demand particular forms of leadership. Evans and Lindsay (1999) refer to leadership as an individual's effectiveness to gain control over systems and people converting them into followers so as to implement his aspirations with the ultimate purpose the pursuit of specific positive results. Goleman (2002) defines leadership as the ability of an individual to inspire and guide other individuals and groups towards a common goal, promoting or managing change properly. According to Yukl (1994, 1999) "The term leadership includes processes of influence, which imply the definition of the objective goals of the team or organization, the creation of incentives for the manifestation of project behaviour that is aimed at the pursuit of these objectives as well as the contribution to the preservation of the team and the culture". Another definition given by Stogdill (1950) "Leadership is the process of influencing the actions of an organized group of individuals so that they work willingly to achieve group goals".

Taking into consideration all the above definitions and in an attempt to provide a more generalized definition attribution, leadership can be described as "A process where an individual exerts influence over a group of individuals in order to achieve a common goal" (Northouse, 2016). We can understand that leadership constitutes by

five fundamental elements; the leader, the followers, the vision, the source of power and the situation or the environment within all of the aforementioned coexist. No leader occurs if there is no team to lead and no vision to realize. The most basic definition of leadership was formulated many decades ago by Hersey and Blanchard (1969), who define leadership as the process that aims to influence the actions of an individual or an organized unit trying to achieve the goals that have been set under granted and stable conditions.

3. Leadership Approaches

In 1950, a new approach had been developed known as the 'Great Man Theory' according to which genes are responsible for prominence of certain individuals to leadership positions and being passed down from generation to generation. Thereafter, early trait researchers studied the personality attributes that they believed were related to leadership effectiveness and many of them considered them as innate (Kanji & Moura, 2001). Trait approach focuses on the investigation of personal qualities, talents and skills of leaders as well as the determinants that differentiate leaders from non-leaders/followers (Mann, 1959).

Another classification of leadership styles derives from the trait theory according to which leadership characteristics and skills are not innate but can be gained, learned and developed. Yukl (2013) says the term refers "to a variety of individual attributes, including aspects of personality, temperament, needs, motives, and values". Daft (2015) refers to traits as "the distinguishing personal characteristics of a leader, such as intelligence, honesty, self-confidence, and appearance." Antonakis et. al (2004) describe the trait term as "relatively stable and coherent integrations of personal characteristics that foster a consistent pattern of leadership performance across a variety of group or organizational situations". Stodgill (1904 - 1974) having examined many trait studies of the previous literature concluded that the concept of a leader was framed around an individual who exhibits the ability to work with a group in attaining mutual goals. The traits that this individual was displaying included "intelligence, self-confidence, alertness to others' needs, understanding of tasks, initiative and persistence in addressing problems, and desire to take responsibility and hold positions of dominance and control". He also suggests that leadership is not only about featuring specific traits but also cooperating actively with the members of a team in which the leader has active participation setting the vision and exhibits the ability to take on and handle any issue may arise until the goals are achieved (Yukl, 2013). Warren Bennis have stated that "leaders are people, who are able to express themselves fully". "They also know what they want", he continues, 'why they want it, and how to communicate what they want to others, in order to gain their co-operation and support.' Concuding, "they know how to achieve their goals" (Bennis, 1998, p. 3).

In 2016, Northouse having conducted his own review added three more leadership traits: determination, integrity, and sociability (Northouse, 2016). Despite the fact that many authors consider leadership traits as innate, Kirkpatrick and Locke (1991) stated that can be also learned including more traits in the list such as motivation and integrity. When it comes to the personality determinants that differentiate leaders and non-leaders, Fleenor (2011) stated that many early trait researches tried to identify features associated with successful and effective leadership. They had assumed that between leaders and non-leaders there was a status and position difference. Leaders appeared higher leadership qualities such as higher intelligence, extraversion, adjustment, dominance, and self-confidence, fact that promoted them hierarchically higher in contrast to non-leaders who were hierarchically lower due to their lower traits (Fleenor, 2011).

In terms of behavioral theory, the effectiveness of the leader depends on his behaviour. Leadership attributes are not innate but can be taught, developed through leader's own efforts, desire, experiences and practice and lastly can be enriched (Dalakoura, 2012). In general, behavioral leadership theory involves observing and evaluating a leader's actions and behaviors when they are responding to a specific situation. Their ability to lead in an effective way stems from the cultivation and implementation of specific behaviors. "The behavioral approach is quite different from their approaches characteristics and skills, because it focuses on what leaders do and not on who is. The behavioral approach argues that leaders mainly present two types of behaviours: work behaviours and relational behaviours. For the Behavioral approach, the central focus, is to examine how leaders combine these two types of behaviours in order to influence the others" (Northouse, 2019). In an effort to enrich the above statement we will adduce different patterns of behavior known as leadership styles. According to Blake and Mouton's Managerial Grid (1964; 1978) the most prominent styles that were developed are firstly about leader's concern for the task, focusing on organizing his team and procedures that must be followed in order to pursuit more effective and achieve specific goals. Second style refers to leader's sense of responsibility in meeting his followers' needs, showing interest about their concerns, interests, problems and development. They also promote interaction, views, ideas and suggestions exchange through the process of empowerment and they cultivate an environment of trust and commitment in order to increase productivity.

Much research has been conducted in order to define the correlation between the kinds of behavioral features of a leader that lead to achievement of the purposes that have been set and the satisfaction among his subordinates. The most prominent research studies have been conducted in the field of leadership behaviours includes McGregor's 'Theory X' and 'Theory Y', the research of Ohio State Study and Michigan Study and Blake and Mouton's Managerial Grid. When it comes to Douglas McGregor's 'Theory X' and 'Theory Y' (1960), he identifies two styles of leader's behavior in the workplace that are diametrically opposed. The democratic (Theory Y)

and the authoritarian (Theory X). McGregor in his theory address a series of hypotheses regarding the nature of leaders and subordinates relation and the human nature in general, providing an integrated perception about the philosophies of administrative practice and leadership model that should be avoided (Theory X) and the leadership model that is reasonable to be implemented (Theory Y) in order for effectiveness and satisfaction for people in the working environment to be achieved (Bourandas, 2002). D. McGregor embraced in his theory Maslow's theory according of which employees and individuals in general are motivated according to the satisfaction or not of their needs (Maslow, 1943).

In terms of Ohio State Study, Fleishman, Shartle and Stodgill, conducted a series of researches in order to identify the dimensions of two new types of leadership behavior and study the effectiveness of their implementation on people. For this reason, researchers developed an instrument known as the Leader Behavior Description Questionnaire (LBDQ) setting as pillars of research two key characteristics of leadership behavioral, the initiating structure behavior and the consideration behavior.

The second best-known behavioral leadership studies involving the use of questionnaire conducted by the University of Michigan which intended to identify the principles and types of leadership styles that were job-oriented fact that led to greater productivity and another one which was more anthropocentric which emphasizes on human relations and is concerned on enhancing job satisfaction among workers (Likert, 1961).

Referring to Blake and Mouton's Managerial Grid, in 1960, Robert Blake και Jane Mouton developed their theory based on two behavioral dimensions; concern for production and concern for people. "Managerial Grid" is an example of a practical model leadership, which is based on two dominant leadership behaviors: work and relationships" (Northouse, 2019). The content of behavioral theories exhibits a distinction between the leaders that are task-oriented and those leaders who are person-oriented (House & Aditya, 1997). When it comes to people-oriented leadership, leaders build interpersonal connections with subordinates, supervisors, employees or even clients while attaches great importance in understanding people's needs and views in order to create an interaction working environment in which motivation, empowerment, mentoring and reward prevails. On the other hand, when it comes to task-orientated leadership, leaders are more oriented to the final result which can be achieved through the implementation of organized processes and instructions.

In 1990, Rensis Likert, director of the University's Institute for Social Research of Michigan and his partners researched and developed a theory based on four leadership styles consisted of exploitative authoritative, benevolent authoritative, consultative and participative (Bourandas, 2005). In the exploitative authoritative system, the leader gathers the ultimate power in his hands, setting the goals of the

organization while the policies, rules and decision-making process is determined by the top leadership and are transmitted in the form of orders to the subordinates. In the Benevolent Authoritative System the superiors are not in control of their employees implementing a bottom-up communication (Bourandas, 2002). In the Consultative System responsibility and authority are spread widely throughout the organization, while communication and team work are promoted between the employees and the superiors. In the Participative System which according to Likert is considered the most effective is based on the leader's complete trust in the members of the organization. Decisions are made through democratic procedures, with the participation of the members whom these decisions concern (Bourandas, 2002).

Contingency theories refer to the concept that leaders are approached through contingencies, focusing on the behavior of leaders, citing the conditions and situations that prevail in the environment inside and outside the organization, while great emphasis is placed on the issue of the effectiveness of the leadership model in the workplace. Some of the most well-known contingency theories are Fiedler's (1967) contingency model and the Vroom-Yetton (1973) leadership models. In 1967, Fred Fiedler developed a leadership model which exhibited a correlation between the effectiveness of the Leader and the leadership style he chooses to adapt regarding specific circumstances. Leadership can be defined as effective according to the presence of four parameters the leadership style, the relation between the leader and his subordinates, task's construction and the power that the leader draws from his position. Although only the last three are indicative factors that can be used in order to describe and evaluate which leadership style (work-oriented/relationship-oriented) is appropriate to be implemented for the specific occasion. Specifically, when leader obtains strong leadership position and structures a strong relationship that contains effective and constructive cooperation between the leader and his subordinates can be considered as favorable while clear task structure is provided by the leader in order for team to function under coordination. Based on this theory the leadership style that can be applied will be focused on either tasks (authoritarian) or human resources (participatory procedures). According to Fiedler (1967) the effectiveness of leadership is not completely influenced by either the leader who focuses on human resources or the one who focuses on the functioning of the organization. The contingency theory organization does not obligate leader to adapt his leadership style on an occasion that requires an indifferent management from his leadership orientation but to choose the right leading member with the qualifications that re required in order to address the certain occasion.

This model focuses on the interaction of the leader's behavior and follower readiness to determine leader effectiveness. Leader's effectiveness can be translated into their team's readiness and maturity to address issues and complete their duties under specific situations. Moreover according to the theory the assigned task must be in proportional to relationship behavior and follower's maturity and readiness in order

to achieve organization's desired results. As follower's maturity increases the leader focuses less to supervision of the process and focuses more on creating and building a constructive working environment in which interactiveness, satisfaction and team's evolution have a primary role. By focusing on them between relationship the leader achieves to enhance followers' performance, meet their needs, highlight human's element value, cultivate and develop followers' working and social capacity (Golensky & Hager, 2020). Hersey and Blanchard developed four types of leadership styles based on the task and relationships that leaders experience in the workplace. The first type refers to delegating style in which the maturity of followers seems to be high and thus the leader assigns his subordinates with tasks, duties and full responsibility on decision making process. The second style is the participating style in which the leader follows a leadership approach based on shared ideas, cooperation and both parts participation in decision making process enhancing. The Selling style which constitutes the third style is a high task and relationship behavior approach in which the leader by implementing the technique of persuasion "sells"/shares his ideas with his inexperienced followers explaining them the concept of the assigned task providing them with directions and motivation so as to develop their skills. Lastly, the fourth style refers to telling style in which followers are inexperienced and requires leader's direct instructions, supervision, motivation and empowerment. Leader is more oriented in tasks accomplishment rather than relationship with the followers due to followers' low confidence and experience.

Robert House in 1971 introduced his version of a contingent theory of leadership known as path-goal theory which emphasizes on the relationship between leadership style and the ability to motivate subordinates in a positive way in order to achieve the set goals. Driven by follower characteristics and workplace characteristics leaders' main responsibility is to adapt and implement the most effective leadership style at a given situation, provide his followers with instructions, motivation, empowerment, support and all the required information they need in order to clear a path and subserve their efforts to accomplish the assigned task. Specifically, the conceptual perception of the path-goal theory refers to leader's effectiveness to adapt his leadership style according to his followers' needs, set organization's goals, identify the methods that must be applied, intervene when is needed, clarify and clear the path that has to be followed so as to eliminate the obstacles his followers may face to the goal (Robbins & Judge, 2019; Northouse, 1997).

The Vroom-Yetton contingency model, developed in 1973 by Victor Vroom and Phillip Yetton (with additional collaboration by Arthur Jago, in 1998) focuses on the correlation between leader's behaviour and the conditions under of which he is called to adopt the most effective leadership style (Vroom & Yetton, 1973). They developed five different leadership styles, fact that indicates there is not only one leadership style suitable for any situation but pointed out the need for leader to adopt new leadership styles and adapt his own leadership style each time is needed to the

current situation. First leadership model is the autocratic in which the autocratic leader makes his own decisions using information that is readily available to him or her at the time counting only on his own. The second leadership model refers to leader's ability to collect the required information from his followers and then proceed to decision making on his own. The third leadership style is the consultative type in which the leader shares the problem and asks for ideas and suggestions from each subordinate individually. Then he makes own decision. The fourth style is all about the leader sharing the problem with the whole team as a group and asks for their ideas and suggestions. Then he makes his own decision. The last type refers to the Group-based type where the leader discusses the problem and the concerning situation with his team as a group and asks for their ideas and suggestions through brainstorming. Every opinion and decision is accepted and the decision making process involves both parties. The Vroom and Yetton model is simple and has practical utility. Nevertheless requires proper assessment of the answers to the critical questions it contains.

4. Conclusion

Concluding, having examined and adduced the existing literature of the most prominent leadership theories this paper aims to present a deeper insight into leadership theories. The paper attempted to explain the content differences between trait, behavioural and contingency theories. The study can contribute to providing readers with a deeper and more insightful understanding about the leadership styles and leaders' skills that are required in order for a leader to be proved capable to achieve an organization's goals. Specifically, Great men theory claims that the leader characteristics are innate (Kirkpatrick & Locke, 1991). On the other hand, trait theory states that the leader characteristics can be both innate and acquired as well (Pierce & Dunham, 1990). Behavioral leadership theory suggests that the success of a leader stems from his behavior, personal willing for evolution and capability to learn and develop his leadership skills through adopting beneficial behaviors and performing them in order to achieve the goals his set. In other words leaders are made owing to their learnable behaviours rather than their natural attributes. When it comes to Managerial Grid formed by Blake and Mouton the most prominent leadership style is the Team Leadership which is largely in line with McGregor's Theory X which is oriented to keep a balance between production and team's satisfaction. In contingency theory of leadership the determining factor of this theory is the situation a leader acts in, which affects directly his performance, effectiveness and his ability to adapt accordingly.

It is generally accepted that efficient leadership is developed through a never-ending process of self-study, education, training, and the accumulation of relevant experience (Bass & Bass, 2008).

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