Antecedents and Consequences of Leadership Styles: Evidence from Successful Entrepreneurial Ventures

Muhammad Abdul Rauf

Abstract—The purpose of this paper is to study the leadership dynamics and the innovative processes in it throughout the years. The importance of leadership in the corporate world cannot be overemphasized considering the impetus that it implants in the organization the synergy that it creates among the employees and the organizational principles.Leadership is important for the transition of the company from one phase to another smoothly and swiftly as it provides direction to the employees thereby ensuring against the company going off-course. The methodology applied in this research paper is qualitative. The qualitative method of study implies that Leadership is studied through secondary sources by the existing literature and the concepts and ideologies present about leadership in them.

Index Terms—Entrepreneurial leadership, organizational culture, leadership styles, leadership dynamics, spiritual Leadership.

I. INTRODUCTION

The complexity of the environment leaders are operating in is consistently elevating and in tandem with this, leadership dynamics are imperative to be evolved so that leaders could tackle the challenges they are presented with on regular basis effectively and in a timely manner. It is often seen that the companies start their businesses with a clear vision but they do not implement clear and concrete mechanisms to transform their visions into reality [1]. Innovative leadership models are increasingly being developed and implemented to help leaders cater to the situations that persist in complex environments in a best possible way [2]. Innovative leadership models are regarded the most particularly in today's corporate world because they incorporate within them fresh approaches towards handling any particular crisis situation or problem, and this is precisely what enables leaders to view them with a paradigm that could best equip them in terms of arriving at an appropriate solution. Leaders today are required to leave their comfort zone and collaborate with not only one another but their subordinates and followers as well, extensively. Leading is no more a job that could be effectively done sitting in a cubicle puppeteering the employees and subordinates. Rather, this phenomenon is called management. Leadership is about time the transition to enhanced leadership is made. Enhanced leadership is the product of innovative leadership models and thus it is only through modern leadership styles and their inherent fresh approaches that enhanced leadershipcould be attained by leaders.

II. OBJECTIVE

The objective of this study is to identify the underlying dynamics of leadership through studying different leadership styles and the underlying factors necessary to develop and perpetuate the concept of innovative leadership.

III. LITERATURE REVIEW

Leadership style is one of the most important factors that play a pivotal role in the behavior demonstrated by the subordinates and the organization as a whole. In today's competitive environment, there are various challenges facing management which are related to diverse workforce, social responsibility, differing opinions over ethics and procedures to attain the set organisational objectives time and again among disparate other organisational aspects. Nowadays, a successful and effective management is not only required to be customer focused but it also has to take care of its employees, and needs to try and satisfy their wants so as to foster positive organisational behaviour, that is considered as one of the most important factors associated with organisational performance.

Besides human and social capitals, leadership is regarded as source of vigorous advantage by organizations [3]. It is impossible to carry on strategic plans, options and choices without effective leadership. Various critics have underpinned the essentiality of leadership capability in relevance to success of the organization [4]. Therefore there is a link between leader and creation of organizational culture [5]. One can say that leadership and organizational culture go side by side and leader is regarded as a source of inspiration and also influences the culture of the organization [6]. It is difficult to differentiate between leadership and management. If one has to distinguish between leadership and management, it is easy to say that leaders build culture of the organisation and the managers live in it [6].

It has been acknowledged that leadership ability is necessary for the flourishment and growth of small business enterprises [7]. Culture can be defined by six characteristics; i) based on shared assumptions ii) formulated and designed by a certain group iii) to cope with external variations and internal prerequisites iv) to consider working well and valid v) transformed to newly recruited members vi) keeping in view the problems, it is a correct and accurate way of thinking [8] in Fig. 1. Therefore culture is a set of shared values to meet the structural arrangements of the organisation. Culture

directly impacts the organisation members and their interactions with each others and also provides a linkage between stakeholders [8]. Therefore cognitive framework is formed by culture and members of the organisation, through perceived issues, view competitive landscape [9]. Leaders are responsible to nurture culture in the organisation. Effectiveness of an organisation can be seen from its capacity to adopt, interaction of variations, communal understanding and ecological perspective. Ecological context highlights variation in culture [10]. Leaders have direct impact of their values on members of the organisation and members form culture. Effectiveness of leadership can be measured from culture of an organisation. Therefore, organizational

leadership defines its activities and culture [11]. In leadership, interpersonal relationship cannot be denied as it is based on leader-follower-relations and creating a culture is different from maintaining it within organization [11]. Keeping in view the external changes, leaders have to change the culture and it becomes need of the hour to share values with members of the organisations. It is crystal clear if leader is under the control of organisation he is unable to change organizational culture [12]. Similarly organizational culture has its impact on leaders as well. It is difficult for leader to change culture at once as culture has its effect on behavior of the leader.
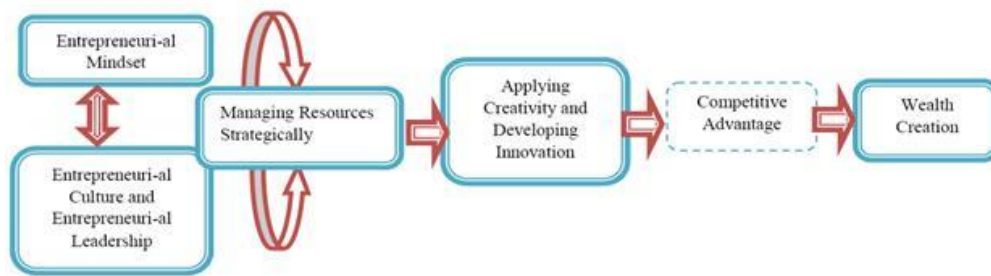

Fig. 1. Strategic model of entrepreneurial leadership [8].

Nature of organisations have evolved and so holds true for the style and approaches pertaining to leadership that are usually used for the purpose of leading those organisations and their organisational staff [13]. Leadership styles that were sound yesterday are not competent enough anymore and leadership styles that are of immense relevance today are not likely to be creating waves tomorrow, particularly due to the dynamic nature of the society we are living in. Although, it cannot be said that the traditional leadership styles that were used yesterday no longer stands useful and effective in today's business environment in its entirety, as the effectiveness of any particular leadership style whether it is traditional, modern or futuristic, is also significantly dependent upon the industry, the nature of the business an organisation is involved in among various other features, yet the importance of modern leadership styles significantly outweigh conventional leadership approaches in the effectiveness and their utility when analysed on macro level [14].

Nevertheless, it remains important as well and therefore always helps to evaluate various prospective leadership styles and approaches before hard lining it for the entire organisation to follow. Modern leadership is important and it might be more effective, yet it could not replace in one blow time tested conventional leadership practices and that too in all the domains of the business environment and corporate arena. Even humans evolved with time but it was just those body parts that were not being used excessively that devolved and those that were increasingly being used were the ones that evolved. In the same way, traditional leadership style could not be disregarded its entirety as modern leadership styles could not be deemed as fit for all the organizations.

IV. THEORIES

Modern leadership requires fresh approach and this

manifests in the adaptability and flexibility that comes inherent with modern leadership. Adaptability to each and every situation so that effective problem solving process could be undertaken is furthered by the use of fresh approaches and so does the flexibility that fuels the implementation of modern leadership practices. Behavioural leadership theories highlight what good leaders through identifying key leadership styles which revolve around autocratic, democratic and laissez faire leadership style. However, an organization could not be effective if it continue to follow one same leadership style across all the departments and in all the matters. In some domains leaders are important to dictate to others about what is required to be done with explicit guidelines whilst in that same organization, there could be instances and situations or even departments where leaders would be better off working as a team with their followers or subordinates, involving them in the decision-making process and valuing their input.

Autocratic leaders would work best when an organization is facing crisis situation that is characterised by urgency thereby requiring immediate response. While when the creative department of that same organization is presented with a proposal to work upon, it could be better done through the employment of democratic leadership style or laissez faire which is fairly modern leadership approach, which grants free rein to the employees to go about their job as they think best. Although, it might sometimes result in actual budget exceeding planned budget, there could be control mechanisms that could effectively impact such scenarios positively ensuring against such events. The example of Apple could best fit in understanding the need for enhanced leadership use of fresh perspectives to fuel modern leadership practices. When Steve Jobs was the CEO of Apple, Apple was registering glaring growth and profits however now that Tim Cook has taken over, resignation spree could be observed among the employees of Apple.

The leadership style Steve Jobs used was essentially an amalgam of visionary leadership, autocratic, democratic and laissez faire, whilst Tim Cook is the proponent of an autocratic leadership style making the culture of Apple overly corporate which is not the key to success for creative companies as Apple. The fresh perspective that Steve offered has now evaporated and it is Tim Cook and his conventional leadership approaches that is left in the leadership continuum at Apple. Adaptability and flexibility is garnered through fostering positive relationships that is the emblem of trust and accountability, with the staff and followers. It is primarily attained through cultivating sense of belonging within employees, through coaching them as to how they could not only contribute towards the accomplishment of organizational goals but also elevate their own performance and attain job satisfaction.

Contingency theories of leadership indicate that it is the situation that brings out the leader oneself. This theory reinforces that there is no single standard leadership style that could be heralded as best rather it is the situation in accordance to which one leadership style could be heralded as the most effective. It is in relevance to the situation that one could identify if it is people-oriented or relationship-oriented leadership that is best in this case or if the leadership should be kept as task oriented. It is the fresh approach that each situation is offering in alignment with which most suitable leadership style could be acquired. Hersey-Blanchard Situational Leadership Theory indicates the selection of leadership style in tandem with the maturity of the team members.

V. Discussion

I disagree with what Brown proposes, and even though the authenticity of modern leadership approach that offers fresh perspective could not be refuted in its entirety, leadership is not only a function of transactional leadership rather transformational leadership is also important in that it supplements transactional leadership to influence the followers into delivering beyond expectations. The leadership idea that underlies Brown's discussion is essentially related to transactional leadership, however in this era, leadership practices are required to be the combination of transactional and transformational to derive maximum utility.

Leadership style is one of the most important factors that play a pivotal role in the behavior demonstrated by the subordinates and the organization as a whole. In today's competitive environment, there are various challenges facing management which are related to diverse workforce, social responsibility, differing opinions over ethics and procedures to attain the set organizational objectives time and again among disparate other organizational aspects. Nowadays, a successful and effective management is not only required to be customer focused but it also has to take care of its employees, and needs to try and satisfy their wants so as to foster positive organizational behaviour, that is considered as one of the most important factors associated with organizational performance.

Nature of organizations have evolved and so holds true for the style and approaches pertaining to leadership that are usually used for the purpose of leading those organizations and their organizational staff [13]. Leadership styles that were sound yesterday are not competent enough anymore and leadership styles that are of immense relevance today are not likely to be creating waves tomorrow, particularly due to the dynamic nature of the society we are living in. Although, it cannot be said that the traditional leadership styles that were used yesterday no longer stands useful and effective in today's business environment in its entirety, as the effectiveness of any particular leadership style whether it is traditional, modern or futuristic, is also significantly dependent upon the industry, the nature of the business an organization is involved in among various other features, yet the importance of modern leadership styles significantly outweigh conventional leadership approaches in the effectiveness and their utility when analysed on macro level [14]. Nevertheless, it remains important as well and therefore always help to evaluate various prospective leadership styles and approaches before hard lining it for the entire organization to follow. Modern leadership is important and it might be more effective, yet it could not replace in one blow time tested conventional leadership practices and that too in all the domains of the business environment and corporate arena. Even humans evolved with time but it was just those body parts that were not being used excessively that devolved and those that were increasingly being used were the ones that evolved. In the same way, traditional leadership style could not be disregarded its entirety as modern leadership styles could not be deemed as fit for all the organizations. Core leadership theories reinforce the need for the leaders to adapt to the changing scenario and align their leadership practices with the dynamics of the society to ensure effective leadership and organizational operational efficiency that could trigger increased profitability. Leaders do not possess combination of characteristics that makes them tackle every situation, indeed there is no such combination that exists, rather it is the flexibility in the leadership framework and approaches of the leader that makes him/ her perform to the expectation. For a leader to be successful, the most important element that counts is their ability to adapt to the environment to subsequently implement and use their leadership method that is flexible enough to respond to the challenges and problems that they are presented with. This flexibility and adaptability of the leadership approach is the characteristic feature of modern leadership approaches. Flexibility of the leadership approach ensures that right approach that is the best possible solution for any particular crisis situation or problem is utilized and this is one of the foremost distinctive qualities that cement the importance of modern leadership in today's society that is characterised by diverse challenging issues.

VI. Spirtual Leadership Effecive Modern Leadership Style Offering Fresh Perspecive

Spiritual leadership is one of the emerging modern leadership styles that are increasingly being adopted by today's organizational leaders and front runners for the fresh perspectives it offer to influence their employees. It is a

recent avenue in the field of organizational leadership and yet the effectiveness of this domain has left the corporate world amazed. It is because it could effectively be considered as the product of consolidation of the models and principles of leadership that are laid down in the Bible, in addition to the metaphors, approaches and theories that one could come across while reading biblical texts. The combination of biblical and theological studies with that of organizational leadership forms an amalgam that is significantly strong enough to help employees perform as a team, as it helps them connect to one another not only on organizational level but on spiritual level as well [15]. This could be regarded as one of the prime key performance indicator or a critical success factor that is associated with organizational growth and profitability. In alignment with Brown, spiritual leadership focuses on „working with what is however in doing so, it remains aligned with the use of spiritual practices that connects leaders with followers and thereby entire organizational staff. Although, it could be regarded as transformational leadership, spiritual leadership is distinctive in that it is offering fresh perspectives through the use of spiritual practices, through spirituality and the implementation of workplace spirituality. Spirituality is a universal factor already characterising major part of any individual and their lives, and this is what separates it from the domain of transformational leadership as spiritual factor is already incorporated within the lives of many, irretentive of it being latent or active.

The two main features that researches indicate as important and pivotal to the effective implementation of spiritual leadership framework in any organization are the creation of vision and the fostering of culture that is in alignment with the values promoted and fundamentals guiding spiritual leadership. Vision is the prime element through the creation and implementation of which leaders and employee's followers attain a sense of calling thereby attaching meaning to their life. When employees understand the meaning that is attached with their life, they get clear idea as to what they want to achieve and having this clear idea derives the direction for them. This equips them rightly such that they could make a difference not only impacting their personal life invariably but their professional life as well.

The implementation of the right culture also ensures effective implementation of spiritual leadership. The right and aligned culture with spiritual leadership is impregnated with values that denote the continuum of altruism so as to invoke sense of membership and belonging within leaders and followers both. Spiritual leadership is particularly different from opposing models and frameworks in this aspect as numerous other leadership models and consequently the leaders working by that framework fail to invoke sense of belonging among their followers however the leaders continue to have the sense of belonging themselves. Following other leadership models, it is no wonder then that leaders are found to be only concerned about their own selves. As a result of this, the organizational effectiveness is bound to decline due to the lack of job satisfaction. Catering to this gap in the domain of leadership models, spiritual leadership seeks to foster culture that not only promotes sense of membership among both leaders and

followers but in doing so, it also triggers among followers positive feelings as sense of being understood and appreciated by their larders and the organization as a whole. This introduces among them care and concern for not only self but others as well thereby making them work towards the attainment of organizational goals.

It is the embracing of altruistic values, as also mentioned above, that is desired of the organization to ingrain in its culture for the effective spiritual leadership to characterize that particular organization. Leaders are to demonstrate these values practically through adopting model behavior and attitudes which will in turn result in the fostering of a highly aligned culture, with spiritual leadership prompting employee job satisfaction. It is not only the vision and culture that is associated with job satisfaction, but latent factor in the model is the concurrence with ones" leader when spiritual leadership model is implemented in an organization. When spiritual leadership model is followed in an organization, it produces a relationship among employees and their leaders that is driven by effective work towards the attainment of clear vision of an organization in addition to behaviour and attitudes that promote culture composed of altruistic values. This relationship as indicated by comprising elements is what becomes a ground for the garnering positive relation between the leaders and their followers and when a positive relation exists between the leader and their followers, it is imperative to motivate followers and provide them with job satisfaction. In doing so, leaders also remain satisfied with their job thereby significantly motivated enough to work towards the attainment of organizational goals, and hence this effectively characterizes the context in which both leaders and followers collaborate immensely thereby attaining organizational goal and elevating organizational performance as well. These positive individual as well as organizational outcomes that are associated with the implementation of spiritual leadership model in an organization hence comprises the triple bottom-line, thereby emphasizing on the efficacy of the modern leadership model that is attached with fresh perspective.

VII. CONCLUSION

Brown brings into limelight an expression for leaders that are unique in this aspect that the domain of leading has been seen as operating in stark contrast to that Don't be a hero. I agree with Brown [16] however, not fully, it is because although it is true that it would be more convenient for the leaders to be trained to be themselves, rather than following the footprints of some of the greatest leaders that the world has seen, but exposing future leaders to these great leaders and their leadership practices act as a source of inspiration for many leading them to the pinnacle of leadership. It not necessarily has to be used as transformational leadership but the authenticity of the techniques used by these leaders of the past cannot be denied there techniques cannot be refuted. The leadership and management technique and method Alexander the Great used to conquer then greatest empire on Earth – Persia, when he was just 20 years old remains a lesson of lifetime, and deviating future leaders away from

such courses with huge significance for leaders would not do justice to the title of global leaders.

REFERENCES

[1] D. A. Aaker, *Managing Brand Equity*, New York: The Free Press, 1991.
[2] D. A. Buchanan, *Leadership Organizational Behavior*, 7th ed., Harlow: Financial Times Prentice Hall, p. 611, 2010.
[3] D. Day, "Leadership development in the context of ongoing work," *Leadership Quarterly*, vol. 11, no. 4, pp. 581-613, 2000.
[4] K. B. Lowe and W. Gardner, "Ten years of the leadership quarterly: Contributions and challenges for the future," *Leadership Quarterly*, vol. 11, no. 4, pp. 459-514, 2000.
[5] A. Bryman, "Leadership and culture in organizations," *Public, Money and Management*, vol. 9, no. 3, p. 35, 2001.
[6] E. K. Kelloway, J. Barling, E. Kelley, J. Comtois, and B. Gatien, "Remote leadership," *Leadership & Organisation Development Journal*, vol. 24, no. 3, pp. 163-171, 2003.
[7] V. Gupta, I. C. MacMillan, and G. Surie, "Entrepreneurial leadership: Developing and measuring a cross-cultural construct," *Journal of Business Venturing*, vol. 19, pp. 241–260, 2004.
[8] R. D. Ireland, M. A. Hitt, and D. G. Sirmon, "A model of strategic entrepreneurship: The construct and its dimensions," *Journal of Management*, vol. 29, no. 6, pp. 963-989, 2003.
[9] L. K. Johnson, "The organizational identity trap," *MIT Sloan Management Review*, vol. 43, no. 4, p. 11, 2002.
[10] L. Odom and M. T. Green, "Law and the ethics of leadership," *Leadership & Organisation Development Journal*, vol. 24, no. 2, pp. 62-69, 2003.
[11] D. Charbonneau, "Influence tactics and perceptions of leadership," *Leadership & Organization Development Journal*, vol. 25 no. 7, pp. 565-576, 2004.
[12] S. D. Dionne and F. J. Yammarino, "Leadership and team performance," *Journal of Organizational Change Management*, vol. 17, no. 2, pp. 177-193, 2004.
[13] R. F. Yves, "Leading and influencing in organizations," in M. Butler, ed., *Introduction to Organisational Behaviors*, London: Charted Institute of Personnel and Development, p. 217, 2011.
[14] L. J. Mullins, "The nature of leadership," *Management & Organisational Behaviour*, 9th ed., Harlow: Financial Times Prentice Hall, 2010.
[15] B. J. Zinnbauer, K. I. Pargament, and A. B. Scott, "The emerging meanings of religiousness and spirituality: Problems and Prospects," *Journal of Personality*, vol. 67, p. 905, 1999.
[16] A. Brown. (2013). Modern Leadership–Don't Be a Hero. [Online]. Available: http://www.gradutempore.com/2013/04/modern-leadership-dont-be-hero.html

Muhammad Abdul Rauf did his graduation with science and education from University of the Punjab in 1997. In 1998 through Punjab Public Service Commission, he was selected as an excise and taxation inspector (Govt. of the Punjab) Pakistan and still serving as a senior inspector in Excise and Taxation Department permanently. He was awarded with Incentive of Rs 9,04,000/ for outstanding performance for revenue collection during fiscal years 2011 and 2012.

He took part in various training sessions and seminars at official level. In 2010, he did master of business administration with commendation from University of Bedfordshire, United Kingdom. During my stay in U.K, he did research project on Richard Brandson one of the leading Entrepreneur of the world. Coming back from U.K, he started teaching as a visiting lecturer in University of the Punjab and Sargodha University in Gujranwala campuses.