The Exert of Diverse Leadership Behavior on the Efficiency of Organizations: A Conceptual Model

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Abstract

A major component that has a remarkable and optimistic link with its function is the difficulty faced by a modern organization. To detect the play of leadership is what this dissertation is mostly about. A remarkable and optimistic link between the two factors i.e., functions of firms and leadership manner is the main scope of this research study. It would be valuable for the scholar to enlarge this literature review, recommendation and perception while they aim for observational inquiry of career affiliation and function of the organization.

Keywords

1. Introduction

In the framework of a management conventional literature, sustainable competitive advantage is seen as the single most pertinent notion (Martin-Rojas,
Garcia-Morales & Gonzalez-Alvarez, 2019). In an effort to shed light on the causes, mechanisms, and other elements that be able to enhance organizational results, analysts have developed a number of research on entity productivity (Roundy, Harrison, Khavul, Pérez-Nordtvedt, & McGee, 2018). The efficacy of the enterprise, as demonstrated by the outcomes achieved by the entity or emphasizes the aim mastery was cited by a number of studies, including Arnett and Sandvik (2018).

Throughout the last several years, many entities have seen accomplishments and disruptions in analogous domains.

As a result of their rise to prominence, many good reputed companies, such as Microsoft, South West Airlines, Nike, and Wat-Mart, faced hurdles and failures (Flamholtz and Randle (1998)) in other industries, such as Apple computers.

It’s rare for companies to face troubles or even failure after long-term organizational accomplishments. Eric (1995) mentioned that IBM, General Motors, Xerox, Glaxo, Unilever, Nestle, and Philips are the most reputed companies. For an organization or firm to perform well, the administration must have excellent executives who have the best qualities and who can create a better working environment for their workers (Chatterjee, Pereira, and Bates, 2018). Saleh, Nusari, Habtoor, and Isaac (2018) assert that an organization's performance and future are typically determined by its Leader. According to Gandolfi and Stone (2018), managers can strengthen employee proficiency and determination by implementing the right leadership style.

The strength regarding management abilities on the accomplishments earned by employees, like those of organizational effectiveness, employee engagement, and organizational accomplishment, has allegedly been the subject of various research (Ibidunni et al., 2018). According to Saleem, Bhutta, Naumond, and Zahra (2019), this is for encouraging and entrusting followers to devote even more time and energy to the cause in order to attain the greatest success.

2. METHODOLOGY

To seek organizational accomplishment and leadership skills across this present work, the scholars in parallel to the previously published findings. The augmentation of leadership skills and organizational accomplishment has been the outcome of the study. Throughout the study, the analysts prospect leadership skills and organizational accomplishment in common. Google Scholars, Springer Link, Research Gate, Wiley, Science Direct, Taylor and Francis, JSTOR, Emerald, Scopus, Repository of Universities Utara Malaysia Library, World Cat, and EBSCO HOST were just a few of the online databases that the researchers used to acquire their data.

A thorough research of articles was conducted by the scholars to provide an extensive sketch of the title and also to share acceptable ideology for here after study. Using the facts from the proceeding research and theoretical study on
the particular area concerning research points, methods, and results.

3. REVIEW OF THE LITERATURE

3.1 Leadership and Diverse Approaches to Leadership

When employees and superiors collaborate closely, leadership occurs. The superior influences and motivates groups to work toward a single objective or set of results (Yukl, 2002; Northouse, 1997).

Burns, one of the group's experts in management and leadership (1978), included participation in the survey of how to lead, concurrently accomplishing research on the leadership manner of politicians. Undoubtedly, he was a groundbreaker who strived to approach juniors as possibly in the form of a transaction or just a transformation.

Modifying Burn's approach, Bass (1985) expanded its scope to include the company as a whole. According to Eisenbach et al. (1999), among the several leadership study theories, it is widely agreed that Bass's (1985) studies on leadership styles including transformational and transactional adequately address the topic.

In his research, Bass (1985) captures three distinct compositions of leadership skills: transformational, transactional, and passive avoidant styles. Bass (1985) detailed each of these styles in his study.

3.1.1 Transactional Leadership

Executives and subjugates possess significant potential and impacts beneath the viewpoint. At that time, the executives can give the impression and drive subjugates to work more efficiently for the organization. Skills in transactional leadership may be traced back to social exchange theory in social psychology. Burns (1978), Bass (1981, 1985, 1997), Bass and Riggio (2006), and Judge and Piccolo (2004) are the best leadership researchers who all proposed, the reciprocal and deterministic relationship among the executives subjugates is the grounds of this kind of leadership.

In an attempt to drive the manners of subjugates, executives practice negotiation. Transactional leadership possesses three major contents such as (a) contingent rewards – management emphasized the perks of the assigned tasks and their anticipated outcomes, and (b) management by exception was used to handle any unforeseen issues – here, those in leadership have spelled out the plan and are tracking performance.

3.1.2 Transformational Leadership

This leadership proposal was published by Bass. A view is formed by Burns (1978), executives where retainers could be influenced and driven. Holwell and
Avolio (1993) absorbed the conversion of executives’ factors to switch due to the responsibility of the workers to the organizational view. Yukl (1989) discovered, an executive with the conversion is capable of having a prolonged and stretched optimistic sequel on organizational accomplishment, while the conversion of executives has an eye towards the condition of the agreement with the retainers. It is Avolio & Bass’s (2004) theory of transformational leadership that executives suffer their retainers by their strength. Conversion of executives is identified on definitive performance, driven thoughts, personal concerns, and cognitive actions. The conversion of executive skills is more efficient in developing business progress than conducting skills. In various paths, the conversion skill of executives has been discussed in various studies.

It has been detailed by Bakker & Heijden (2011) that the conversion of executives is a driven, inventive, or brazing worker executive (Kearney, Shemla, van Knippenberg & Scholz, 2019). Conversion of executives is much about progress in comparison with the target. According to Hoopes (2008), conversion of executives strives to convert their retainers. A conversion can also take the pattern to drive, influence, and make a view for the retainers. The industrialization society of worldwide needs the conversion of executives (Burns, 1978).

3.1.3 Passive-Avoidant Leadership

Figure 1: Full Range Leadership Approach

The third kind of leadership aptitude is known as laissez-faire leadership or passive-avoidant leadership and that is disclosed by the deficiency in leadership. This was the third kind of leadership skill brought in by Bass (1985). According to researchers, Bass & Avolio (2004), and Gardner & Stough (2002), competencies in leadership just the same as "no leadership" or "doing nothing" are as much the same as Passive-avoidant leadership. According to Avolio and Bass’ FRL
theory, following are the main three distinct sorts of abilities related to leadership: transactional, transformational, and laissez-faire (1991). The transactional, transformational, laissez-faire skill, and management by exception leadership styles are all included within the Full Range Leadership Model, as discovered by Salter (2007) and Green (2008) et al. in their analysis of the model. This paradigm encompasses a variety of leadership styles. As can be seen in the image that follows, there is a great deal of flexibility in the application of various leadership styles.

Each leader in the full-range leadership paradigm has unique traits that are indicative of the aforementioned criteria (Kirkbride, 2006). Considering what Kirkbride (2006) has to say about it, the FRL model is the unique one among the many other leadership models, and it may be readily attained. Without a shadow of a doubt, this model is the one that has been explored and proven the most, and it is also widely utilized all over the globe. Applying this perspective, it can be seen that those who are effective as leaders exhibit skills in transformational leadership in their behaviors, while those who are less effective demonstrate leadership styles such as passive-avoidant leadership and transactional leadership. (Bass & Riggo. 2006).

In the utterances of Kirkbride (2006), the FRL approach illustrates the general structure of the leadership paradigm by shifting from non-leading (passive leadership) to transformative style. According to the idea of Bass & Riggo (2006), leaders who exhibit the transactional leadership style are the productive one, who exhibits the passive-avoidant style of leadership are the less productive.

### 3.2 Organizational Performance

The feature of undertaking's accomplishment is broadly studied on the administration ground. There is no global agreement on how to define organizational performance despite the comprehensive studies concluded in the literature by researchers like Ford and Schellenberg (1982), and Johannessen (1999). Moreover, Hammer and Champy (1993), and Henri et al., (2004) defined achievement of an organization may be defined as the outcomes of an organization's operations or as the attainment of the goals of the organization.

Experts across several areas of studies, together with operational management, strategic management, marketing, and organisational behaviour, contribute to the study of organisational performance (Neely, 2005; Marr & Sciuma, 2003). As stated by Swalha (2013). As stated by Sawalha (2013), the capacity of an organization to accomplish its goals, which might encompass things like profit levels, solid financial performance, market dominance, great products, consumer satisfaction, and lengthy sustainability, is referred to as organizational performance. Numerous aspects contribute to an organization's performance, as outlined by Boyne and Walker (2005). Core culture, leadership precepts, human capital, and situational factors including politicians, community,
and the surroundings are all manifestations of the above.

Every single level of management and employee within the organization is compulsory to participate in the process of non-stop innovation and advancements as the organization grows (Sener et al., 2011). A successful organization strives to constantly improve its performance by strengthening its performance components in addition to maintaining its current performance level. Li and Tan (2013) emphasised the need of implementing policies to achieve success and boost organisational efficiency in both for-profit and nonprofit businesses.

### 3.3 Leadership Styles on Organizational Performance

A survey of the relevant published research reveals that leadership abilities have a discernible bearing on the level of managerial success (Rahmat, Ramly, Mallongi & Kalla, 2019). For an organization to perform effectively leaders must inspire retainers to perform beyond their expectations (Buil et al., 2019). In conformity with the rebuttals rendered and adduced, among the most impactful leadership abilities is the conversion capacity for inspiring team members to act well both on and off the job (Mackenzie, Podsakoff & Rich, 2001).

In addition to improving the accomplishment level, excellent leadership skills inspire team members to do their best job. The outcomes of an organization suffer when its leadership is inefficient (Hersona & Sidharta, 2017). Bracing involves persuading people to take actions they have never considered taking or don't think are achievable (Taylor, Santiago, Hauer, Hynes & Mickahail, 2019). Others have investigated abilities in public organisations as a factor, claiming to impact their success (Han, Harold & Cheong, 2019; Yukl, 2010). Elbaz and Haddoud contend that a company's prospects may be greatly affected by the leadership behaviors and behaviors which have been explicitly presented (2017).

There is a certain pattern of bargaining that occurs throughout the transfer of leadership qualities (Horwitz et. al., 2008; Buch, Thompson & Kuvaas, 2016). Prior meta-analysis and empirical studies also revealed that a leader's ability to convert followers into achievers influenced their success (Kark, Van Dijk & Vashdi, 2018). Workers' self-interest is converted into organizational value via leadership transformation (Jensen et al., 2019). According to these theories employees, self-interest may align with the organization's interest with the help of appropriate incentives. Samson & Ilesanmi, (2019) assert that transactional leadership leads to higher performance because future rewards and punishments depend on performance (Podsakoff et al., 1984). Instead, passive - avoidant leadership is less effective at capturing the range of leadership talents, and as a corollary, leaders back down from making tough choices and abandon their roles as leaders (Horwitz et al., 2008). In general, authors have mostly attached great importance to how divergent types of leadership affect an organization's success rates (Judge & Piccolo, 2004). According to Judge and Piccolo's 2004 meta-analysis, passive leadership styles are positively correlated with organisational performance.
The transformational leadership skill favors organizational accomplishment that is in keeping with previous studies stated by previous scholars (Bail et al., 2018). The significant association between transformative leadership and organizational success is in keeping with the results of prior research conducted by Buil et al., (2019), Obeidat et al. (2017), Ng (2017), Geier, (2016), Matzler et al. (2008), and Pedraja-Rejas et al. (2006). Existing empirical studies have also demonstrated that transformational leadership skills correlate intensely with performance of the organization (Patiar & Wang, 2016). Additionally, ability to inspire followers to adopt a common goal for the organization's success is at the heart of what it means to be a transformative leader (Ghafourian et al., 2010). As a result, when compared to other types of leadership abilities, an effective association between transformational leadership skills and organisational success is demonstrated.

4. THEORETICAL BASE AND CONCEPTUAL MODEL

Following a comprehensive analysis of the existing literature, this study proposes the following areas for further investigation:

![Theoretical Framework]

Figure 2: Theoretical Framework

Using this model, we can conceptualize the relationship between organizational accomplishment and leadership skills. This model can be used to guide future empirical research.

5. Conclusion and Future Studies

Existing studies of organizational performance have looked at a variety of factors, but studies of the correlation between leadership styles and achievement have been relatively rare. This being the case, the current study reduces bridges a need in the literature by linking leadership styles with organizational effectiveness. To determine statistical findings, a follow-up survey as well as an
empirical inquiry into this topic are both now in the process of being carried out. Despite a wealth of research on the factors that contribute to organizational success, studies examining the link between leadership qualities and organizational achievement are still rare. In light of this, this research helps replenish a void in the research by examining the linkage between leadership abilities & organizational success in the contemporary context. Additional empirical study in this area is continuing, and a follow-up survey is being conducted to reach statistical findings.

References


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