Leadership Styles and Organization Structural Configurations

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ABSTRACT

This article focuses on discussing the existence of leadership and organizations as well as the correlation between them. The core of leadership contains power and traits; cognitive, affective, and technical competence overlay the leadership core. The core and its overlaid competences express leadership existence. Four styles of leadership existence are transactional, charismatic, transformational, and servant. Each leadership style has its own specific competence. To express the existence of an organization is easier than that of leadership because organizations are everywhere. Mintzberg suggested entrepreneurial, machine, diversified, professional, innovative, missionary, and political organizations which are introduced to identify different structural configurations of an organization or organizational forms. Finally, the strength of attribute to leadership styles correlating to each identical organization forms is evaluated to identify the differences of leadership styles and the organizational forms.

INTRODUCTION

Voluminous and various literatures have expressed the concepts of business organization and leadership since the early twentieth century. A simple definition of leadership may be used to develop a certain model of leadership. Whereas a sentence or several lines may not sufficiently express the whole meaning of leadership, it should be analyzed by and elaborated on its attributions and connotations. Thus, this paper will present a leadership-competence model to state the existence and styles of leadership. Likewise, the definition of organization can be developed into different schools of organizational theories and designs. Therefore, the paper will introduce “Mintzberg on management” concerning the organization structural configuration to describe seven organizations.

In author’s opinion, only few papers concern the correlation between leadership styles and the organization structural configurations. Thus, the purpose of present paper is to classify traditional and contemporary leadership according to their attributes and connotations in order to correlate leadership style to Mintzberg’s seven organizations. Because leadership may decide effectiveness and growth or disruption of an organization, leadership has received much attention (Johns, 1996, p.330). Many leadership models, theories, and behaviors have been studied and introduced to the study of management and the organizational structure, so leadership is introduced first.

LEADERSHIP ATTRIBUTES AND CONNOTATIONS

Leadership is perhaps the most widely presented and studied topic in the management and organization literature (Daft, 1998, p. 573). Because leadership is a phenomenal existence, it is not an easy concept to define and is a difficult one to study and understand (Chen, 2003). However, from leader’s behavior and the atmosphere around a leader, we can see and feel the existence of leadership. Leadership exists when the man influences people to obtain common recognition that helps reach goals. Scholars and researchers define that leadership is the ability to influence members to voluntarily pursue organizational goals and that leadership is the use of non-coercive and symbolic influence to direct and coordinate the activities of the members of an organized group toward the accomplishment of group objectives (Bateman and Snell, 2002, p. 380; Daft, 1998, p. 565; Dessler, 1998, p. 330; Jago, 1982; Kinicki and Williams, 2003, p. 448). To deeply understand leadership, the contents and attributes of leadership should be elaborated.

Leadership includes two foundational or core components: power and personal traits (Dessler, p. 334; Kirkpatric and Locke, 1991; Ruth, 1996). Power is defined as the potential ability of a person to influence other persons to implement orders or to do something they would not otherwise have done. Or, power is defined as the ability of a
person or group in an organization to influence other people to bring about desired outcomes. Although power is an abstract existence, i.e., it cannot be seen, its effect can be felt. Power is an intangible force in organizations. But actually, in organization, power exists in a relationship between two or more people, and it can be exercised in either vertical or horizontal directions (Daft, 1998, p.442). Social scientists distinguished at least five sources of power: coercive, expert, legitimate, referent, and reward power (Daft and Marcic, 2004, pp. 414-5; French, Jr. and Raven, 1959; George and Jones, 1996, pp. 572-6; Kinicki and Williams, pp. 450-1).

Psychologists and scholars define that a personality trait is any persisting characteristic of dimension of personality according to which individuals can be rated or measured (Coon, 1998, pp. 519-27; Hanbury et al., 2004; Lefton and Valvatne, 1992, p. 419; Plotnik, 1996, p. 424). Most researchers agree on the five-factor model organizing all personality traits under five categories—openness, conscientiousness, extroversion, agreeableness, and neuroticism—those are used to describe differences in personality. Their initials make the acronym OCEAN. Each of the five personality traits actually represents a whole spectrum of behaviors (Coon, pp. 519-27; Plotnik, p. 425). Overlaying two core components power and traits, there are leadership competences. Because leadership can be learned, the leadership competence may exist and be developed (Bass, 1990; Campbell and Dardis, 2004; Fairholm, 2004; Leek and Wang; 2004). To develop the right model of leadership, we need to understand different types of organizations and competences (Higgs, 2003; Maccoby, 2004). The competences include cognitive, technical, and affective competence (Chen and Chang, 2001; Kinicki and Williams, pp. 449-53; Kouzes and Posner, 1987; Manske Jr., 1987; Rue and Byars, 2003, pp. 263-83), for example:

- **Cognitive competence**—having multiple experiences, self-awareness, forward-looking, sharing information, listening to subordinates, life-long learning, intelligence, systematic thinking, envisioning, having business knowledge, social awareness, and creativeness.
- **Affective competence**—self-confidence, willing to serve people, activeness, honesty and integrity, insisting on excellence, courage, compassion, decisiveness, passion, and willing to lead.
- **Technical competence**—ability to execute, ability to organize team, self-management, relationship management, inspiring and motivating others, fostering communication, producing high-quality work, building group cohesiveness and pride, coaching to improve performance, and ability to design.

Two foundational components, power and personal traits, and three competences, cognitive, technical, and affective competence, are illustrated on Figure 1. That is the leadership-competence model.

![Figure 1. Connotations and attributes of leadership-competence model](image)

**LEADERSHIP STYLES**

In the twentieth century, many leadership theories, models, or styles are presented. To find themes of these theories, models, and styles, leadership can be simplified and represented by two major branches. The first one, task
performance leadership style is that leaders’ effort to ensure the team of organization to reach its goals. The style focuses on following the rule, quality and accuracy, work speed, and quantity of output (Gardner and Daniel, 1998). This style is similar to job-centered, initiating structure, concerning for production, task-oriented, achievement-oriented, or directive style of the leader. The second one, group maintenance leadership style is that the leader takes action to ensure the satisfaction of organization members, to preserve the social stability of the organization, and to develop and maintain harmonious work relationships. The style concerns member’s comfort and feelings, stress reduction, and appreciation of people (Gup, 1991; Yukl, 1971). The style is similar to employee-centered, consideration, concern for people, relationship oriented, or supportive and participative style of leadership.

For decades, leadership concepts have evolved form the transactional approach to charismatic, transformational, and servant behaviors. These leadership styles in many literatures are named as transactional, charismatic, transformational, and servant leadership style (Bateman and Snell, pp. 396-9; Daft and Marcic, pp. 429-37; DeCellies and Pfarrer, 2004; Kinicki and Williams, pp.468-9; Krishnan, 2004; Stone et al., 2004).

The foundation of transactional leadership is an exchanging process between leaders and followers. Transactional leaders focus on the interpersonal transactions between managers and employees; they motivates followers by exchanging rewards for high performance (Brain and Lewis, 2004; Chen, 2004; George and Jones, p. 387). The two characteristics of transactional leadership are leaders using contingent rewards to motivate employees and leaders exerting corrective action only when subordinates fail to achieve performance goals (Kinicki and Williams, p. 468). Transactional leaders consider management as a series of transaction in which leaders use their legitimate, reward, and coercive powers to give commands and exchange rewards for services rendered (Bateman and Snell, p. 397; Wagner III and Hollenbeck, 1998, p. 222). Transactional leaders focus on the present and are good at keeping organizations running smoothly and effectively. These leaders excel at traditional management functions, such as planning and budgeting, and generally focus on impersonal aspects of task performance (Daft, 1999, p. 427). Transactional leadership resembles traditional task performance leadership style in the task focusing. Because transactional leaders are task focusing, they have stronger technical competence than cognitive and affective competence.

Charismatic leaders are visionaries who challenge people to perform above and beyond what’s expected of them—to pursue organizational goals over self-interests (Daft, 1999, p. 334; George and Jones, p. 385). The followers of a charismatic leader perceive that the leader’s beliefs being correct, obeying the leader willingly, feeling affection toward the leader, are emotionally involved in the organizational mission (Yukl, 1998; p. 299). Followers transcend their own self-interests for the sake of the department or organization. Charismatic leaders are envisioning leaders. They have a strong vision for the future and can motivate others to help realize it. They see beyond current realities and help followers believe in a brighter future (Conger and Kanungo, 1987; Daft and Marcic, p. 430; Kinicki and Williams, p. 469). The charismatic leaders are energizing leaders who are able to demonstrate personal excitement, express personal confidence, and seek success among their colleagues. The charismatic leaders are also enabling leaders who are able to express personal support, empathy, and confidence in members (Dessler, p. 504). In short, charismatic leadership is about leaders who have a profound emotional effect on followers (DeCellies and Pfarrer; House, 1977). Thus, charismatic leaders have stronger affective competence than cognitive and technical competence.

Transformational leaders have plenty of the behaviors and attributes of charismatic leaders. Both of them focus on intangible qualities such as vision, shared values, and ideas to build relationships (Daft, 1999, p. 573-4). However, transformational leaders link the fulfillment of vision and the use of strategy to changes in the actual fabric and texture of organizational culture (Moxley, 2004). Transformational leaders may also engage in transactional leadership, for example, by rewarding high performers with high salaries (George and Jones, p. 385-7). But transformational leaders are distinguished by their special ability to bring about innovation and change by recognizing followers’ and organization’s needs and concerns, helping members in the organization look at old problems in new ways, and encouraging members to question the status quo. They have the ability to lead changes in the organization’s mission, strategy, structure, culture, and to promote innovation in products and technology (Daft and Marcic, p. 431). Thus, transformational leadership may be especially important for organizations that are in trouble or failing to achieve their goals. Often, organizations in trouble bring in a CEO from outside the organization to help them transform themselves (George and Jones, p. 387). Ackoff (1999) expressed a transformational leader as one who formulates an inspiring
vision, facilitates the vision, encourage sort-term sacrifices, and makes pursuing the vision a fulfilling venture (Tucker and Russell, 2004). Hence, transformational leaders have stronger cognitive competence than affective and technical competence.

Attributes of servant leaders are close to the transformational leaders. However, servant leaders believe that organizational goals will be achieved on a long-term basis, by first facilitating the growth, development, and general well being of the individuals who comprise organizations (Stone et al.). Servant leaders focus on providing service to other people, meeting the goals of both followers and the organization, rather than to themselves (Kinicki and Williams, p. 471; Russell and Stone). Servant leaders give things away, e.g., power, ideas, information, recognition, and credits, for accomplishments (Daft, 1998, p. 565; Dennis and Winston, 2003). They value other people, share power, enhance others’ self-worth, encourage participation, and unleash people’s creativity, full commitment, and impulse to learn (Daft and Marcic, p. 437). Servant leaders help people to develop them then to strive and flourish. They share vision, gain credibility and trust from followers, and influence others (Farling et al., 1999). In short sum, servant leaders put service before self-interest, listen first to affirm others, inspire trust by being trustworthy, and nourish others and help them become whole (Dart, 1999, p. 375). Servant leaders have stronger both cognitive and affective competences than technical competence.

**ORGANIZATION STRUCTURAL CONFIGURATIONS and LEADERSHIP STYLES**

An organization is a collection of people who work together to achieve a wide variety of goals. These goals are what the organization as a whole is trying to accomplish. The goals are also what individuals are trying to accomplish by being members of an organization (George and Jones, p. 4). Johns (1996) defined that organizations are social inventions for accomplishing common goals through group effort (p. 5). Daft (1998) articulated that organizations are social entities that are goal-directed, are designed as deliberately structured and coordinated activity systems, and are linked to the external environment. An organization exists when people interact with one another to perform essential functions that help attain goals and continue doing so far as long as possible (p. 11). Thus, organizations are not necessarily intended to change, but change can affect all types of organizations. No organization can escape change. This is why leaders must be skillful in organization development and renewal techniques (Harvey and Brown, 1996, p. 5).

And, top leaders have to design the organizational form or structural configuration appropriate for the policies and goals.

The organization structural configuration describes the organization’s framework (Robbins, 1991, p. 285). A framework proposed by Mintzberg (1989) suggests that every organization has six basic constructive parts. Top management (strategic apex) is located on the top of the organization. Middle management (Middle line) is at the intermediate levels, and the technical core (operating core) includes the people who do the basic work of the organization. The technical support staffs (techno-structure) are the engineers, researchers, and analysts who are responsible for the planning and control of the technical core. The administrative support staffs (support staffs) provide indirect services and include clerical, maintenance, and mail room employees. Finally, every active organization may have a sixth part, which is ideology or culture. Ideology encompasses the traditions, values, and beliefs of an organization that distinguish it from other organizations and infuse a certain life in to the skeleton of organization’s structure (Mintzberg, p. 98-9).

Mintzberg proposed that these six organizational parts could join together to become seven basic organization structural configurations. The seven organization structural configurations are named entrepreneurial, machine, professional, diversified, innovative, missionary, and political organization. In the following is a brief description of each configuration.

**Entrepreneurial structure.** The organization with an entrepreneurial structure is always a new, small company in the first stage of the organizational life cycle (Daft, 1998, p. 173). Mintzberg called it simple structure. The organization has a top manager (chief executive) and workers in the operating core, and it has only a few or no support staff. Power focuses on the top manager, who exercises it personally. Decision-making and creation of the organization structure are the responsibility of the top manager. The resulting strategy reflects the top manager’s vision of the world, often an extrapolation of his own traits. In the entrepreneurial organization the focus of attention is on the leader, and so
leadership takes precedence in this organization (Mintzberg, p. 128).

Based on the former description, for this organization, the strength of leadership-style attribute for transactional leadership is medium, for charismatic leadership is strong, for transformational leadership is medium, and for servant leadership is weak.

**Machine organization.** This organization is always very large, e.g., an airline, or an automobile company; its technology is routine, often oriented to mass production. Machine organizations have centralized decision authority, formalized communication channels, high formalization, fixed duties and rigid hierarchical relationships (Robbins, 1991, p. 301). Machine organizations are always bureaucratic organizations (Daft, 1998, p. 165-7). In the machine organization, five organizational parts are strategic apex, middle management, operating core, technical support staff, and administrative support staff (Mintzberg, p.132). The machine organization has large administrative and technical support staff, and the technical support staff is the dominant part in the organization. Strategy in the machine organization is supposed to formalize from the top of the hierarchy, where the perspective is the broadest and the power the most focused. That is the key decision made at the top. Machine organizations are often criticized for lack of self-control by operating core, lack of innovation, a weak ideology, and an alienated workforce (operating core), but they are suited to a stable environment and the goal of efficiency.

Because machine organization has a bureaucratic nature, for this organization, the strength of leadership-style attribute for transactional leadership is strong, for charismatic leadership is medium, for transformational leadership is weak, and for servant leadership is weak.

**Diversified organization.** This organization’s structure has machine-configuration divisions coupled together under central administrative headquarter (Daft, 1998, p. 213). The headquarter has a small strategic apex of top managers, a small techno-structure, and a slightly larger staff support group to provide support services common to all the divisions. Divisions run businesses autonomously, subjected to performance control system that standardized their outputs (Mintzberg, p. 155). The divisional form is formalized within divisions because technologies are often routines. The environment for any division tends to be stable and simple, although the total organization can serve different markets. The structure was typically found in largest and mature organization, especially business corporations.

The headquarter manager handles major strategy for company’s general business; the divisional managers manage individual business strategies. There is extensive delegation of authority from headquarter to the level of division manager. For a head-quarter that does not directly manage divisions, its most tangible power when the performance of a division lags is to replace division’s leader.

In diversified organizations, the leadership of top manager has the strength of leadership-style attribute for transactional leadership is medium, for charismatic leadership is medium, for transformational leadership is weak, and for servant leadership is weak.

**Professional organization.** The distinguishing feature of a professional organization is that the organization can be bureaucratic without being centralized, as in universities, hospitals, or accounting firms (Daft, 1998, p. 559). The basic structure of this organization has a normal strategic apex, a very large operating core, a short middle line, a small techno-structure, and a large support staff (Mintzberg, p. 174). People within the production core have autonomy although the organization is bureaucrated. These people have training and experience for a long time, therefore technical support group are small, but a large administrative support staff is needed to handle the organization’s routine administrative affairs. The organization is sometimes described as inverse pyramids because of the power of its professional operators. The operators are on top and the administrator down below to serve them. Power in these structure flows to those professionals who care to devote efforts to doing administrative instead of professional works; the professional administrator maintains power only when the professionals perceive him serving their interests effectively.

Because professional organization has an inverse pyramid nature, in this organization, the strength of leadership-style attribute for transactional leadership is weak, for charismatic leadership is medium, for transformational leadership is medium, and for servant leadership is strong.

**Innovative organization.** The organization, having the other name adhocracy, is found in environment that is both complex and dynamic. A complex one needs decentralized structure; a dynamic environment needs organic structure. An organization with organic structure has decentralized decision authority, informal communication, low formalization,
both vertical and horizontal collaboration, and adaptable duties (Robbins, p. 301). Adhocracies are young or middle-aged and sometimes quite large but need to be adaptable, as the kind requires a high-technology research organization, hardware and software company, or a manufacturing complex proto-type products factory (Mintzberg, p.198). Adhocracies may change too quickly to serve useful purpose. The structure of this organization shows that both techno-structure and support staffs merge into middle line and that an elaborate division of operating core, but that is not virtually formalized (Daft, 1998, p. 256). The top managers of the organization seldom manage to give orders in the usual meaning; they spend much acting in a liaison capacity to coordinate the work among the teams or units. Because its reliance on highly trained experts, power over its decisions and actions are distributed to various places and at different levels that depending on the needs of the particular issue. Actually, power is distributes to wherever the relevant managers or specialists in the matrix structure and the operating core.

Because innovative organization has a decentralized power nature, for this organization, the strength of leadership-style attribute for transactional leadership is weak, for charismatic leadership is medium, for transformational leadership is strong, and for servant leadership is medium.

Missionary organization. An ideology means a rich system of values and beliefs about an organization, shared by its members. The ideology ties the members to the organization, generating a sense of mission. The mission has to be clear and focused, inspiring, and distinctive. For missionary organizations, the mission serves the administrators, and so the configuration ends up being a closed system machine. Internally, the organization is highly integrated. What holds the organization together is the paradigm, i.e., the sharing of values and beliefs among its member (Mintzberg, p. 223). The missionary organization tends to become an amorphous mass; members all pull together within the shared ideology. There are three different forms of the missionary configurations: reformers, converters, and cloisters. The reformers set out to change the world directly. The converter’s mission is to change the world indirectly, by attracting members and changing them. The cloisters seek not to change things so much as to allow their members to live a unique style of life (Mintzberg, p. 231-2). Ideology may overlay on the conventional form of organizations, e.g., entrepreneurial, innovative, or machine configuration, to form organizations of different attributes.

Although the organization rooted in sense of mission associated with charismatic leadership, the organization can achieve the very form of decentralization, i.e., all who are accepted into the organization share its power. The organizational control tends to be very powerful because the whole organization controls not only people’s behavior but also their souls. The leader is expected to inspire others to pursue the mission, and to interpret the mission, but not to change the mission.

For missionary organization, the strength of leadership-style attribute for transactional leadership is weak, for charismatic leadership is strong, for transformational leadership is medium, and for servant leadership is medium.

Political organization. The political organization is that comes to be dominated by politics and conflicts. Politics means power technically illegitimate, often in self-interest, resulting in conflict that pulls individuals and units into part (Mintzberg, p. 237). Political activity in organization is described in terms of various games. Mintzberg proposed thirteen games that were played within or around the organizations (pp. 238-240). The political organization is a lack of any forms of order found in conventional organizations because of power acting and games playing. “Thus, there is no preferred method of coordination, no single dominant part of the organization, no clear type of decentralization. Everything depends on the fluidity of informal power, marshaled to win individual issues (Mintzberg, p. 241).” The level of politics may vary in the conventional structure (entrepreneurial, machine, diversified, professional, innovative, and missionary configuration); some are more prone to the political activity than others. There are four forms of the political organizations: confrontation, shaky alliance, politicized organization, and complete political arena. Their power systems may best be described as a dynamic balance. In the dynamic balance of power, somewhat, leadership shows its potential effect.

Because of effects of the fluidity of power and personal traits, for political organizations, the strength of leadership-style attribute for transactional leadership is medium, for charismatic leadership is medium, for transformational leadership is medium, and for servant leadership is weak.

To sum up, from the former stated organization structural configurations or organization forms and leadership styles, Table 1 shows the correlation between forms and styles as well as the strength of leadership-style attributes.
Table 1. Seven organization forms versus four leadership styles, the strengths of leadership attribute are in the matrix

<table>
<thead>
<tr>
<th>Organization Form</th>
<th>Transactional</th>
<th>Charismatic</th>
<th>Transformational</th>
<th>Servant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurial</td>
<td>Medium</td>
<td>Strong</td>
<td>Medium</td>
<td>Weak</td>
</tr>
<tr>
<td>Machine</td>
<td>Strong</td>
<td>Medium</td>
<td>Weak</td>
<td>Weak</td>
</tr>
<tr>
<td>Diversified</td>
<td>Medium</td>
<td>Medium</td>
<td>Weak</td>
<td>Weak</td>
</tr>
<tr>
<td>Professional</td>
<td>Weak</td>
<td>Medium</td>
<td>Medium</td>
<td>Strong</td>
</tr>
<tr>
<td>Innovative</td>
<td>Weak</td>
<td>Medium</td>
<td>Strong</td>
<td>Medium</td>
</tr>
<tr>
<td>Missionary</td>
<td>Weak</td>
<td>Strong</td>
<td>Medium</td>
<td>Medium</td>
</tr>
<tr>
<td>Political</td>
<td>Medium</td>
<td>Medium</td>
<td>Medium</td>
<td>Weak</td>
</tr>
</tbody>
</table>

CONCLUSION

Leadership is the head of an organization. Power and personal traits are foundations of leadership. But power is more important than personal traits because without power, leadership is impossible. Being willing to lead will drive a person to be a leader. However, power, personal traits (openness, conscientiousness, extroversion, agreeableness, and neuroticism), and leadership competences (cognitive, affective, technical competence) influence a leader to be a transactional, charismatic, transformational, or servant one. Every organization has its own structural configuration and leadership style to reach its expected objective. The paper briefly introduces Mintzberg’s seven organizations (entrepreneurial, machine, diversified, professional, innovative, missionary, and political organization) with their structural configurations. The overview of leadership styles and the organization structural configurations reveal correlation between leadership style and the organization form, i.e., each organization has its leadership style with three categories of strength as shown in Table I.

This paper is not to indicate an organization should have what style of leadership in order to achieve organization’s efficiency, but to state a certain form of organization may have its unique leadership style. To identify suitable leadership style for organizations, more researches need to be conducted.

REFERENCES


