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Contemporary Leadership Challenges and the Future of Leadership Development

Dr. Bhabani Shankar Panigrahi

Principal, Rahul College of Education, Mumbai, India

ABSTRACT : A vital challenge to the academic leadership field involves the need to develop leaders and leadership. In order to advance our knowledge of leadership, it is necessary to understand where the study of leadership has been. McCleskey (2014) argued that the study of leadership spans more than 100 years. This paper describes three seminal leadership theories and their development. Analysis of a sampling of recent articles in each theory is included. The paper also discusses the concept of leadership development in light of those three seminal theories and offers suggestions for moving forward both the academic study of leadership and the practical application of research findings on the field. Each of the three leadership theories discussed in this paper approaches the subject of leadership development differently

KEYWORDS: Leadership, challenges situational leadership, transactional leadership, transformational leadership, development

I. INTRODUCTION

Leadership development efforts aimed at improving organizational effectiveness should use instruments designed to gauge the level of task-orientation and relation-orientation of the leader in order to establish a fit with the current level of follower maturity. This paper analyzes three seminal leadership theories: situational leadership, transformational leadership (TL), and transactional leadership. It begins with introductory comments about the academic field of leadership, continues with a look at the three theories including their history and development, and proceeds to a micro-level, examining several recent published studies in each area. It presents a comparison and contrast of the key principles of each. The manuscript also discusses modern leadership challenges and leadership development in the context of all three theories. First, a brief history of leadership follows. A vital challenge to the academic leadership field involves the need to develop leaders and leadership. Day (2011) argued that over time, some leaders developed “the erroneous belief that leadership develops mainly in leadership development programs” (p. 37). Historically, leadership development targeted specific skills and competencies, while focusing on diffusion of best practices. Day argued for a more scientific approach to developing leaders and leadership. Modern leadership requires a new focus on developing leadership expertise (Day, 2009), new perspectives on the role of leader identity (Day & Harrison, 2007), and the development of adaptive leadership capacity (DeRue & Wellman, 2009). Each of the three leadership theories discussed in this manuscript approaches the subject of leadership development differently.

Situational leadership theory advocates matching the leader to the situation if possible or matching the leadership orientation (task versus relation) to the follower maturity (Hersey & Blanchard, 1969; 1979; 1996). Leadership development efforts aimed at improving organizational effectiveness should use instruments designed to gauge the level of task-orientation and relation-orientation of the leader in order to establish a fit with the current level of follower maturity. Existing leaders should receive skills and competency training aimed at developing their task-oriented or relational-oriented skill deficits. Previous empirical research indicated that level of follower maturity related to previous education and training interventions (Bass, 2008; Hersey & Blanchard, 1969; 1979; 1996). Bass & Riggio (2006) suggested that TL development could not focus on specific, narrow skills. Bass (2008) argued for TL as a reflection of the “whole integrated person and their deeply held values and self-concepts” (p. 1106). Development in TL requires a broadly established educational process. Burns (1978) agreed, advocating for the joint involvement of

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facilitators and students in an effort to reach "higher stages of moral reasoning" and higher levels of individual judgment (Burns, 1978, p. 449). Based on these recommendations for a broad educational process, targeting the leader's values and self-concepts, aimed at higher stages of moral reasoning, it is reasonable to doubt whether TL development is possible. This represents another key difference between TL and situational leadership.

The extant leadership literature provides little guidance on transactional leadership development. This may stem from the fact that most leaders do not need development to behave transactionally with their followers. Transactional leadership is traditional leadership (Burns, 1978). As Weber (1924/1947) indicated, a system of operation and coordination is called "traditional" if it is part of an existing system of control, and if the leader enjoys authority based on status and on the existence of personal loyalty created through a process of education (p. 341). This process of education is transactional leadership development. Real-world examples, available practice, and on-the-job training opportunities abound for the leader attempting to develop their transactional leadership behaviors. This manuscript closes with a brief description of the future of leadership.

Bass (2008) predicted the continued importance of both personal traits and situations to leadership. Bass argued that large, purely transactional organizations would give way to transformational ones as modern leaders become more innovative, responsive, flexible, and adaptive (Bass, 2008). The study of leadership marches on toward follower-centered approaches (Bligh, 2011), hybrid configurations (Gronn, 2011), complexity theory (Uhl-Bien & Marion, 2011), and a variety of other arenas. The increase in theoretical pluralism, evident since the 90s, continues as the academic field of leadership continues its search for the truth (Bryman, Collinson, Grint, Jackson, & Uhl-Bien, 2011). Leadership scholars must continue to engage in thorough and thoughtful research into the connections between development and efficacy, organizations and outcomes, and between leaders and followers. That is both the future challenge and the historical past of leadership.

II. LEADERSHIP THEORY

One of the earliest studies of leadership, Galton's (1869) *Hereditary Genius* emphasized a basic concept that informed popular ideas about leadership (Zaccaro, 2007). The idea is that leadership is a characteristic ability of extraordinary individuals. This conception of leadership, known as the great man theory, evolved into the study of leadership traits, only to be supplanted later the theories under discussion here (Glynn & DeJordy, 2010). Before discussing leadership, it is useful to define the term. The question of the correct definition of leadership is a nontrivial matter. Rost (1993) discovered 221 different definitions and conceptions of leadership. Some of those definitions were narrow while others offered broader conceptions. Bass (2000; 2008) argued that the search for a single definition of leadership was pointless. Among multiple definitions and conceptions, the correct definition of leadership depends on the specific aspect of leadership of interest to the individual (Bass, 2008). This manuscript focuses on three specific conceptions of leadership: situational, transformational, and TL. The next section begins with situational leadership.

SITUATIONAL LEADERSHIP

Situational leadership theory proposes that effective leadership requires a rational understanding of the situation and an appropriate response, rather than a charismatic leader with a large group of dedicated followers (Graeff, 1997; Grint, 2011). Situational leadership in general and Situational Leadership Theory (SLT) in particular evolved from a task-oriented versus people-oriented leadership continuum (Bass, 2008; Conger, 2010; Graeff, 1997; Lorsch, 2010). The continuum represented the extent that the leader focuses on the required tasks or focuses on their relations with their followers. Originally developed by Hershey and Blanchard (1969; 1979; 1996), SLT described leadership style, and stressed the need to relate the leader's style to the maturity level of the followers. Task-oriented leaders define the roles for followers, give definite instructions, create organizational patterns, and establish formal communication channels (Bass, 2008; Hersey & Blanchard, 1969; 1979; 1996; 1980; 1981).

In contrast, relation-oriented leaders practice concern for others, attempt to reduce emotional conflicts, seek harmonious relations, and regulate equal participation (Bass, 2008; Hersey & Blanchard, 1969; 1979; 1996; 1980; 1981;

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Shin, Heath, & Lee, 2011). Various authors have classified SLT as a behavioral theory (Bass, 2008) or a contingency theory (Yukl, 2011). Both conceptions contain some validity. SLT focuses on leaders' behaviors as either task or people focused. It also portrays effective leadership as contingent on follower maturity. This fits with other contingency-based leadership theories including Fiedler's *contingency theory*, *path-goal theory*, *leadership substitutes theory*, and Vroom's *normative contingency model* (Glynn & DeJordy, 2010; Bass, 2008; Yukl, 2011).

CRITICISMS OF SITUATIONAL LEADERSHIP

SLT was a popular conception of leadership; however, as experience with the original Hersey & Blanchard model accrued, problems with the construct appeared. Nicholls (1985) described three flaws with SLT dealing with its consistency, continuity, and conformity. Bass (2008) agreed, noting lack of internal consistency, conceptual contradictions, and ambiguities. Other scholars suggested additional weaknesses of SLT (Bass, 2008; Glynn & DeJordy, 2010). Research revealed that no particular leadership style was universally effective and behavioral theories relied on abstract leadership types that were difficult to identify (Glynn & DeJordy, 2010). A number of recent studies utilized the situational leadership approach. Next, this manuscript describes two of them.

III. TRANSFORMATIONAL LEADERSHIP (TL)

Over the past 30 years, TL has been "the single most studied and debated idea with the field of leadership" (Diaz-Saenz, 2011, p. 299). Burns (1978) operationalized the theory of TL as one of two leadership styles represented as a dichotomy: transformational and transactional leadership. The transformational leader convinced his followers to transcend their self-interest for the sake of the organization, while elevating "the followers' level of need on Maslow's (1954) hierarchy from lower-level concerns for safety and security to higher-level needs for achievement and self-actualization" (Bass, 2008, p. 619). Based on empirical evidence, Bass (1985) modified the original TL construct.

Idealized influence incorporates two separate aspects of the follower relationship. First, followers attribute the leader with certain qualities that followers wish to emulate. Second, leaders impress followers through their behaviors. Inspirational motivation involves behavior to motivate and inspire followers by providing a shared meaning and a challenge to those followers. Enthusiasm and optimism are key characteristics of inspirational motivation (Bass & Riggio, 2006). Intellectual stimulation allows leaders to increase their followers' efforts at innovation by questioning assumptions, reframing known problems, and applying new frameworks and perspectives to old and established situations and challenges (Bass & Riggio, 2006). Intellectual stimulation requires openness on the part of the leader. Openness without fear of criticism and increased levels of confidence in problem solving situation combine to increase the self-efficacy of followers. Increased self-efficacy leads to increased effectiveness (Bandura, 1977). Individualized consideration involves acting as a coach or mentor in order to assist followers with reaching their full potential. Leaders provide learning opportunities and a supportive climate (Bass & Riggio, 2006). These four components combine to make leaders transformational figures.

CRITICISMS OF TRANSFORMATIONAL LEADERSHIP

Empirical research supports the idea that TL positively influences follower and organizational performance (Diaz-Saenz, 2011). However, a number of scholars criticize TL (Beyer, 1999; Hunt, 1999; Yukl, 1999; 2011). Yukl (1999) took TL to task and many of his criticisms retain their relevance today. He noted that the underlying mechanism of leader influence at work in TL was unclear and that little empirical work existed examining the effect of TL on work groups, teams, or organizations. He joined other authors and noted an overlap between the constructs of idealized influence and inspirational motivation (Hunt, 1999; Yukl, 1999). Yukl suggested that the theory lacked sufficient identification of the impact of situational and context variables on leadership effectiveness (1999; 2011). Despite its critics, an ongoing and vibrant body of research exists on TL and an analysis of two recent articles follows below.

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IV. TRANSACTIONAL LEADERSHIP

Transactional leadership focuses on the exchanges that occur between leaders and followers (Bass 1985; 1990; 2000; 2008; Burns, 1978). These exchanges allow leaders to accomplish their performance objectives, complete required tasks, maintain the current organizational situation, motivate followers through contractual agreement, direct behavior of followers toward achievement of established goals, emphasize extrinsic rewards, avoid unnecessary risks, and focus on improve organizational efficiency. In turn, transactional leadership allows followers to fulfill their own self-interest, minimize workplace anxiety, and concentrate on clear organizational objectives such as increased quality, customer service, reduced costs, and increased production (Sadeghi & Pihie, 2012). Burns (1978) operationalized the concepts of both transformational and transactional leadership as distinct leadership styles. Transactional leadership theory described by Burns (1978) posited the relationship between leaders and followers as a series of exchanges of gratification designed to maximize organizational and individual gains. Transactional leadership evolved for the marketplace of fast, simple transactions among multiple leaders and followers, each moving from transaction to transaction in search of gratification.

CRITICISMS OF TRANSACTIONAL LEADERSHIP

Leadership practices lead followers to short-term relationships of exchange with the leader. These relationships tend toward shallow, temporary exchanges of gratification and often create resentments between the participants. Additionally, a number of scholars criticize transactional leadership theory because it utilizes a one-size-fits-all universal approach to leadership theory construction that disregards situational and contextual factors related organizational challenges (Beyer, 1999; Yukl, 1999; 2011; Yukl & Mahsud, 2010). Empirical support for transactional leadership typically includes both transactional and transformational behaviors (Gundersen et al., 2012; Liu, Liu, & Zeng, 2011).

V. SITUATIONAL, TRANSFORMATIONAL, AND TRANSACTIONAL LEADERSHIP

This paper analyzes three seminal leadership theories: situational leadership, TL, and transactional leadership. Situational leadership emphasized leadership behaviors along a continuum between task-orientation in relation-orientation. Situational leadership also emphasized the level of maturity, or readiness of the followers as a contingency or context that leaders need to account for in order to establish the correct fit between the leader and follower (Bass, 2008). In TL, leaders achieve results by employing idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration (Bass, 2000; 2008; Bass & Riggio, 2006). The transformational leader exhibits each of these four components to varying degrees in order to bring about desired organizational outcomes through their followers (Bass & Riggio, 2006). Transformational leaders share a vision, inspire followers, mentor, coach, respect individuals, foster creativity, and act with integrity (Bass, 1990; 1999; 2008; Bass & Riggio, 2006). Transactional leadership involves exchanges between leaders and followers designed to provide benefits to both. Leaders influence followers through contingent rewards and negative feedback or corrective coaching. Despite originating as distinct constructs, transactional and TL exist as parts of another leadership model, the full range of leadership model (Bass & Riggio, 2006). One notable difference between these three leadership theories involves the subject of charisma (Conger, 1999; 2011; Conger & Hunt, 1999; Hunt, 1999; Shamir & Howell, 1999). In contrast to TL, both situational and transactional leadership theories ignore the role of individual differences between leaders (Bass, 2008). Charisma is a key example of one such individual difference.

VI. CONCLUSION

As described above, similarities exist between task-oriented leadership and transactional leadership (Bass, 1985; 1990; 1999; Bass & Riggio, 2006; Burns, 1978). Both focus on the exchange between leaders and followers and both emphasize work products or outcomes. Relation-oriented leadership compares to TL (Bass 1985; 1990; 1999; Burns

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1978; Conger, 2011), authentic leadership (Avolio, 2010; Bass, 2008; Caza & Jackson, 2011), and servant leadership (Bass, 2008). Relation-oriented leadership is people focused, inspirational, persuasive, and intellectually stimulating (Bass, 2008). Both situational leadership theory and transactional leadership focus on leadership behaviors to the exclusion of leadership traits or individual differences, while TL looks at leadership behaviors and individual differences, a vital challenge to the academic leadership field involves the need to develop leaders and leadership.

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