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LEADERSHIP EFFECTIVENESS: A "NEW" INTEGRATIVE LEADERSHIP MODEL

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What makes an executive effective? Are effective executives born with some unique abilities and skills? Or do they learn and practice some special strategies that make them superior? This paper explores whether effective executives are born or made, and analyzes some leadership studies done over the years. Also, it suggests an integrative model of effective leadership that organizations may use to develop and enhance better leaders and that individuals may use to improve their organizational leadership.

INTRODUCTION

What makes an executive effective? Are effective executives born with some unique abilities and skills? Or do they practice some special strategies that make them superior? Jim Collins (2004), a leadership expert, studied several Fortune 500 companies and found 11 successful companies which had a "Level 5" type of leader at the top; such a leader exhibited deep personal humility and strong determination – two attributes or traits that were considered as strong determinants of effective leadership. Peter Drucker (2004), a leading management scholar, contended that effective executives practice eight specific strategies which make them superior and successful. Pat Williams (2005), the famous sports executive and celebrity, has discussed leadership and executive effectiveness as interrelated factors in terms of seven principles. This paper attempts to provide an integrated framework to leadership by exploring whether effective executives are born or made, and by analyzing some leadership studies done over the years. Also, it suggests an integrative model of effective leadership that organizations may use to develop and enhance better leaders, and that individuals may use to improve their organizational leadership.

In looking at executive effectiveness, Jim Collins (2004), a leadership expert, studied several Fortune 500 companies and concluded that only 11 of these were considered effective in terms of consistently high economic performance over a 15 year period. All 11 companies had a "Level 5" type of leader at the top, who exhibited deep personal humility and strong determination – two attributes or traits that were considered as strong determinants of effective leadership. Drucker (2004) found eight practices that seem to be common to most successful executives. These include getting the knowledge needed, determining what is right for the organization, putting plans into implementation, taking responsibility for decision making, communicating

effectively, focusing on opportunities rather than problems, using time and resources efficiently, and emphasizing the team concept. Drucker recommended that by integrating these eight strategies into practice an executive may become more effective. Pat Williams (2005), the famous sports personality and executive, conducted a comprehensive survey of more than 800 leadership experts and concluded that most successful leaders focus on seven principles of vision, communication, people skills, character, competence, boldness, and servanthood.

In addition to these traits, practices, and principles, an effective executive may also exhibit progressive, visionary leadership (Selladurai, 2002). Progressive, visionary leadership entails an executive developing a strategic vision for his/her organization by focusing on the long-term future directions for the organization. Such visionary executives would be the first to develop among other strategies strong relationships with their target markets, and in doing so try to gain an edge over their competitors by being the first and best in everything at all times. Sam Walton was an example of visionary leadership; he made Wal-Mart what it is at present, the number one giant leader in the retail industry, based on a simple but visionary concept valid even today – satisfying customers by providing what they need with low-priced, value products. He revolutionized the entire concept of customer satisfaction. In fact, it was Walton and Wal-Mart that gave the concept of customer satisfaction greater meaning and application by effectively implementing the various customer satisfaction-oriented policies in the organization. Other visionaries have tremendously impacted their respective organizations and others around them. A few examples of such visionaries include Frederick Smith of Federal Express, Martin Luther King, Jr., Lee Iacocca, Walt Disney, Alexander Graham Bell, and evangelist Billy Graham.

Although leadership and management are often used as interchangeable concepts by some, they are not

necessarily the same (Yuki & Van Fleet, 1992). Management involves primarily the four functions of planning, organizing, leading/motivating, and controlling the organization (Pride, Hughes, & Kapoor, 2002). Leadership, on the other hand, is the unique ability one may possess to influence others toward achieving some mutually beneficial goals. Among other differences, a major one is that the leader tries to get voluntary cooperation from the followers, whereas a manager may sometimes use coercion to influence employee behavior. Management involves official authority and responsibility given to the position and the person filling in the position. An individual may not be a manager or executive and possess no official managerial powers in the organization but still could be an effective leader. Among many great individuals, leaders such as Martin Luther King, Jr., Franklin Roosevelt, and Billy Graham were/are some of the most unique leaders in the world but were never the great traditional managers of an organization. Although a leader does not necessarily have to be a manager, a manager or executive should be an effective leader with the abilities to influence his/her followers within the organization. Lee Iacocca, Bill Gates, Steve Jobs, and Michael Dell among many others are all great executives with remarkable leadership abilities. In other words, managers/executives need to be effective leaders but all leaders may not necessarily be managers. Also, several leadership abilities, skills, and strategies are critical to for an executive to be effective; and without these he/she may not be effective.

Are Effective Executives Born or Developed?

According to professors McCall, Spreitzer, and Mahoney, effective executives are not born but developed. They pointed out that "the ability to learn from experience, coupled with appropriate experience, creates an opportunity to learn executive skills" (Richman, 1995, p. 15). So, executives may acquire effective skills of leadership based on their past experiences as well as their present contextual experience enabling them to learn, improve, and develop effective leadership. Drucker (2004) seemed to agree more with this made or learned/developed view of leadership rather than the "born with some unique traits" theory. He argued that former President Harry Truman did not possess one ounce of charisma, but was an effective chief executive in U.S. history. However, history reveals that Truman certainly exhibited other traits of leadership and success such as determination, courage, initiative, etc. all of which could have contributed to his effectiveness.

Several earlier studies, as well as more recent ones, have indicated that effective executives are born with superior qualities that enabled them to become great leaders. Avolio (1999) pointed out that after about 50 years of research through collecting, analyzing, and interpreting data in the leadership area, most psychologists believe that leadership qualities are innate or genetic and hence cannot be learned. In an earlier classic, Dowd (1936) contended that leadership by the masses is non-existent and that people in every society possess different degrees of intelligence, energy, and moral force. Irrespective of how the masses maybe influenced, they are always led by the superior few. Some of the great leaders throughout the history of mankind including Moses in the Bible, George Washington, Thomas Jefferson, Winston Churchill, John F. Kennedy, John D. Rockefeller, Ronald Reagan, George H. W. Bush Sr., George W. Bush Jr., Sam Walton, Lee Iacocca, Truett Cathy, Jack Welch, Bill Gates, and Michael Dell may be categorized as the superior few who led and/or are still leading the masses. These leaders possessed certain unique characteristics and fit the mold of the great-man theories and trait theories, which suggested that great leaders are born with some special characteristics or traits. Also, Bernard (1927), Tead (1929), Bird (1940), and Jenkins (1947) discussed and viewed leadership from the traits of personality and character perspective, thereby supporting the leadership traits theories. In a more recent study, Collins (2004) found two traits of personal humility and strong will as a paradoxical combination of leadership effectiveness in what he called as a "Level 5" leader.

Other theorists like Stogdill (1948) suggested that the study of leadership should include not just the leaders' traits but the situation too. The characteristics and traits of the individuals interact together with the situational context and demands to produce great executives (Bass, 1981). Hernez-Broome and Hughes (2004), from the Center for Creative Leadership, have suggested that leadership competencies that are appropriate to the organizational environment/context must be developed by each organization. Maxwell (1999) identified 21 top traits that he considered would characterize great leaders. These include character, charisma, commitment, communication, competence, courage, discernment, focus, generosity, initiative, listening, passion, positive attitude, problem-solving, relationships, responsibility, security, self-discipline, servanthood, teachability, and vision. Although several traits that contribute toward effective leadership have been identified by many leadership scholars and theorists, a universally accepted

agreement on a specific list of traits affecting leadership has not yet emerged. Human nature, being complex and fascinating as it is, provides a strange mysticism to this intriguing dimension of leadership; and a variety of innumerable traits, rather than a specific list, independently and in combination with others seems to impact leadership.

Currently, it appears reasonable and acceptable to view effective leadership as a blended theory; great executives are not merely born but are bred too, in that they may be developed and influenced by the situation. Leavy (2003) supported this blended theory by suggesting that the context of the leader, conviction, and credibility influence the effective executive. Staun Gault and Jack Welch, former executives of Rubbermaid and GE respectively, became successful executives during their tenure with their companies. Both leaders highly influenced their respective companies with their remarkable leadership abilities and traits, and also were in turn strongly shaped by their companies' corporate history and context of the time. However, even though Gault's performance was as impressive as Welch's, Welch gained far greater prominence than Gault – primarily due to the GE reputation and the company situation (Leavy, 2003).

From his extensive ten-year study on leadership, Avolio (1999) concluded that although most psychologists believed that leadership qualities were genetic, leadership can be learned and mastered. He suggested that certain techniques such as visualizing obstacles, setting goals, finding another person to hold one accountable, developing feedback, broadening leadership skills, and developing high ethical standards may all be learned. Furthermore, Jack Welch also believed that leaders are both born and made. He contended that some characteristics like energy and intelligence are part of a person's personality (implying they are born with these), whereas other leadership skills like self-confidence, risk-taking, and team-building are learnt on the job (Welch & Welch, 2005).

Another leadership and management expert, Collins (2004) stated that great "Level 5" leaders, who showed humility and strong determination, are both born and bred. Some leaders are naturally born with these traits, whereas others may develop these attributes (provided the Level 5 "seed" is within them) due to different experiences and situations. Collins (2004) cited Colman Mockler, an effective leader and former CEO of Gillette, as an example of a leader affected by some experiences. Collins pointed out that Mockler was dramatically influenced by his evangelical Christian faith after he

became a Christian, and found that his personal spiritual values increasingly influenced his corporate life. Others such as Darwin Smith of Kimberly-Clark, who blossomed into a "Level 5" leader after his bout with cancer, have found different external factors such as a mentor, influential people in their lives including loving parents, some significant life experience or a war incident to develop their special leadership abilities.

So, executive greatness and effectiveness may be found in the right person (specific traits or abilities), being in the right job (context or situation), and practicing some specific strategies. Just like a piano player/singer who practices many hours toward becoming a perfect pianist/singer, an executive may repeatedly practice specific strategies that could make him/her a perfect executive (if at all, perfection as such is possible) or at least help one to move toward becoming an almost perfect executive. However, both the pianist/singer and the executive must possess some inborn talents, abilities, and characteristics. These traits when integrated together with the specific strategies that they practice make them great leaders and part of the superior few. Not everyone may be talented to become a wonderful pianist like Mozart was or a great singer like Pavarotti, no matter how well they practice, just as not everyone may become a great executive like Welch no matter how well they practice certain strategies! In any organization throughout the world (in the past, present, and future), leadership was/is/will be always managed by and in the hands of a superior few - this is reality. Therefore, a blend of the two - traits (born) and practice (made) -- would seem to be the more logical and acceptable theory that makes an executive effective, even as Jack Welch (Welch & Welch, 2005), one of the most effective executives in the world, agrees!

Review of Leadership Studies

Bass (1990) compiled a massive amount of leadership research and concluded that all these leadership studies and findings have strong validity both in theory and practice. Bass' research has been widely accepted as one of the leading scholarly works on leadership. He suggested that these studies help explain the fascinating subject of leadership and would be useful to both academicians and practitioners interested in leadership and leadership effectiveness. However, leadership studies over the years have been viewed by some critics as being less than scholarly and using some outmoded constructs (Barker, 1997; Burns, 1978; Foster, 1986; Gemmill & Oakley, 1992; and Barker, 2001). Yet, leadership

continues to be of interest to researchers, academicians, and practitioners who are motivated by this very significant topic in current times.

In his *Handbook of leadership*, Bass (1990) organized the leadership research and studies into eight parts. Part one discussed some famous leaders in history and pointed out the importance of leaders to their organizations. Part two focused on the personal traits of leaders. The third part looked at leaders' ability to manage power and conflict issues. Part four viewed leadership as a transactional exchange and the ability of leaders to bargain, the fifth part discussed the styles of leadership, and the sixth part studied the situational moderators affecting leadership. The seventh part explored cultural differences in leadership styles and the last part focused on the leadership of the future. Although widely acclaimed and accepted as scholarly leadership research by many, Bass' work has been critically viewed by some scholars as having some shortcomings in terms of lacking a conceptual framework of leadership and the perceived absence of metaphysical foundations for the leadership studies (Barker, 2001).

In a more recent study that surveyed the effective leadership area, Lu (2004) found that scholars seem to have many varied opinions on what constitutes effective leadership. Lu (2004) suggested that effective leaders possess some personal leadership characteristics and lead by actually showing or modeling effective leadership behavior. They also have a strong relationship with their followers and the leader's effectiveness is affected by the strength of this relationship. Furthermore, it was recommended that effective leaders maintain excellent, open communication channels with their people and throughout the organization. An effective leader looks at the overall, "big picture" of the organization and provides a synergistic view of leadership to the organization.

Other scholars have suggested that effective leaders possess certain personal leadership characteristics such as charisma. Burns (1978) contended that these charismatic leaders had tremendous influence over their followers so much so these followers get inspired and become leaders and zealots themselves. More recently, Howell and Avolio (1995) suggested that charismatics can be effective leaders but may vary in terms of their ethical standards. They believed that good charismatic leaders need to be very ethical – they should use power to serve others, align their vision with the followers' needs, be willing to learn from criticism, allow independent thinking and questioning leader's views, use open two-way communication, support and build up followers, rely

on strong personal moral convictions, and role model high moral standards.

Over the decades, most leadership theorists have regarded leadership as a relationship between the leader (the person in charge and his/her abilities, traits, characteristics, and actions) and the outcomes of the organizational context of the individual. This cause-effect relationship has been the source of conventional leadership knowledge and studies. Although trait theories were criticized by some (Bennis, 1959; Mintzberg, 1982; and Rost, 1991), leadership scholars have developed many studies in which leadership traits affected leadership effectiveness. In one comprehensive study, Fleishman, Mumford, et. al. (1991) found 499 traits that have some effect on leadership behavior. Furthermore, other recent studies also have indicated the impact of traits on leadership (Gemmell & Oakley, 1992; Kirkpatrick & Locke, 1991). These leadership theorists believed that individuals would change their views and adopt traits such as drive, motivation, honesty and integrity, self-confidence, cognitive ability and business knowledge to become more effective leaders (Kirkpatrick & Locke, 1991). Effective leadership may also be measured by certain outcomes including the most commonly accepted indicator namely, economic performance of the organization. As Harvard experts Podolny, Khurana, and Hill-Popper have suggested another measuring outcome should be the social impact that the leadership and the organization may create (Lagace, 2005). These scholars believe that leadership effectiveness may be gauged from the leaders' social impact and their abilities to create new meaning and purpose for their respective organizations.

Another study characterized effective leaders as "Level 5" leaders (Collins, 2004). The "Level 5" leader is at the top of the level hierarchy and must possess the capabilities of the lower four levels as well as the unique characteristics of the fifth level. The attributes and characteristics include talent, knowledge, skills, and good work habits (Level 1); interpersonal relations and team player (Level 2); organizing ability of integrating people and resources toward pursuit of predetermined objectives (Level 3); commitment to clear vision and high performance standards (Level 4); and a paradoxical combination of personal humility and professional will/strong determination (Collins, 2004). Ken Blanchard (2005), the famous co-author of "The One Minute Manager" and distinguished leadership scholar, has discussed leadership as a model that focuses on the heart (interactions and motivations), the head (beliefs about leadership and influencing others); hands (methods and

leadership behaviors), and habits (daily disciplines). He pointed out that when integrated these factors would lead to effective leadership.

Some theorists of leadership have advocated a democratic leadership which is leadership by a group or team rather than just one individual (Gastil, 1994). This is based on the concept that democratic leadership evolved from the influence of the leader's behavior in a manner based on democratic principles. Although it seemed to have some merit, it failed to get widely accepted as a viable theory to explain leadership. This was mainly because of the old tradition that leadership is still a unique ability of a few, and that democratic leadership styles may be influenced by individuals who may or may not choose to adopt a democratic leadership style.

A new framework for leadership studies was suggested by some theorists that focused on the preference or experience of leadership prior to accepting the conventional knowledge of leadership. For example, rather than a cause-effect relationship such as leader accessibility (A) affecting morale (B), it may be inferred that followers prefer accessible leaders. Rather than A causing B, B prefers a pre-condition of A; B may go in another direction (Pirsig, 1991). However, the issue still remains that though they may have certain preferences; followers are still being motivated by a leader and some leadership style in their organizational performance. Therefore, the leader is still the source or the stimulus of the followers' motivation.

Hunt (1991) suggested an extended model of leadership that included the context of the leadership. Three contextual levels of leadership were identified – top leadership (systems), intermediate (organizational), and lower level (direct leadership). The higher the leadership level, the more complex the environment due to a variety of social, economic, cultural, political, legal, etc. forces that leaders have to manage. The leader was the source of the leadership and the contextual factors were viewed as obstacles to deal with; leaders need to develop certain specific traits and characteristics to deal with different contextual issues. As the context of the organization changes, the leadership traits and characteristics need to adapt too or new ones will have to emerge either through existing leaders modifying their traits or by changing/adding new leaders who possess the new context-appropriate leadership traits.

Three broad contextual systems have been identified in leadership studies. These include a stable environment, a changing context, and a transforming or chaotic system (Jantsch, 1980). The appropriate leadership traits for the

stable environment focus on maintaining control through mechanistic, linear, and predictable characteristics. For example, the classical system of management dealing with stability and certainty as used by Taylor (1911) and Weber (1947) may fit this stable context. Next, leaders in the changing context must possess adaptation characteristics, flexibility, and ability to manage change according to the situation (Fiedler, 1967). Finally, the resulting chaotic system tends to be highly complex and continuously renews itself within the dynamic context. New forms of leadership traits and characteristics become necessary to deal with new structures and relationships. Crisis management techniques become the focus and these have to be implemented. Certain crisis management techniques were exhibited by leaders who faced dynamic situations. These included James Burke, CEO of Johnson and Johnson, with the Tylenol crisis, or Iacocca and Chrysler's dramatic turnaround, or President Bush in September 2001 and his subsequent policies dealing with the terrorists and security crisis of the nation. Being accessible to the media and the people, providing openly as much information as possible, calmly reassuring people, and uniting them harmoniously are some of the newer ways of managing the newer dynamic environments.

Therefore, due to the strong influence of the dynamic context which most organizations seem to find themselves in today, the organization needs to identify and focus on transforming, dynamic abilities and characteristics in its leaders appropriate to the organizational context. Adapting the right transforming, dynamic abilities of leaders to fit the changing organizational environment and practicing some specific strategies will all contribute to effective leadership.

However, a major concern in the leadership literature with the enormous number of studies has been the lack of consensus on which behavior categories are most relevant, meaningful, and important. Yukl, Gordon, and Taber (2002) have suggested a hierarchical taxonomy of three metacategories of leadership behavior - task behavior, relations behavior, and change behavior which may be potentially relevant factors for effective leadership. But these factors are neither equally relevant in all situations nor is every behavior relevant in every situation. Also, the primary objective of the behavior would differ for the three categories. For task behavior, the leader's objective would be efficiency in resources and personnel; for relations behavior, the objective would be strong commitment to organization and mission; and for change behavior, major innovation improvements and adaptation to external changes.

“New” Integrative Model of Effective Leadership

A conceptual effective leadership model with an integrative perspective has been proposed here that

organizations may use to develop better leaders, and which individuals may also use to help them become more effective leaders.

FIGURE 1: Integrative Model of Effective Leadership

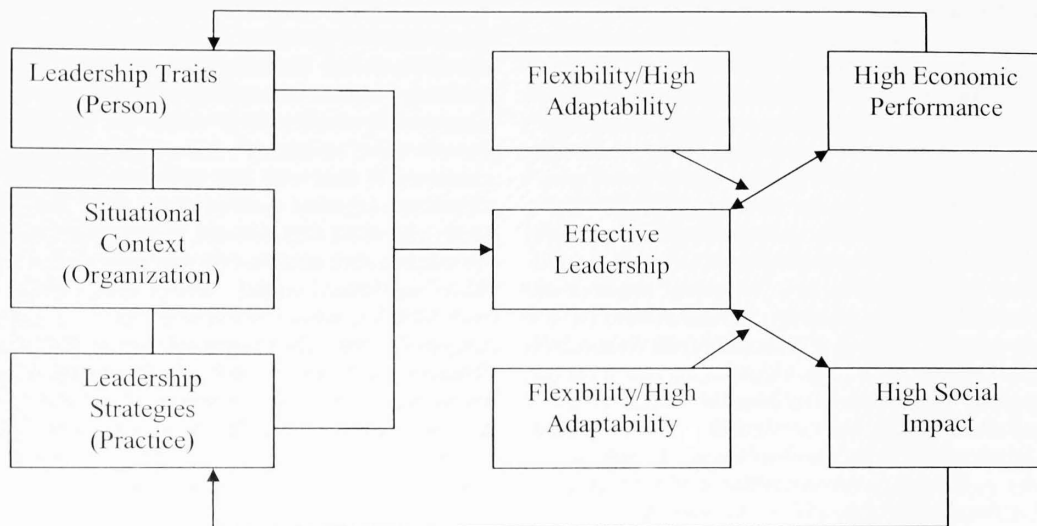


Figure 1 shows that the right person possessing some special leadership traits, working in the right organizational context, and practicing the right strategies would make an effective leader for the organization. An organization needs to integrate these three factors together in order to result in effective leadership.

Firstly, the right person affects effective leadership. The current trend in leadership literature seems to indicate that the leadership traits and competencies of an individual need to fit the organizational context, strategy, and business model (Hernez-Broome & Hughes, 2004). For example, if the organizational need for a team builder emerges, the leader with team-building and motivational abilities would be most appropriate to lead the organization in this situation. If the organizational context demands a global leadership trait or the trait of flexibility, then one with global abilities or flexibility abilities needs to lead the organization. So, rather than identifying a non-existent single set of traits, organizations need to look for different leadership characteristics in their leaders which are appropriate for their organizational context. Although, for today's dynamic organizational climate, some appropriate leadership traits could include talent, knowledge, skills, good work habits, interpersonal relations, team dynamics, organizing ability,

commitment, vision, personal humility, and professional will/strong determination (Collins, 2004). As discussed earlier, leadership would still be in the hands of a few at the top management level of the organization - those that possess unique leadership traits which are necessary to fit the organizational context.

Next, the right context affects effective leadership. Several current trends would impact leadership now and in the future. These include globalization and/or internationalization of leadership concepts, constructs, and development methods; leadership competencies still being important; increasing role of technology; significance of leadership character and integrity; and pressures of accountability of leaders in terms of financial measures such as return on investment or some other measures (Hernez-Broome & Hughes, 2004). Also, factors such as global competition, information technology, flexible and dynamic organizations, the team concept, and diverse employee needs would shape the leadership competencies needed in the future (Barrett & Beeson, 2002). Other contextual factors such as crises, mentors, different people and variety of circumstances, and significant life experiences may all also impact leadership. As former New York Mayor Rudy Giuliani (2002) has suggested that often great leaders emerge in

times of crisis, the context of the organization could bring out the best in people as seen in New York and the nation after the 9/11 tragedy in 2001.

Furthermore, the right strategies affect effective leadership. Among the leadership strategies that an effective leader needs to practice, seven (7) strategic ones may be recommended. These include possessing knowledge to lead an organization effectively and ability to implement this knowledge, providing visionary leadership, offering accessibility, delegating through empowerment, developing explosive-growth leadership, building commitment and loyalty from followers, and dedicating to sacrificial leadership.

Based on Yukl, Gordon, and Tabor's (2002) model, the knowledge and ability to lead, and visionary leadership would be considered task behaviors; offering accessibility, delegating through empowerment, and building commitment and loyalty would be relations behaviors; and developing explosive-growth leadership and sacrificial leadership would constitute change behaviors. The seven (7) strategies include:

- Knowing How to Lead.** As Drucker (2004) suggested, an effective leader needs to know how to lead an organization effectively and understand what he/she needs to do now as the number one priority for the organization. An effective executive should realize clearly the task at hand, whether it is modifying the organization's vision or mission, or developing a strategy to dramatically change the company's direction and move it from decline toward progress and success. Jack Welch knew his task was to evaluate all the various business strategic units at General Electric, and get rid of any that were not number one or two in their respective industries. Welch knew his task well and implemented it effectively that he became one of the most renowned executives corporate America has ever seen. He was known for evaluating his priorities periodically every five years and each time came up with a different priority. He would focus on what he thought he could do best in his area of expertise and knowledge, and would delegate the other priorities to his associates according to their expertise (Welch & Byrne, 2002). As exhibited by Welch, the effective executive's knowledge to lead must also include versatility. Versatile executives should know how to be flexible, and should continually adapt and adjust their behavior to implement the best and most appropriate strategy that specifically fits their organizational situation (Kaplan & Kaiser, 2003).

- Personify Visionary Leadership.** Effective leaders personify visionary leadership. Sam Walton, Jack Welch, Herb Kelleher, Frederick Smith, Walt Disney, and Bill Gates are some examples of great leaders with unique visions for their organizations. Visionary, progressive leaders look beyond the imagination horizons of most other people. They clearly see the big picture in their minds even before it unfolds. Hilton dreamed and envisioned himself strategically owning and managing a huge chain of hotels throughout the world even before he started his first one. Visionary leaders envision strategies that make the future real today, a gift possessed by a few. These leaders focus more on the "why" of leadership rather than on the "how." The vision and mission keep the organization focused in terms of direction; they may be achieved through a variety of methods and strategies that organizational partners, managers, and employees may choose from and develop, although the vision and mission remain the same. Ready (2004) contended that effective executives like Gordon Nixon of RBC Financial Group, a Canadian-based successful conglomerate, exhibit not only visionary but even creative leadership. They break down their silos and move forward into creative career paths, openly deal with any tensions resulting due to organizational complexity, realign the reward systems to motivate and lead managers in today's competitive environment, and are willing to implement strong decision actions in today's highly uncertain and turbulent times. Such effective leaders look at the organization from an "enterprise" level going beyond the individual units and focusing on the greater good and synergistic benefits of the whole enterprise (Ready, 2004). As Jack Welch aptly stated that leaders must not only just have a great vision but they must live and breathe it (Welch & Welch, 2005).
- Being Accessible.** The next strategy suggested would be the leader's accessibility to his people. Many consider this strategy to be the most desirable by followers in a leader. Effective leaders need to realize that their people may not need much of their time but may need few minutes and simple encouraging words/actions to boost their confidence to continue their performance in the organization. Accessibility includes being physically approachable and giving people the complete attention they need. Effective leaders need to be open to creative suggestions and encourage positive employee contributions to the progress of the organization. Some leaders may do so through regular meetings, walk-throughs and making

contacts with people at lower levels in the hierarchy, and maintaining open door policies for easy access to employees. Accessibility would impact positively the morale and attitude of the leadership team, staff, and employees in the whole organization. Sam Walton, through his low-profile leadership and managing by wandering around (MBWA) style was accessible to his people and was considered a very effective leader. Herb Kelleher, chairman of Southwest Airlines and an effective executive of a very successful airline, is another example of an effective leader who is available and accessible to his employees – due to his close contacts and relationships with his employees, he is often fondly referred to as Uncle Herbie by many of his employees.

- **Delegating through Empowerment.** Delegating through empowerment is the next strategy. Most effective leaders quickly realize that they cannot do it all themselves and that they need to delegate responsibility and authority through their staff throughout the organization. The key of an effective leader is to get the job done through others. Empowering others with official powers, if any are available or through assigning people specific responsibilities, and encouraging them toward mutually acceptable and attractive goal accomplishment are critical for effective leadership. Most effective leaders are skilled at delegation and influence others positively, as well as motivate them toward greater accomplishments in the organization. Corporate giants Sam Walton, Bill Gates, Frederick Smith, and Michael Dell are a few among many effective leaders who have used empowerment to achieve great organizational accomplishments.
- **Developing Explosive-growth Leadership.** This strategy involves great leaders building other great leaders (Maxwell, 1999). Such a strategy is unique for the few great leaders who want more than a following; they want a legacy. These leaders work to make themselves dispensable by training others to succeed them and lead the organization. They focus on people's strengths in helping them develop as leaders. They treat people as individuals with potential to lead, and help nurture their key gifts, abilities, and talents to lead by providing them opportunities to lead thereby building great leaders in the near future. Rather than merely spending their time with others, they consider investing their time with others toward building great leadership. They go beyond impacting the present generation by developing leaders who would impact future

generations. It takes a good leader to help a group of followers to achieve a common goal, but it takes a great leader who can use explosive-growth leadership to lead other leaders toward the highest levels of organizational achievement. Jack Welch exemplified this strategy to some extent as described in his book, "Winning" -- four of the 30 Dow Jones industrials are now led by Welch protégés (Welch & Welch, 2005). From another study, out of 1435 Fortune 500 companies that leadership scholar Jim Collins (2004) studied only 11 achieved greatness by earning three times the market's return for a 15-year time period. He referred to this type of leader as a "Level 5" leader, who exhibited humility and strong will power. "Level 5" leaders credit other people and other factors for their success but accept personal responsibility when results are poor. They also show calm resolve and determination and use inspired standards to motivate others. Further, these leaders select good successors as they want their companies to achieve greater heights in the future than before. Like Jack Welch did with his protégés at GE, Iacocca also showed explosive leadership by selecting another effective leader, Bob Eaton, who successfully carried Chrysler forward for many years.

- **Building Commitment and Loyalty.** Hand-in-hand along with explosive-growth leadership goes building commitment and loyalty from followers as another strategy. Effective leadership has to build commitment and loyalty in the organization. Few leaders know how to do this well but generally effective leaders should be committed themselves (Joyce, 2005), as well as help build commitment and loyalty in their organizations, resulting in employee turnover that tends to be low. Japanese companies overall tend to have lower turnovers than most other companies. The Japanese executives generally are highly democratic, people-oriented, and more participative in leadership style and nature compared to their counterparts in other organizations. They take more time building consensus in the strategy formulation stages that their implementation becomes easy and quick. These leaders get their employees involved in the decision-making process, who then are committed to implementing the decisions more effectively as they themselves had input in the decisions. Employee input in decision making will facilitate decision implementation, enhance worker loyalty, and build stronger commitment.
- **Exhibiting Sacrificial, Serving Leadership.** Sacrificial leadership, though usually contrary to

human and organizational nature, when displayed by a leader would certainly have the most enduring impact on the followers. No leader or individual in the history of mankind other than Jesus Christ has exhibited an unprecedented perfect model of sacrificial leadership. Ken Blanchard (2003), O'Toole (1995), Kouzes and Posner (1993), and Williams (2002) considered Jesus Christ as the best example of the ultimate servant and sacrificial leader - a leader who serves the people being led. Jesus Christ's strong influence, seen 2000 years ago (Holy Bible, 1986) and testified to by the eyewitness and ancient Jewish historian Josephus (1980), remains strong even today and continues to impact millions of people all over the world. As Collins (2004) found in his comprehensive study, the "Level 5" effective leader built enduring greatness through an attribute of deep personal humility, which may be considered a prerequisite for sacrificing, serving leadership. Any leader who wishes to provide a lasting impact on his/her followers in the organization needs to develop some form of sacrificial leadership to some degree. Such a leader must be willing to sacrifice at least his/her time and resources for the sake of the followers. Other such leaders who led/lead by serving others include Lee Iacocca, Ronald Reagan, Martin Luther King, Jr., Mother Teresa, Truett Cathy, Pat Williams, and George Bush, Jr. Iacocca exhibited a certain type of sacrificial leadership to some extent when he initially accepted a very nominal salary as CEO of Chrysler in the early stages of his tenure with the company. More recently, Steve Jobs of Apple Computer took a similar initiative of paying himself a \$1 salary which is a way of exhibiting sacrificial leadership. However, it seems paradoxical to see some executives being paid super-high salary packages today when their organizations and employees may be going through difficult times - in such situations, some degree and some form (not restricted to monetary incentives only) of sacrificial leadership by the top management would certainly be worth some consideration.

Sacrificial leadership may be exhibited for various reasons - personal beliefs and convictions, ideals, goals, greater good of others and organization, religious reasons, etc. David Green, founder and CEO of Hobby Lobby, has strong personal religious convictions for himself and his company and will not compromise on his beliefs. All Hobby Lobby stores continue to stay closed on Sundays for religious reasons. If they were to be open,

it is estimated that Hobby Lobby would gain an additional \$100 million a year from the nationwide chain of stores. But Green is willing to sacrifice this huge sum of money and remain faithful to his Christian faith and religious convictions. Truett Cathy and Chick-fil-A, the nation's second largest quick-service chicken restaurant chain, indicate that the strategy has always been not merely to serve chicken, but to serve a "higher calling." In this regard, Chick-fil-A also continues to practice its "Closed on Sundays" Christian religious policy even today. Despite this or perhaps because of this unique, service-oriented leadership, Chick-fil-A is one of the most successful companies in the country and Truett Cathy, one of the most effective and admired executives in the world.

Then effective leadership affects economic performance and social impact. As the model of effective leadership shows, the leader with the right blend of traits, appropriate for the right organizational context, practicing some of the right strategies would become an effective leader. Effective leadership, in turn, affects and also may be measured by two critical outcomes, which are high economic performance and high social impact. So, a two-way relationship exists between effective leadership and economic performance and social impact. The effective leadership helps contribute toward the high organizational economic performance and high social impact; and these two factors may be also outcome measures of determining leadership effectiveness. If an organization achieves both high economic performance and social impact, then it means its leadership is doing the right things and, therefore, may be considered to be effective. Furthermore, a cyclical effect would result in the model in that high economic performance and high social impact would in turn affect the traits, context, and leadership strategies of the leadership in the model. Successful leadership (high performance and social impact) would be emulated in the organization and would influence the type of traits, context, and strategies of the leadership to be continued; and if necessary, relevant changes may be made based on the feedback from the outcomes to the traits, context, and strategies of the model as part of a continuous improvement process.

The leadership's flexibility and high adaptability moderate the effective leadership-high economic performance/high social impact relationship. When the organization's performance - economic and social - is high, effective leadership would be enhanced and the two-way relationship between effective leadership and economic performance/social impact would be strengthened. The effective leader would still use his/her

flexibility and adaptability capabilities to “fine tune” the effective leadership to continue the high economic performance and social impact. Jack Welch, Lee Iacocca, Michael Dell, Bill Gates, Frederick Smith, Truett Cathy, and Sam Walton were/are some examples of “fine tuning” and continuing effective leadership.

However, if results are not as positive or satisfactory as expected, then the leader’s effectiveness may be questioned. And in such a situation, the leader needs to be flexible and adaptable to quickly make the necessary changes (strategy, process, product, people, or whatever it takes in that specific situation and time frame) to improve the organizational performance. Cork Walgreen, the very effective CEO of Walgreens, illustrates this ability the best. Walgreen had to make very difficult decisions to change strategies for the company especially when he dropped the long-standing family traditions associated with the company’s food businesses. He had to refocus the company to concentrate only on the convenience drugstore business - to continue being the best in the world -- and terminate everything else that was not producing great results. Furthermore, failure to be flexible and adapt to a dynamic business environment or some competitive threat affecting organizational performance could lead to disastrous consequences. Compaq’s leadership, especially that of former CEO Eckhard Pfeiffer, in the mid-1990s was inflexible and not adaptable to changing demands in the computer market. On the other hand, Michael Dell and Dell Computers adapted to the changing demands by using a new strategy of mass customization and took leadership in the personal computer market in an unprecedented manner – becoming the #1 computer company in this industry, and it continues to soar even today. Therefore, constantly monitoring organizational performance and using flexibility to adapt to the changing situation by “doing whatever it takes” to maintain high organizational performance and or/improve it would enhance effective leadership.

Summary of Study

This paper discussed the issue of whether effective leaders are born or made; it may be concluded that they are a blend of the two. Leadership is still in the hands of a superior few born with unique traits and characteristics but these leaders are also influenced by the organizational context. Effective leadership may be influenced by the leadership traits of the leader (person), situational context (organization), and the strategies (practice) employed by the leader. When an organization selects an executive

with the right blend of traits as needed by the organization at that particular time for a leadership role, and when that executive practices some of the strategies suggested in this paper, he/she would become an effective executive. Also, the effective leadership helps contribute toward the organization’s high economic performance and high social impact. These two factors may also be outcome measures of determining leadership effectiveness. If the organizational economic performance and its social impact are high, then the organizational leadership may be considered to be effective as its leadership is doing the right things and achieving the intended outcomes. On the other hand, if results are not so good, the leadership needs to be flexible and adaptable to the situation, and be ready to quickly make any necessary changes to improve the organizational performance. The whole integrated model implies a cyclical process where the outcomes, economic performance and social impact, affect the effective leadership and its determinants --traits, context, and strategies -- and this process continues as a model of continuous improvement.

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