# The role of behavior and environment in leadership style

Business, Strategy



The topic of leadership has been debated for decades with some scholars arguing that certain approaches to leadership are better than others. Some believe that a servant style of leadership is more favorable to organizations while others argue that transformational leadership is the key to organizations' success. In addition, some scholars argue that individuals' leadership style can be predicted by looking at their personality traits. For example, it is believed that people who are extroverted tend to identify as transformational leaders. The purpose of the following discussion is to gain a better understanding of how behavior and personality traits influence leadership style, types of leadership and their outcomes, and the role of the environment in leadership style.

Servant leadership is based on the idea that a leader must serve his or her followers; by doing so, the leader gains their respect and trust. Allen, Moore, Moser, Neill, Sambamoorthi, and Bell (2016) explained that " a servant leader is focused on service to followers, customers, and the organization" (p. 1). In addition, servant leaders serve the needs of others, encourage team work, motivate by providing resources and rewards, and share power. On the other hand, transformational leadership is based on the idea of leading with a shared vision that motivates followers to act or think in a particular way. While servant leaders focus on their followers, transformational leaders focus on the organization and its mission and goals; helping the organization grow and succeed is the priority of transformational leaders. However, it is important to note that transformational leaders also care about their followers; in fact, they work towards inspiring and motivating their followers to follow the organization's mission. While most of the studies cited in this paper focused on transformational leadership, servant leadership can be very beneficial to organizations as we will see next.

#### **Common themes**

#### Type of leadership and outcomes

While both types of leadership have merit, one of the differences between servant and transformational leaders is the outcomes of their approach. Dierendonck, Stam, Boersma, Windt, and Alkema (2014) performed a study exploring the different mechanisms that link servant leadership and transformational leadership to follower outcomes. In other words, they were interested in identifying whether follower outcomes were different for servant or transformational models of leadership. The study focused on the followers' perspective, and followers were defined as individuals who were not in managerial or authoritative positions in their organizations. Participants were asked to fill out guestionnaires that asked about the different factors that motivated them to share in a common vision or take part in activities designed by their leader. It was found that the main factor that motivated followers under a servant leader was the satisfaction of their needs; needs most commonly listed were either financial or emotional. For example, some followers were motivated to perform better because doing so would translate into monetary rewards or recognition from their leader.

On the other hand, follower outcomes under transformational leaders were different. It was found that the main factor that motivated followers of transformational leaders was the perception of having a strong leader and a strong vision to guide their thoughts and behaviors. Interestingly, even when their needs were not necessarily met, followers supported their transformational leaders because they shared a common vision or purpose. Finally, Dierendonck et. al (2014) also found that work commitment and work engagement were listed as outcomes for both types of leadership. In other words, both servant and transformational leaders were successful in engaging and motivating employees, which led to work commitment. It seems that although both styles have their benefits, transformational leadership works better in terms of motivating employees without incentives such as money or recognition.

In addition, Oreg and Berson (2011) examined the ways in which leadership style influenced employees' reactions to change. Organizations are constantly changing, yet there is still a lot of resistance to change and not all changes are successful. Leadership style could make a difference in the way employees adapt to change; an outcome of effective leadership is having employees who can embrace change and are open to new approaches. This study examined the role of leaders' personal attributes and transformational leadership behaviors in explaining employees' intentions to resist a largescale organizational change. Researchers focused on the Israeli public school system as it prepared to go through a large-scale organizational restructuring. Participants included principals and teachers, who were asked to respond to a series of surveys. Principals were asked about their values and degree of openness to change while teachers were asked about their degree of resistance to change and behavioral intentions with respect to the organizational change.

Oreg and Berson (2011) found that " leaders' traits, values, and behaviors are reflected in their followers' reactions to an organizational change" (p. 646). That is, principals' opinions about the organizational change were reflected in teachers' responses. Principals with a transformational style inspired their employees to be more open to the restructuring and avoid resisting change. In the same way, followers of principals who were against the restructuring reported resistance to change. Further, it was found that out of three of the main characteristics of transformational leadership (inspiration, intellectual stimulation, and individualized consideration), inspiration seemed to have the strongest influence in follower outcomes. Researchers concluded that the inspirational leadership dimension positively influenced follower outcomes because it related to the way leaders motivate individuals toward change.

## **Big Five Factor Model of Personality**

Two of the studies referenced in this paper examined the relationship between personality traits and transformational leadership using the Big Five Factor Model of Personality. The model is based on the idea that there are five dimensions to personality; the five dimensions include extraversion, agreeableness, openness, conscientiousness, and neuroticism. Some researchers argue that transformational leaders exhibit most of these traits. Also, another topic that is often explored is the relationship between creativity and transformational leadership. Saxena (2014) performed a study that looked at both sides of the relationship between creativity and transformational leadership. One side was focused on determining whether transformational leaders were creative; the other side was focused on identifying creative individuals and determining whether they were naturally transformational leaders.

Participants of the study were individuals in managing and other positions of power, and the researcher used the Big Five Model of Personality to compare different aspects of transformational leadership. It was found that there is a positive correlation between creativity and openness to experience, and openness to experience has been linked with transformational leadership in previous studies. This study suggests that there could be a relationship between personality traits such as creativity and openness and individuals' leadership style.

Furthermore, Judge and Bono (2000) examined the potential link between the five-factor model of personality and transformational leadership. This study was more specific because it did not just examine creativity, but also the five different dimensions of personality and their relationship to leadership style. Participants of the study were leaders from over 200 different organizations, and they were asked to respond to a series of surveys about the big five personality traits (extraversion, agreeableness, openness, conscientiousness, and neuroticism). It was found that there is a positive correlation between both extraversion and agreeableness and transformational leadership. In addition, there is a strong positive correlation between openness to experience and transformational leadership. Although these results are in line with the idea that certain personality traits influence people's leadership style, researchers did not include the other two the traits of conscientiousness and neuroticism; therefore, it cannot be concluded that transformational leaders' exhibit the five dimensions of personality. More research is needed in this area before conclusions can be made.

## Environment and leadership style

When we analyze the personal characteristics and attributes of servant and transformational leaders, we can see that each leader has characteristics that people often look for in effective mentors. It is often the environment and situation that determines what leadership style will work better for an organization. For example, Allen, Moore, Moser, Neill, Sambamoorthi, and Bell (2016) performed a study that examined both leadership styles to determine which one was better suited for the academic environment. More specifically, they wanted to determine what type of leader would be more successful in the environment of academic pharmacy. The academic pharmacy environment is characterized by constant change and is heavily influenced by external factors such as new research findings. A common characteristic of both leadership styles is that they claim to successfully navigate change, so researchers in the study wanted to find out if that was true. The study was based on a comprehensive literature review of 50 studies related to leadership style, servant leaders, transformational leaders, and the benefit of both approaches.

Allen et. al (2016) found that a servant leader " shares power, puts the needs of others first, helps individuals develop and optimize performance, is

willing to learn from others, and forsakes personal advancement and rewards" (p. 2). Servant leaders tend to concentrate in helping other people succeed and they invest most of their time in the lives of those who follow them. Some characteristics of academia include freedom, shared governance, and teaching, which are very similar to the functions servant leaders perform. They give followers freedom to make their own choices but guidance to make the right ones. They listen to others before making decisions, and they build effective teams. However, servant leaders may not be as effective in more competitive and rapidly changing environments.

Environments that constantly change, such as academia, need a different approach to leadership. Transformational leaders tend to encourage " innovation, risk-taking, willingness to abandon inefficient systems, and their followers are stimulated to question assumptions, approach issues in novel ways, and creatively solve problems" (Allen et. al, 2016, p. 3). As such, it seems that transformational leaders are better suited for the constant change involved in academic pharmacy. The study concluded that while transformational leaders may be better prepared to deal with the academic environment, each situation will determine what kind of leadership style is needed.

## **Overall message and conclusions**

The overall message of these articles is that both servant and transformational leaders exhibit traits that can be beneficial for organizations. Also, it seems that the main difference between the two styles is what the focus of the leader is. Servant leaders focus on their followers while transformational leaders focus on the organization. Of course, that does not mean that servant leaders do not care about their organization or that transformational leaders ignore their followers; it simply means that both leaders have different priorities. To determine what type of leader will be more effective, we need to look at the overall environment of the organization. For instance, environments that are going through change or are very dynamic may benefit from having a transformational leader in charge. Environments where teamwork is key may prefer a servant type of leadership because it encourages working in teams and building good relationships with employees. Again, it all depends on what the organization's needs and environment are.

In addition to environment, the type of outcome expected can also help determine what type of leadership will work best. Servant leaders tend to put the needs of their followers first and offer them different incentives to motivate them to perform better. Transformational leaders, on the other hand, motivate their followers by inspiring them to have a vision that guides their thoughts and behaviors. In addition, studies have suggested that transformational leaders are better suited for organizations who want to motivate their employees to embrace change, be open to new ideas, and be more creative. Creativity as well as personality traits such as openness, extraversion, and agreeableness have also been positively correlated with transformational leadership.

What these findings mean is that there are times when people's behaviors and personality can help determine what type of leader they will be. Specifically, certain behaviors such as being open to novel ideas and traits like creativity seem to be more common in transformational leaders. The environment people are in also shapes the way that they behave and the approach they take to leadership. In environments that require strong interpersonal relationships and team work, servant leaders may be more effective. Finally, all the articles emphasized the importance of understanding that both leadership styles have merit and can be effective in organizations, but certain approaches may be more favorable depending on the environment and culture of the organization.