

CHAPTER 1

Brief Review of Modern Leadership Theory

THE MEANING OF LEADERSHIP

Leadership is an old phenomenon, as old as mankind. Literature on leadership studies is abundant, but reading a variety of sources leads one to conclude that there is no agreement on one universal definition for the concept of leadership. There is also a difference in opinion regarding the necessity of having a universal definition for the concept of leadership. Leithwood et al. (1999) pose the question “At its root, what does ‘leadership’ mean and, if we knew, would we be any better off?” (p. 5). They refer to Lotfi Zadeh’s “Law of Incompatibility”⁽¹⁾ as a probable reason for the absence of such a definition. However, one can find in the literature working definitions that have been proposed and used by different authors.

Dubrin (2007) defines leadership as “the ability to inspire confidence and support among people who are needed to achieve organizational goals.” (p. 2). Yukl (2006) defines leadership as “the process of influencing others to understand and agree about what needs to be done

(1) Lotfy Zadeh’s ‘Law of Incompatibility’ has been given by McNeil and Freiburger (1993, p. 43) “as complexity rises, precise statements lose meaning and meaningful statements lose precision” (Leithwood et al., 1999, p.5).

and how to do it, and the process of facilitating individual and collective efforts to accomplish shared objectives.” (p. 8). Wenek (2003) argues that many of the definitions of leadership which can be found in the literature are either biased or laden with value orientation. She proposes that leadership is “directly or indirectly influencing others, by means of formal authority or personal attributes, to act in accordance with one’s intent or a shared purpose.” (p. 36). The common theme that underlies many of the definitions of leadership in the literature is that leadership involves influencing and motivating people to change their behavior or to attain certain goals.

Development of Leadership Models

Yukl (2006) provides an overview of the major research approaches used to study leadership. These include: the trait, the behavior, the situational, the power-influence, and the integrative approach.

The trait approach is the oldest approach used to study leadership. Research on trait theory started early in the twentieth century and continued up to the 1940s. The trait approach assumes that people are born with certain traits that make them successful leaders. Several researchers attempted to identify the characteristics which are necessary for a leader’s success. However, it has been difficult to identify a single set of attributes which produce an effective leader. It is also difficult to explain why people who do not have these traits may succeed as leaders while others who have these traits do not succeed.

The behavior approach emerged in the late 1940s and continued to the late 1960s. The behavior approach attempted to find explanations for the two questions posed at the end of the previous paragraph: why people who do not have these traits may succeed as leaders while others who have these traits do not succeed. Research using the behavior approach changed the focus of leadership research to the study of the behavior of the leader rather than the traits of the leader. The theme of the behavior approach is that leaders can be made not born. Behavior theory research was mainly directed to the management of organizations and what makes a good manager. Several management styles were identified. Each style involves a set of managerial behaviors. These include people-centered and task-centered styles. The top priority for a people-centered leader is the well being of his/her followers. The people-centered leader is concerned about the needs, interests, problems, and the development of the followers. The task-centered leader is more concerned about the achievement of the task at hand.

Both the trait approach and the behavior approach ignore the impact of the situational factors on the style of leadership. This led to the emergence of the situational approach in the early 1960s. The situational approach emphasizes the importance of the situational variables e.g. the characteristics of the followers, type of work, level of authority of the leader, and other environmental factors. The situational theory lies on the other end of the spectrum from the trait theory. While according to the trait theory, personal attributes create a leader, the situational theory suggests that leaders are created as a result of a particular situation (Bass, 1990).

Dubrin (2006) claims that to be able to exert influence⁽¹⁾, a leader “must have power” (p. 200). However, Atwater and Yammarino (1996) contend that “power and leadership behavior are considered by most researchers to be independent, yet interrelated” (p. 3).

Yukl (2006) outlines French and Raven’s (1959) power taxonomy. According to this taxonomy, there are five types of power: reward, coercive, legitimate, expert, and referent. Information was later added to the model as a sixth type of power (Raven 1999). Dubrin (2007) uses the dual conceptualization of power which has been advanced by other researchers (Yukl, 2006). This ‘two-factor conceptualization’ postulates that power sources are either positional or personal. Dubrin (2007) identifies other types of power. These include power acquired by virtue of ownership, power acquired as the result of being in control of resources. Position power can be further categorized as legitimate power, reward power, coercive power, and information power. Personal power includes expert power, referent power, and prestige power.

Legitimate power stems from the authority that a leader has as a result of ownership or position in the organization’s hierarchy. It is supported by the implicit agreement of members of the organization to comply. Legitimate power is exercised in the form of oral or written commands through

(1) Dubrin (2007) differentiates between influence and power: influence is “ability to affect the behavior of others in a particular direction, whereas power is the potential or capacity to influence” (p. 232). This is in agreement with Raven’s definition (Raven, 1999, p. 162).

an agreed upon chain of command. The commands have to be consistent with the mandate, values and traditions of the organization.

Reward power stems from the perception of a subordinate that his/her superior has control over resources and rewards and has the capacity to allocate these resources and rewards. It involves an explicit or implicit promise that the follower will receive a reward in exchange of performing a certain task. Ability to exercise reward power is contingent on the credibility of the superior in fulfillment of promises. Reward power can also be exercised laterally. Favors exchanged between middle-level managers are a manifestation of lateral reward power.

Coercive power is based on the ability of a leader to inflict punishment on subordinates. Exercise of coercive power depends in the first place on the structure of the organization. Military organizations provide an example for organizations where coercive power is part of the mandate of the organization. The use of coercive power has been in general decline over the last two centuries (Yukl, 2006). Coercive power can also be perceived as a negative reward power.

Referent power is usually generated by strong feelings of loyalty and admiration that a person has for a leader or a friend. It is based on the desire of a person to please a superior or a friend. Referent power is dependent on the strong relationship between a leader and a subordinate. This relationship is strengthened by the integrity of the leader and the ability to show concern for the feelings and needs of the follower. It usually involves leaders who are perceived

to be role models. For a leader to exercise referent power successfully, requests have to be commensurate with the strength of the bond between the leader and his subordinate (Yukl, 2006). Data obtained in a study of 118 supervisors in 45 organizations by Atwater and Yammarino (1996) suggest that transformational leaders are “likely to be able to influence followers by virtue of the referent power attributed to them” (p. 19). Transformational leadership will be discussed in the following section.

Expert power emanates from the specialized knowledge and the technical skills that a leader has. It is not enough for the leader to have the knowledge but it is important that the followers perceive the leader to be the expert in his/her field. Experts derive their power from the perception that they are the only ones who can perform the task. The perception has to be supported by a long experience and credible track record.

Control of information needed to make well informed decisions is a source of power. A leader who controls information is able to interpret, manipulate or distort information to justify a specific behavior or action. In addition to downward power, control of information can be used as a source of upward or lateral power. A subordinate who controls the information necessary for the superior to make the right decision exercises upward information power. A manager can exercise lateral information power by controlling the information needed by other managers to make effective decisions.

An integrative approach to leadership seems to be in order.

Bass concludes, on the basis of Stogdill's (1970) review of the literature, that "personality traits differentiate leaders from followers, successful from unsuccessful leaders, and high-level from low-level leaders" (1999, 86). However, he states further that "the conclusion that personality is a factor in differentiating leadership does not represent a return to the pure trait approach. It does represent a sensible modification of the extreme situationalist point of view." (1999, 87). An integrative approach should also consider the impact of the environment and the characteristics of the followers. There is a growing evidence in research that the environment and the characteristics of the followers play definite roles. Recent studies provide a strong support for the relationship between personality and job performance on one side and leadership on the other (Pike et al. 2002; Smithers et al. 2002). Dubrin (2007) suggests that leadership has evolved from a leader-follower relationship into a long-term partnership. He cites four conditions for this partnership to exist: exchange of purpose between the leader and the group, the right of a member of the group to pronounce a different opinion from that of the leader, the collective feeling of the group of its accountability, and the absolute honesty.

One of the main objectives of the study of leadership is to measure and to find ways of increasing leadership effectiveness. Dubrin (2007) reports on a framework for understanding leadership. This framework links leadership effectiveness to the characteristics, traits, behavior, and style of the leader; the characteristics of the group members; and the internal and external environment (p. 20). This framework is an example of the integrative

approach which combines the traits, the behavior, and the situationalist approach. Studies of the effect of the behavior of a leader on her/his effectiveness in the period from 1950s to the mid 1980s were strongly influenced by two major research studies: the Ohio State Leadership Studies and the Michigan Leadership Studies (Yukl, 2006). The Ohio State Studies found that the two dimensions of “consideration” and “initiating structure” accounted for 85% of leadership behavior (Dubrin, 2007). Michigan Leadership Studies found that there were three leadership behaviors which differentiated effective and ineffective leaders: task-oriented behavior, relations-oriented behavior, and participative leadership (Yukl, 2006).

The consistent behavior of a leader characterizes the style of leadership of that leader. Many leadership styles are described in the literature. Dubrin (2007) discussed the two extremes: participative leadership and autocratic leadership. Howard (2005) classified leadership into four categories: fact based, creativity based, feelings based, and control/power based. However, it seems that effective leaders must be flexible and adaptable. Yukl (2006) suggests that effective leaders “use a pattern of behavior that is appropriate for the situation and reflects a high concern for task objectives and a high concern for relationships” (p. 76). This is also corroborated by Dubrin (2007) who states “A study with 3000 executives revealed that leaders who get the best results do not rely on one style. Instead, they use several different styles in one week, such as by being autocratic in some situation and democratic in others” (p. 125).

Types of Leadership

The literature on leadership describes a large number of leadership types. These include autocratic, bureaucratic, charismatic, democratic, laissez-faire, people oriented, task oriented, servant, transactional, and transformational leadership. Among the recently developed models are the servant (Greenleaf, 1977), the transforming (Burns, 1978), and the ethical (Yukl, 2006). These three models are relevant to the discussion of Islamic leadership model. We will discuss these three types in more detail.

Servant leadership

The idea of a servant leader has been introduced formally by R.K. Greenleaf. He distinguishes between two kinds of leadership models: the leader-first model and the servant-first model (Greenleaf, 1977). He asserts that the difference between the two types of leaders manifests itself in “the care taken by the servant-first to make sure that other people’s highest priority needs are being served” (p. 13). He indicates that the best test to recognize servant-leadership is to ask whether those being served “grow as persons” while served. Dubrin (2007) outlines the key aspects of servant leadership to include: placing service before self-interest, listening first, inspiring trust by being trustworthy, focusing on what is feasible to accomplish, and lending a hand.

A servant leader is a leader who focuses not only on task accomplishment but also on the long range social implications of the task. In servant leadership there is a concern for the long range human and environmental

welfare. Servant leadership stresses the ethical behavior of the leader and the followers.

Transformational Leadership

A logical extension to an integrative approach is the development of transformational leadership. In transformational leadership, people are motivated by respect, loyalty and admiration toward their leader. The behavior of a transformational leader is rooted in a strongly held value system. These values are non-negotiable and as such are considered to be “end values” (Burns, 1978). By holding strongly to their beliefs and values, such leaders inspire and are able to unite their followers to adopt these values. However, transformational leadership produces changes in both the leader as well as the follower, (Burns, 1978). Dubrin (2007) argues that transformational leadership is about the leader’s achievement not about his/her personal traits. However, a number of researchers associate transformational leadership with certain behaviors. Bass (1985) associates the following four behaviors with a transformational leader: charisma, inspiration, intellectual stimulation, and individual consideration. Carless et al. (2000) extended the work of Podsakoff et al. (1990) which associated certain behaviors with transformational leadership and proposed that a transformational leader should be able to “communicate a vision, develop staff, provide support, and empower staff” (p. 390). In addition, a transformational leader should be innovative, charismatic, and should provide a role model for the group (p. 390). Leithwood et al. (1999) also built on the work of Podsakoff and his associates’ and used the

following dimensions for synthesizing transformational leadership: “identifying and articulating a vision; fostering the acceptance of group goals; providing an appropriate model; high performance expectations; providing individual support; providing intellectual stimulation; contingent reward; and management-by-exception.” (p. 29).

Bass and Avolio (1994) indicate that transformational leaders achieve exceptional results by employing one or more of the “Four I’s”: “idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration. Idealized influence refers to a leader who acts as a role model for the followers. The leader does the right thing because it is the right thing to do. Inspirational motivation refers to a leader who is able to inspire and motivate the followers to share the vision of the organization and willingly participate in the effort to achieve the organization’s goals. Through intellectual stimulation, the leader will succeed in making the followers think and be creative. Individual consideration involves caring about the individual needs of the followers. They introduced the “the model of the full range of leadership” (p. 4). The model is comprised of the following components: contingent reward, active management-by-exception, passive management by exception, and laissez-faire in addition to the Four I’s style mentioned above. The full range provides a spectrum of styles that can be adopted by the leader depending on the situation. A transformational leader is expected to make full use of the components of the spectrum. The frequency of use of each component determines the degree of effectiveness of leadership. A leader using the Four I’s style more frequently is more effective than the one who uses the laissez-fair style more frequently.

Alimo-Metcalfe and Alban-Metcalfe (2005) report on the results of a study which involved a sample of over 3500 managers and professionals working in the UK National Health Service and local government. This sample was gender, black and ethnic minority inclusive. They found that cultural differences have an impact on the dimensions of leadership. They conclude the existence of major differences between the dimensions of transformational leadership found in their study and those reported in current major United States models. Their study shows that “genuine concern for others” figures as the single most important factor in the U.K. leadership models as compared to the central importance of “charisma/inspiration” in the United States models.

Transformational leadership is about change and change has to be sustainable. Fullan (2005) identifies eight elements of leadership sustainability

1. Public service with a moral purpose,
2. Commitment to changing context at all levels,
3. Lateral capacity building through networks,
4. Intelligent accountability and vertical relationships (encompassing both capacity building and accountability),
5. Deep learning,
6. Dual commitment to short-term and long-term results,
7. Cyclical energizing,
8. The long lever of leadership (p. 14).

Hargreaves and Fink (2004) propose seven principles that maintain leadership sustainability. These include succession planning, sharing leadership, adopting a broad minded attitude in spreading the benefits of change to the whole society, building resources, promotion of diversity, and adopting an activist approach. Thomas (2005) indicates that there are five keys to the successful and sustained leadership. These are principles, passion, people, performance, and perseverance.

Relationships between the personality of the leader and transformational leadership have been studied in the literature. Smithers et al. (2002) introduced a theoretical link between the Five Factors Model of personality and transformational leadership. The five factors model of personality suggests that Emotional Stability, Extraversion, Openness, Conscientiousness, and Agreeableness, account for most of the variance in personality measures. An empirical study of self-reported characters among a sample of Australian business leaders found that the respondents believed that “their key character attributes were integrity, cooperativeness, fairness, and self-discipline” (Sarros and Cooper, 2006, p. 15). Smith and Canger (2004) claim that their study of 131 supervisors and 467 subordinates “provides new and compelling evidence in support of the notion that supervisor personality is related to the attitudes of their subordinates” (p. 476). They found that “Overall, subordinates had more positive job-related attitudes when supervisors had higher levels of Emotional Stability, Extraversion, and Agreeableness, but lower levels of Conscientiousness” (p. 476).

Some studies provide compelling evidence of the impact of leader's traits, personality and behavior on leadership effectiveness. Thus, it is important to determine the traits which contribute to the effectiveness of a leader. Dubrin (2007) suggests that these traits include: self-confidence, trustworthiness, extraversion, assertiveness, emotional stability, enthusiasm, sense of humor, passion for work and the people, emotional intelligence, flexibility and adaptability, internal locus of control, and courage.

Some recent studies of leadership effectiveness show an interest in the construct of emotional intelligence and its relationship to leadership effectiveness (Maulding, 2002). Pike et al. (2002) indicate that "there appears to be a sound acceptance of, and understanding of the link between emotional intelligence and leadership effectiveness" (p. 32). There are a number of definitions for emotional intelligence in the literature. Mayer et al. (2004) define emotional intelligence as "the capacity to reason about emotions, and use of emotions to enhance thinking. It includes the abilities to accurately perceive emotions, to access and generate emotions so as to assist thought, to understand emotions and emotional knowledge, and to reflectively regulate emotions so as to promote emotional and intellectual growth." This definition indicates that there are four branches to emotional intelligence: perception of emotions, use of emotions to facilitate thought, understanding emotions, and managing emotions (Mayer et al., 2004).

Mayer et al. (2004) reported the findings of several studies which investigated the relationship between emotional

intelligence (EI) and effective leadership. The findings of these studies led to different conclusions. Mayer et al. provide one explanation for the contradictory findings by suggesting that “EI positively contributes to job performance when the maintenance of positive commitments is important to success.”. Hacket and Hortman (2008) measured the relationship between emotional competencies and a transformational leadership style using a sample of 46 assistant principals. The transformational leadership was measured using a tool of five scales: idealized influence (attributes), idealized influence (behavior), inspirational motivation, intellectual stimulation, and individual consideration. Their tool consisted of 21 emotional intelligence competencies. They conclude that there is a significant positive correlation between emotional intelligence competencies skills used in the test and transformational leadership.

Mandell and Pherwani (2003) examined the predictive relationship between emotional intelligence and transformational leadership. Their results indicate the existence of a strong correlation between transformational leadership and emotional intelligence. They also found that this result is valid for both females and males.

Yukl (2006) outlines the concerns of several authors about some of the practices of transformational and charismatic leaders. Transformational and charismatic leaders often exercise enormous influence over their followers. He also warns against the tendency of leaders to influence the expectations of their followers by hiding certain information about proposed transactions, and “attempt to change the

underlying values and beliefs of individual followers” (Yukl, 2006, p. 423). These attempts may reflect the leader’s belief that he/she knows best what is beneficial for the followers and may lead to abuse of power by the leader

Ethical Leadership

Ethical behavior is beneficial for the organization. There is evidence that ethical behavior can boost the financial performance of an organization (Dubrin, 2007). Yuki (2006) argues that “influence is the essence of leadership, and powerful leaders can have substantial impact on the lives of followers and the fate of an organization” (p. 417). It is therefore, important for a leader to be a role model for ethical behavior to the followers. Dubrin (2007) suggests the following behaviors that an ethical leader should have: honesty, trustworthiness, and integrity; treating all parties that will be affected by the leader’s decision fairly; helping people to achieve a common goal; holding respect for the individual; and working in silence and behind the scenes to make ethical achievement. These behaviors guard against the abuse of power by leaders. They also provide guidelines for determining when exercising influence is considered proper.

Ethical leadership can also be perceived as a subset of both servant and transformational leadership. However, there is a difference in the centrality of ethics with respect to the two models. Servant leadership emphasizes the ethical practice, while ethical behavior is considered a necessary component of transformational leadership.

Summary

Leadership is a complex human phenomenon that existed since the dawn of history. Using Burns' (2005) words "leadership has always been a global field of study, borrowing from classic teachings of the East and West, Aristotelian, Confucian, Buddhist and others and grounded more recently in thinkers ranging from Machiavelli and Hobbes to Burke and Marx" (p. 11). In this chapter we tried to give some historical context to the development of modern leadership models. It is very difficult to summarize available leadership literature in the limited space we have here. Instead, we focused on providing a review of the constructs of modern leadership which is relevant to the Islamic thought about leadership.

Old leadership paradigms focused on the study of the traits and behavior which make effective leaders. These studies failed to produce a single reliable model which can be used in the training of effective leaders. New paradigms of leadership focused on concepts such as "servant leadership" and "transformational leadership."(Alimo-Metcalfe and Alban-Metcalfe, 2005).

New leadership paradigms consider leadership to be not only a function of the leader, the followers, and the situation but also a function of time and local culture. History tells us that people living in different times have different expectations of their leaders, they have different moral values, and they have different standards for assessing effectiveness.

To understand leadership and what makes an effective leader, one needs to study the attributes and motives of leaders; what motivates the followers; and the interaction of power, ethics and leadership. Ethics and morals are unique features of leadership that sets its study apart from all other disciplines (Burns, 2005). Effective leadership should not be measured only in terms of material gains that an organization achieves but also in terms of its short and long terms social impact on the stakeholders as well as on the society at large.

Leadership effectiveness should also be measured in terms of the sustainability of the change that the leader causes. An important element of leadership sustainability is succession planning. Succession planning should not only be restricted to the leader but it should also be extended to the followers. This is the only guarantee that the change will be propagated from one generation to another.

The integrative model suggested by Bass and Avolio puts together a range of styles that can be used by the leader depending on the situation. This provides the leader greater flexibility, however, it requires the leader to adapt quickly to varying leadership styles, which may not be always easy.

Articulating a vision is one of the main dimensions of effective leadership. It provides a context for setting goals for the group, ensures acceptance of group goals, and acts as a unifying agent.