

## Company-level leadership models. The right way or the circumstance-related adequate one?

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**Abstract:** *An incertitude status always arises when dealing with leadership models: which is the best way to act? As simple as the provision of an answer to this question might look like, things highly depend on circumstances. We can all agree, we guess, that some leadership styles have proven their superior efficiency in relation to others, the ones based on extreme behaviours in the matter, for instance, not being, usually, recommended. However, despite of that, issues should be approached by true leaders considering the specific cases they face, be they related to the field of activity concerned, to the professional knowledge held by the group of people they coordinate, to their attitude or dedication, to the types of problems to solve, to the level of risk involved or to the surrounding circumstances, among others. Given the complex range of factors that might exert influences upon the choice of the most adequate leadership style, we are going to mainly focus, hereinafter, on the impact had on the same by the first three of the above-mentioned mentioned, revealing, for each and every considered case, our suggestion.*

**Keywords:** leadership models, leader flexibility, situational approach, company management, business profitability

**JEL Classification:** J59, M12, M54

## 1. Introduction

Being a leader and not just a simple manager becomes a serious challenge in a permanently evolving world in terms of fields of activity, technologies or knowledge, as well as in terms of cultural diversity, behavioural changes and so on. Besides, if leaders are the ones making others obey by virtue of their professionalism, charisma or power of example, making people follow them based on the self-persuasion that it is the best choice to make, true leaders mean much more.

The idea of being followed is proper up to a certain point, the remainder concerning the adequacy of the direction towards which such following action is oriented. This becomes more visible in case of public or private institutions, when the leader having also a managerial position should act so as to bring benefits to its stakeholders. In the specific case of businesses, this is finally reflected in the level of profitability that leaders are able to provide them with, via their actions.

The present paper, mainly emerging from a theoretical approach doubled by an intuition-based deductive descriptive analysis, made through the lens of a related experience-grounded manifestation in real life, reveals some quite ancient but still currently considered leadership models, with component styles appropriate in specific circumstances or avoidable in any case. This is rendered throughout the following four paper sections, namely Literature review, Research methodology, Results and discussions and Conclusions.

## 2. Literature review

A simple click or specialised book looking through-based leadership model-related

search will provide us with a significant series of general information concerning the same.

As in (Hudea, 2014), some of the largely known leadership models are the ones proposed by Lewin et al. (1939), Blake and Mouton (1964) or even, more recently, by Goleman, Boyatzis and McKee (2001).

Lewin classical model concerns nothing else but the desire of the manager-leader to involve more or less into the decisional processes of any kind, this resulting in the autocratic leadership style, with decisions exclusively made by the same, the democratic leadership style, when ideas and suggestions coming from employees are considered, at least, although not always implemented, and the laissez-faire leadership style, with decisions commonly made by all team members, so as to increase the company profitability, and finally approved by the hierarchical superior.

Blake and Mouton model or grid, in exchange, introduces two elements in relation to which the leadership styles should be defined: the concern for people and the concern for production. From such perspective, a series of five related styles emerge, more exactly the country club leadership style, with a core focus on people, the team leadership style, when both people and production are deemed to be tremendously important issues in getting a successful business, the status-quo leadership, with the same way directed concern, but lower in intensity in relation to the previously mentioned one, the impoverished leadership, with no effective involvement in either of the two specified elements, and the dictatorial leadership style, the production process being the only important aspect for the leader.

The real problem in here comes when having to choose the one fitting your particular needs, in the given circumstances.

At least in theory, such issue was solved by proposing the so-called "Situational leadership model" (Hersey and Blanchard, 1969), turned thereafter into two quite similar, but still slightly different models, namely the Situational Leadership Model I (Hersey and Blanchard, 1977, Hersey, 1985) and the Situational Leadership Model II (Blanchard et al., 1985), focussed on the adjustment of the leadership style based on several reference items.

The first one takes into consideration, the employee performance readiness in terms of both capability and willingness, helping the manager in determining the dosage of supervision or direction and the one of arousal or support needed by individuals, but also imposed by job characteristics or by specificity of tasks to be achieved, giving birth to the telling leadership style, when the low capability and high willingness of employees impose a strong supervision, the selling leadership style, needed whenever capability exists, however not being doubled by motivation, involving an increasing arousal, under supervision lowering conditions, the participating leadership style, characterized by a lack of motivation of capable employees, requiring consistent support, respectively the delegating leadership style, when the capable and ready to work employees need a low to moderate supervision and support.

The second one encompasses, also, four leadership styles rendering mixes of directive vs. supportive leadership behaviors to manifest, given the circumstances, this arising into the directing leadership style, with strong direction giving to the learning employee,

doubled by a low, non-overloading support, the coaching leadership style, slowly lowering the direction-related involvement of the leader, allowing the employee to learn by doing, while supporting more the same, the supporting leadership style, involving increased support and less direction, and the delegating leadership style, when both are diminished up to the optimum level needed by the employee.

Later on, in 2001, Goleman, Boyatzis and McKee came with a more developed structure, in fact just an adjusted mix of some elements of the above-specified models. Here, we find the visionary leadership style, embedding employees both supervision and support from the leader, the coaching leadership style, letting the same in discovering their strengths and weaknesses on their own, however not without providing them with certain level of guidance and with consistent support, the pacesetter leadership style, when the guidance and support received by employees are lowered, the commending leadership style, when leaders are seriously focused on directing people towards the accomplishment of goals, without allowing them to be part of the decision-making process, the democratic leadership style, allowing for the involvement of subordinates, up to a certain level, in such process, and the affiliate leadership style, centred on people, on their needs.

### 3. Research methodology

The present paper, having its roots in a rather general theoretical context, intuitively transposed into practice considering an experience basis in such respect, uses a simple deduction method, empirically reflecting the

best choice in terms of leadership styles to be used by true leaders in order to generate the desired effects, mainly related, in this analysis, to the level of profitability achieved.

For reaching the paper aim, the circumstance-related appropriate leadership styles, identified from among the ones comprised in the models proposed by Lewin, Blake and Mouton, Hersey and Blanchard or Goleman, Boyatzis and McKee, as above-depicted, are determined given three core criteria, namely the field of activity concerned, the professional knowledge of subordinates, respectively their attitude and dedication.

#### 4. Results and discussions

Having in mind the current standing in terms of continuously evolving and changing societies, it is clear that we cannot deal any more either with an universal best leadership style, nor with a specific best leadership style constantly applicable once the related circumstances have been determined. However, although the manager-leader should permanently keep an eye on the sometimes sudden and unexpected changes affecting their activity, on the fluctuations of the reactions manifested by subordinates or on the institution profitability level ups and downs, among many other issues to be analysed, this one should be able to determine, with a quite stable frequency rate, the optimum leadership pattern.

Taking as a reference item the first mentioned criterion, with the purpose of outlining such pattern, that is the field of activity of the company or of the group of subordinates, we might say that:

- ⊙ when dealing with artistic or related activities:

- ⊙ the creativity of people should be encouraged via resorting to Lewin democratic leadership style or even laissez-faire leadership style, if the related subordinates are capable and conscientious or, otherwise said, if they manifest a proper attitude towards labour and dedication;

- ⊙ the focus should be mainly on people, therefore pushing the leader basically towards the Blake and Mouton country club leadership style, the team leadership style being a possible choice when the professional knowledge should be encouraged and the production level should be stimulated and the status-quo leadership style when things are already settled and have to be kept as such for a given period of time;

- ⊙ the professional knowledge, which might be missing or be present in the case of subordinates, and the usually existing dedication in the matter, issue most frequently encountered in artistic and associated activities, should make leaders orient towards Hersey telling leadership style, in the first case, respectively delegating leadership style, in the second one;

- ⊙ the more or less supportive attitude is needed when having to do with people working in the specified domain, as the case may be, giving tough directions being, certainly, not recommended, therefore Blanchard supporting leadership style and delegating leadership style or, in some cases, coaching leadership style, meant for increasing the professional background of the same, are the ones that should be had in view;

- ⊙ the emphasis on people, given their supposed dedication and creativity, that is to be stimulated, should make leaders use Goleman, Boyatzis and McKee affiliate leadership style and democratic leadership style,

the pacesetter leadership style being an option in case of a high professional level of the same.

- ⊙ when dealing with basic production activities:

- ⊙ considering the attitude and dedication of employees, Lewin autocratic leadership style, for low levels of such items or democratic leadership style, for adequate levels of the same, are recommendable, the laissez-faire leadership style not being usually indicated, save for some particular cases where people proving a high level of professional knowledge also manifest an adequate attitude and dedication at the work place;

- ⊙ the focus should be, certainly, on production, but also on people, in most of the cases, the leaders having to choose from among Blake and Mouton team leadership style, the usually preferred one, the dictatorial leadership style, when both the professional knowledge and dedication of employees are questionable or quite inexistent, respectively the status-quo leadership, when everything should be kept as it is for the moment;

- ⊙ all Hersey leadership styles might be considered, depending on the circumstances, the telling leadership style and the delegating leadership style being recommended in case of highly dedicated employees, not having or, on the contrary, evidencing increased rates of professional knowledge, while selling leadership style and participating leadership style having to be selected if the professional knowledge exists, to a moderate to high extent, the increase of the dedication and implication of subordinates via motivation, being necessary;

- ⊙ the same as before, all Blanchard leadership styles have their application depending on the case, the supporting

leadership style and the delegating leadership style being adequate for professional employees needing more or less support from their leaders, and the directing leadership style, respectively the coaching leadership style, when the professional level has to be augmented, without or with a consistent support provided by the related managing leader;

- ⊙ Goleman, Boyatzis and McKee visionary leadership style, as opposed to the pacesetter leadership style, is recommended for leaders undertaking to increase the professional knowledge base of their subordinates, as well as their dedication, the affiliate leadership style and the democratic leadership style, when the last issue is insisted upon, the professional level of employees being deemed consistent enough, the coaching leadership style, if subordinates have to find their own way, being supported up to a certain point by their leaders, respectively the commending leadership style, when the dedication of employees does not represent their strengths, the level professional knowledge being, as well, discussible.

- ⊙ when dealing with high level technological activities:

- ⊙ given the strictness of this field of activity as well as the work carried out in team, in most of the cases, involving inter-correlation of tasks, Lewin laissez-faire leadership style is out of the question, it being replaced either with the autocratic leadership style or with the democratic leadership style, the latter being recommendable when people certify both a high level of professional knowledge and dedication for their job;

- ⊙ production and people are equally important in such cases, high performance

specialists, as required for having a profitable business in the matter, involving also an increased attention to be paid for keeping employees loyal and fully dedicated to the company, Blake and Mouton team leadership style being, therefore, the largely recommended variant of action for related leaders;

⊙ as a low capability in the field is not acceptable, Hersey telling leadership style has to be, normally excluded, the same frequently happening, also, with the selling leadership style, the delegating leadership style being, in exchange, recommended, especially in case of employees manifesting dedication for their profession, and the participating leadership style, when the dedication and implication levels require improvements, supporting subordinates via motivation becoming necessary;

⊙ Blanchard leadership styles more appropriate in such context are the ones grounded on the existence of professional subordinates, the most recommended one being, therefore, the delegating leadership style, while the supporting leadership style comes as an alternative choice, in case of need for an increased level of motivation and support to be provided to employees, and the coaching leadership style, if there is still enough required space for professional knowledge improvement;

⊙ following the same idea of expected consistent professional knowledge of employees in the matter, Goleman, Boyatzis and McKee pacesetting leadership style looks like being a good way to act, mainly when dealing with dedicated people, the democratic leadership style seeming, from such perspective, to be a proper variant as well, in most circumstances.

## 5. Conclusions

Any leader, especially if this position is doubled by a managerial one, allowing the same to be stricter when coming about making decisions and asking for their implementation, has at disposal a large series of instruments to achieve performance, reflected, at institutional level, into a successful evolution of it and, for companies, even more precisely, into an increased level of its profitability.

Many variables should be had in mind by such leaders when deciding the best attitude to adopt in relation to their subordinates, these concerning the field of activity, the professional knowledge of the coordinated people, their attitude or dedication, the types of problems to solve, the intensity of the risks involved, the cultural diversity, the people behavioural fluctuations and so on. This is the reason why leaders should be highly analytical and flexible at the same time, being ready to choose, at any moment, the most appropriate leadership style, according to the given circumstances, considered as a whole, this involving, most often, the use of a mix of such patterns, individually rendered therein as proposed by some renown theoreticians in the matter.

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