

Review

How and why leaders affect organisations and vice versa: Review of two academic concepts related to Leadership and managing people by drawing on theory and research

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Received 1 April, 2022; Accepted 31 October, 2022

The current leadership theories tend to focus generally on the characteristics of leaders and leadership without examining the followers. This article focused on followers, their Implicit Leadership theory (ILT), and the process of granting leadership to the Leader. The paper aimed to explain how leaders influence the ILT of followers and suggests a framework to provide new directions for the development of leadership theory by understanding followers' perception of leadership. Organizations must develop ideal leadership style for leading the new workforce. The characteristics of transformational, transactional, servant-leader theories were reviewed and revealed that a single leadership theory is not adequate for leading effectively and that the ILT of followers must not be overlooked. Therefore, leadership theory studies must examine followership and consequently develop more flexible leadership theory models that can evolve with different generational groups and changes in the workforce and organization.

Key words: Implicit leadership theory (ILT), leadership, followers, granting leadership, romance of leadership (rol), leadership concepts, perception.

INTRODUCTION

The debate on roles of Leaders and Leadership in organisational performance cannot be overemphasised. It is true that Leaders affect organizations and organizations also affect Leaders and Leadership; it is a mutual relationship. The organization provides the medium or platform for Leadership to take place and therefore enforces or seek to enforce its culture, polices, strategies, objectives, and goals on the Leader, however, there is no empirical evidence of its (leadership) impact on the

performance of the organization. Colombo (2021) opined that Organizations are social systems that form when a group of individuals accept being bound by stable, horizontal and vertical structural relations, to become organs or parts of organs that are experts according to their functions and positions within a larger structure. To achieve a common goal that cannot be attained by the single individuals or by their subsystems. An organization is a system of social entities that are goal oriented with

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structured activity systems and a permeable boundary (not physical boundaries). These boundaries include its structure, culture, environment, and strategy, which consequently affect performance. Coun et al. (2019) in their research concluded that these boundaries can be influenced in response to prevailing environments by Leadership.

The role of leaders in defining organisational culture and therefore performance has been overemphasized with attention mainly on the leader's behaviour and personality but there are other critical factors to be considered.

Streimikiene et al. (2021) in their research concluded that the process of leading people cannot exist in isolation; it is not determined by personality traits and behaviours of individual leaders but has been proven by various research works as "dyadic, shared, rational, strategic, global and social dynamic" (Avolio et al. 2009)

This essay will argue that effective leadership occurs when the followers give or allow the leader to lead, and this depends on the followers' perception of the leader and secondly discuss different Leadership styles and the Servant-Leader leadership theories using the implicit concepts of Romancing Leadership and granting leadership to explain how and why Leaders affect the organization as evidenced in literature. Meindl (1995) opined that it will be difficult for research to overcome the myths on the power of leaders to change organisational outcomes since leadership has become romanticized in the society. Zander (2020) confirmed that the follower preferences are essential to granting leadership; Moreover Khan and Khan (2019) posit that Leaders cannot be successful without good followers. The paper also argues that apart from Leaders and organization, there is another factor that affects Leadership and organization but first a brief definition of leadership and the two theories will be given. The aim of this paper is to examine the effect of Implicit Leadership Theories and Followers preferences on Leadership and vice versa.

LITERATURE REVIEW: LEADERSHIP CONCEPTS

Leadership studies have evolved over the years as evidenced in earlier definitions: Kotter (1988) defined leadership as the process of moving a group (or groups) in some direction through mostly non-coercive means. Drucker (1988) opined that the most critical aspect of Leadership is motivation not coercion. Consequently, Bass (1990) suggested that Leadership is an interaction between two or more members of a group that often involves a structuring or restructuring of the situation and the perceptions and expectations of members. Yukl (2002), in literature defined Leadership as a process of facilitating individuals and collective efforts to accomplish a shared objective; or a process of influencing others to understand and agree on what shared goals and objectives needs to be done and how it can be achieved

effectively (Avolio, op.cit.). However, Malik (2012) posits that leadership is a process which is observable, understandable and is based on personal, organizational, and social level. Silva (2016) said, "Leadership is the process of interactive influence that occurs when, in a given context, some people accept someone as their leader to achieve common goals". Kesting et al. (2016) defined leadership as a process by which an individual motivates or influences others to achieve organizational goals. Gandolfi and Stone (2016) described leadership as an intentional means by which a leader influences a group of people in an organisation to a widely understood future state that is different from the present one. Consequently, Bass (2019) said that leadership is a complex combination of human qualities and actions".

It can therefore be summarised that leadership is a process of creating a bond with the followers who are led at personal level to motivate, not force to achieve desired goals and objectives. Leadership is a process, it will take time, and it evolves and not only set objectives but also provides strategy and direction to achieve these objectives.

Therefore, a leader must have the ability to manage, control, create a bond, motivate, inspire, and build people, not just to archive set targets but also to innovate and modify set targets as time and seasons evolve. From these definitions, it can be concluded that a leader is a person who organizes a group of people to achieve set goals/change. Therefore, Leadership is effective when it has ability to influence and accomplish the shared objective.

Leadership theories have developed overtime from the Great man/Traditional theory that focus on traits, contingencies and behavioural to the Modern theories that focus on leaders' and followers' perception. The leadership style theory can be regarded as a traditional concept; it involves tasks and people and is of two types: the transformational and the transactional leadership style while the Servant-Leader is a more modern.

Transformational leadership

This theory is based on behaviour and is focused on the subordinates and their emotions; the leader displays high level of emotional and social intelligence. The leader understands the goals and vision of the organisation and communicates same effectively and efficiently, encourages interactions and participation. The followers consequently identify with the leader and are ready to perform "beyond simple transactions and base expectations". Moreover, Kehr et al. (2022) suggested that Transformational leadership (TL) theory is, in essence, a motivation theory. Some other authors like Avolio and Bass show that this style of leadership involves leading by setting examples or role modelling. Role modelling is one of the major ways of teaching organizational culture to new members. This leader

adopts four basic principles: Charisma, Inspiration, Intellectual Stimulation, and Individual Consideration. The leader employs these skills to influence or control his followers and consequently the organizational structure and culture.

Charisma

This involves carriage, presence, posture, or demeanour of the leader; the self-confidence and awareness displayed by the leader. The leader is aware of his position and communicates that to the follower in his posture. It enables the leader to gain trust and respect, sometimes revered by the followers.

Inspiration

This is by effective communication that is consistent over time, he ensures that information is correctly interpreted and seeks feedback. This encourages innovation and flexibility in the workplace, enabling members to creatively perform tasks.

Intellectual stimulation

Enabled team members to critically think about their task processes and question their values and beliefs as stated by Scott and Peter (2009) in literature.

Individual consideration

This involves knowing each member of the team and relating with them according to experience and maturity and by coaching/mentoring employees according to their developmental needs, there is regular and consistent feedback, which enables leadership to adjust or make corrections where necessary.

These behavioural traits make the leader effective because he has earned the trust of the subordinate as well as impacted knowledge required by clarifying the organisational goals and visions. Secondly, the followers develop a satisfaction for the job not the task and become committed; thirdly, identity is developed where the subordinate perceives that his work or role is recognised and valued; and finally perceives that the organization is fair in terms of the reward he gets as suggested by Peyton et al. (2019).

Transactional leadership

This is also based on behaviour and style, however it is focused on the task. The leader does not require any special skills or training. He uses the reward and

punishment method; the subordinate must obey or face the consequences. Compliance to the rule is monitored and rewarded. It is just following rules and solving same problems in organizations. This style of leadership brings to fore the scientific method of control by Taylorism where processes are over simplified, special-skilled labour is not needed and job is repetitive and routine in nature. Organizations adopt this leadership where unskilled labour is required; unemployment rate is high and need to reduce cost of production and the subordinate are not inspired or committed to do more than required-no innovation or creativity at all.

Consequently, the transactional leadership style has a negative effect on the employees and the organization: high turnover rate and absenteeism, tense work environment and job dissatisfaction while subordinates with a transformational leader find satisfaction and are as result willing to work not necessarily because of the reward. This leads to higher productivity, profits, low staff turnover and organization spends less on recruitment and training, thereby reducing cost.

The transformational style is positively associated with organisational performance, because it promotes job characteristics in terms of variety, identity, significance, autonomy, and feedback as suggested by Al Khajeh (2018).

The servant-leadership theory

Shah et al. (2018) opined that the role of a Servant-Leader is that of employee champion to enhance employees' well-being. Servant leadership behaviour induces positive attitude and behaviour among employees. This implies that Servant Leaders have two attributes - functional and accompanying attributes. Functional attributes are traits such as ability to lead by example and respect for subordinates' work or contributions, while accompanying attributes like good communicating skills and been good listeners are closely like transformational leaders. Research in this field is limited but as shown empirically that this type of leadership is associated with follower satisfaction and organizational commitment as shown in literature.

Servant leader style ensure the overall happiness and success of the employees; the focus is to render service to the followers rather than the organisation as a whole (Tait, 2020), therefore, improving moral and motivation; and consequently organizational performance. He described a Servant Leader as one who is motivated to serve first, not to lead; he is a steward. According to Northouse (2021), there are seven servant leader behaviours in the model of servant leadership, these are conceptualizing, emotional healing, placing followers first, supporting followers' growth and success, behaving ethically, empowering, and creating value for the workplace. Servant leadership focus on stability and evolution of the organization by the personal growth of

the subordinates as the focus. This is acceptable to the Millennial due to their individualistic nature; personal growth is critical to them; they also do not want to be led.

The followers' reactions to the different categories of leaders differ significantly and will be explained with the implicit concept. There is very high tendency for followers to attribute unrealistic or clouded characteristics to their leaders based on the perception they have of the leader or personal interpretation of the leader's personality and behaviours; this determines the effectiveness of the Leader and is known as implicit concepts.

The definitions of leadership and the leadership theories in literature focus on the leaders, their traits, their styles, behaviours, and characteristics and not on the followers. Followership exists in every leadership process and its role is explained by the implicit concept.

The Implicit Leadership Theories (ILTs) is the perception of what or who a leader is like; or the behaviours they should exhibit. The actual behaviour of the leader is less significant; consequently, these ideas influence the perception and leadership impact on the followers. Hollander and Julian in literature suggested that followers have rational, mental images of who a leader is, and Leaders only emerge in organizations or situations by matching the perceptions or image of a leader as held by the follower. This signifies that follower grant leadership or allows leadership when the actual Leader matches their idea of who a good leader should be. Moreover, Lord and Maher in literature opined that the primary aim of Leadership is to be seen as a leader by others.

Granting Leadership by followers implies that the leader has been accepted and becomes responsible for the followers and organizational effectiveness; giving the leader social power and influence as argued by Sy and van Knippenberg (2021) in literature. Followers generally are not even aware of these images or that it dictates their reactions and behaviours to the Leader (Schyns et al., 2011). The development of these heroic images or prototypes makes the employee responsive to the organizational objectives as communicated by the leader and become committed to the task, thereby contributing positively to organizational outcomes in terms of culture and hence performance. However, the implicit theories have two limitations: it only categories Leadership into Leaders or Non-leaders. Conversely, it fails to acknowledge that not all leaders are effective or good. Secondly, these mental images could be learnt and are influenced by culture.

Culture is the total way of life of a group of people. Followers belong to different groups - tribe, religion and even the organization itself. Culture shapes perceptions and expectations about leader's behaviours; it influences values, decisions, and actions. House and Fellow concluded that ILTs is socially shared as observed in children from early age - they have images of who a leader is and as they grow, interacting with the

environment they develop prototypes of effective leaders based on experiences and expectations about a particular role or person.

Therefore, Implicit Leadership Theories (ILTs) are rational, unscientific, and abstract prototypes of leaders held by followers which can facilitate or erode the Leader's influence. Previous research in this field have been by deductive approach which could be influenced by biases because it is subjective in nature and ILTs attributes leader behaviours to the Leader's disposition ignoring environmental factors or situations that influence the behaviour of the Leader at a particular time. Leaders affect organization in terms of culture/ structure and vice versa but the environmental factors are not within the control of leaders and the organization. These are uncertainties outside the organization; they could be government policies, economic factors, revolution in technology or natural crisis. They are not prototypes or have predetermined solutions; to overcome these factors the leaders and organization must be equipped to compete and adapt in this dynamic, global community that is technologically and knowledge driven.

Organizations have evolved and are now more technologically and up of individuals from diverse cultures and gender, hence ILTs might be affected and romance of leadership (RoL) that is based on individuals ascribing heroic attributes to leaders will not be visible in times to come. Leaders now need to be aware of their ILTs: how they are perceived by the followers and the organizations for them to be effective hence there is need for Leaders to manage their self-impressions.

Literature has shown that management manipulates the ILTs of followers through motivation in terms of compensation and performance-induced pay, which has introduced inequity and resentment in the workforce shifting focus gradually from leader behaviours to social networks in organizations.

THEORETICAL AND MANAGERIAL IMPLICATIONS

Literature and research has suggested that leadership and leader has the ability to influence subordinates to achieve a shared or desired goal, however, this definition suggests influence of the followers' behaviours but what leaders do in reality is influence the perception/images/ prototypes of leaders held by followers. It is only when this is done that leadership can be granted. It is not all about behaviours and ILTs, both followers and leaders need to be competent.

Leaders need to be knowledge-driven, skilled and experts in the organization's area of business with wide and diverse social network, ability to relate formally and informally within the workplace and able to adapt in the global community that is a diverse, cross-cultural environment. They need to educate subordinates on their ILTs – the formation and effects on their psychology

(Tavares et al., 2018). The focus will no longer be on leaders or followers' behaviours and the organization but on expertise, perceived environmental uncertainties, social and political networks within the workforce.

Organizational culture as defined by Schein is the way things are routinely done within an organizational context, it is a prototype of solutions that has been effective over time and consequently taught to subordinates. It is the DNA that binds social interactions and gives the organization its identity. Culture eventually, determines who will be a leader and if leaders do not understand the organizational culture, the culture will manage them (Schein et al., 2021). The ability of leaders to influence the behaviours of followers and impose prototypes of solutions on them leads to culture formation.

The Leader is able to achieve this through his actions, behaviours: the actions he notices and rewards or punishes. The Hawthorne experiment revealed that the productivity increased when the workers were being observed. The organization can hinder the leader from affecting the organizational culture by setting limits within which the leader operates. This can be observed in Taylorism system of control (culture is used as a form of control) where the main focus of the organisation is cost reduction by reducing labour cost, tasks are simplified and skilled labour not required while The Organizational structure influences and shapes leader's behaviours. These behaviours are also influenced by the leaders' motive and affects in the followers' perception or prototype of the Leader- Power motive is to affect subordinates behaviours and emotions; affiliation motive is to establish personal and emotional relationship and achievement motive to compete for excellence. Ripoll et al in their research established that there is a relationship between motive and behaviours perceived in leaders ILTs and concluded that where power is the motive, the leader is perceived as an authoritarian while transformational leadership behaviour exists where the motive is affiliation and proactive behaviour perceived where motive is achievement. The leader, therefore, shapes identity and structure while the leaders' behaviour is shaped by organizational structure.

Research contributions

This study has established that Leaders affect organization in terms of culture/ structure and vice versa but the environmental factors are not within the control or influence of leaders and the organization (known as wicked problems). These are uncertainties outside the organization; they could be government policies, economic factors, revolution in technology or natural crisis. They are not prototypes or predetermined solutions; to overcome these factors the leaders and organization must be equipped to compete and adapt in this dynamic, global community that is technologically

and knowledge-driven. Therefore, Leaders affect organization but individual, heroic worship of leaders based on their behaviours (RoL) must be replaced by competence of both leaders and followers and Organizations affect Leaders with cultural and structural integration been the new order.

This study therefore will contribute to the current literatures on leadership in organizations, especially with the exit of baby boomers and entrance of the Millennials to the workforce.

Research limitation and further research

There is need to further explore the role of Implicit Leadership Theory in followership and its relationship to the different leadership styles in the evolving world of work, virtual work and generation of millennials in the workforce.

CONCLUSION

Therefore, Leaders affect organization, but individual, heroic worship of leaders based on their behaviours (RoL) must be replaced by competence of both leaders and followers. Organizations affect leaders with cultural and structural integration been the new order.

CONFLICT OF INTERESTS

The author has not declared any conflict of interests.

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