

## THE ROLE OF LEADERS IN COTEMPORARY ORGANIZATIONS: FOLLOWERS' EXPECTATIONS

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### ABSTRACT

*Most current leaders have been exposed to environments where the assumptions of control, structure, linearity etc. were taught and reinforced. Although many have an intuitive sense that this is not an effective paradigm for the broader contemporary challenges of organizational environment, there are often very ingrained beliefs, preferences, habits, and responses that result in a default style of persuasion and direction. To be effective in giving the organization a competitive advantage, a leader has to understand the new rules with different boundaries requiring new ways of behaving. This study attempts to identify followers' expectations from leaders and leaders' perceived role in contemporary organizations. The study was carried out in organizations from both public and private sector in Khyber Pakhtunkhwa (KP). Respondents were selected on the basis of stratified random sampling procedure. The results show that employees expect leaders in modern organizations to have clear vision with ability to design structures according to changing conditions in addition to acting as teachers and servants. The study has practical implications for both leaders and followers. The study has research implications as well. Besides, the study has limitation like any qualitative social research.*

**Keywords:** Contemporary Organizations, Leadership, Paradigm Shift, Effectiveness

### INTRODUCTION

Today's organizations may be seen as shifting from a paradigm based on mechanical systems to one based on natural, biological systems. To a great extent, managers and organizations are still imprinted with the hierarchical, bureaucratic approach that arose more than a century ago. Yet the challenges presented by today's environment—global competitiveness, workforce diversity, ethical concerns, rapid advances in technology, the rise of e-commerce, a shift to knowledge and information as organization's strategic asset, and the growing expectations of workers for meaningful work and opportunities for personal and professional growth—call for dramatically different responses from people and organizations (Daft, 2001). The perspectives of the past do not provide a road map for navigating the twenty-first century world of business. A new paradigm is required to succeed and survive.

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The term “*paradigm*” was first introduced by the philosophy and science historian Thomas Kuhn in 1962 which is now used to mean a shared mindset representing a fundamental way of perceiving, conceptualizing, and understanding the world (Tapscott, & Caston, 1993). A paradigm is the way we see, think, and operate. A paradigm shift occurs when the present paradigm no longer concords with experience. The crises first give birth to a vacuum where a community is uncomfortable with the old set of assumptions but is not sure what to embrace in its place. There are signs that the world of business and organizational management is currently experiencing such a paradigm vacuum (Caeldries, 1994).

#### *Problem Statement*

The traditional view of a leader—as someone who sets the direction, makes the key decisions, and energizes the people—is deeply in an individualistic and nonsystemic worldview (Senge, 1990). Especially in the East, leaders are *heroes* who rise to the fore in times of crisis (Valle, 1999). So long as such myths prevail, they reinforce a focus on short-term events and goals rather than on systemic forces and long-term visions.

Leadership in the New Paradigm Organizations centers on subtler and ultimately more important work. Leaders need to be visionaries, designers, teachers, and stewards (Senge, 1990). These roles require new skills: the ability to build shared vision, to bring to the surface and challenge prevailing mental models, and to foster more systemic concerns of thinking (Rost, 1993). There is a need of looking deep into the question of what role leaders are expected to perform in modern organizations. The studies in this regard are scarce especially in Pakistan. This study address this need and will be an endeavour to fill in the research gap.

### **LITERATURE REVIEW**

Before the industrial revolution, most organizations were related to agriculture or craftwork. Communication was primarily face-to-face. Organizations were small, with simple structures, and generally not interested in growing larger (Bannett, 1990). With the advent of industrial age, however, a new organization paradigm emerged. Growth became primary criteria for success. Organizations became large and complex, and boundaries between functional departments and between organizations were distinct (Mintzberg, 1979). Environments were relatively stable, and technologies tended to be mass-production manufacturing process. The primary forms of capital were money, buildings, and machines.

#### *Information Age*

The environment for organizations today is anything but stable. It is characterized by complexity, uncertainty, and surprise (Oliver, 1990). To cope with changing conditions, organizations have shifted to a new paradigm, one based on the assumption of biological system, decentralized and flexible structures, and horizontal collaboration (Goshal & Bartlett, 1990). The primary capital is not buildings or production machinery but information and knowledge (Dudley & Hassard, 1990). Knowledge is transforming the concept of money, management, and interaction. Organizations are becoming virtual and boundaryless where

human beings form the strategic resource (Ashkenas, et al. 2002). Some of the characteristics typical of traditional and modern organizations are given in **Table 1**:

Table 1 *Traditional and modern organizations with their respective characteristics*

Organization	Characteristics
Traditional organizations	<ul style="list-style-type: none"> <li>• Hierarchical structure</li> <li>• Stable environment</li> <li>• Importance of capital</li> <li>• Focus on functional specialization</li> </ul>
Modern organizations	<ul style="list-style-type: none"> <li>• Flat and flexible structure</li> <li>• Dynamic environment</li> <li>• Importance of knowledge</li> <li>• Focus on collaboration to achieve goals</li> </ul>

#### *Leadership in Organizations*

Leadership is a pervasive phenomenon in contemporary organizations. Both public and private organizations are seeking to demonstrate that they are taking effective measures to develop leadership pool with a set of competencies as a necessary means of achieving organization excellence (Peters & Austin, 1985). There is considerable evidence that investment in leadership training and development has significantly increased (Vicere & Fulmer 1998). The reason is a general tendency to consider leadership as a panacea for all ills in an organization (reference). Top managers in particular are expected to have all desirable qualities including clarity of vision, flexibility, innovation, commitment, initiative, and performance focus (Nurmi & Darling, 1997). But the common problem with leadership is that its nature is assumed and its value is asserted without putting it to critical examination in various contexts (Kouzes & Posner, 1999). One reason for obsession with leadership could be an expression of the ‘individualism cult’ (Senge, 1999).

Many definitions and theories could be found in literature as to what leadership is and what qualities leaders typically possess. According to Bernard (1926), leaders are born with innate qualities such as intelligence and courage which they use to influence and inspire others. The Ohio State University studies and Michigan studies focused on certain behaviors (e.g. task orientation, people orientation, autocratic, democratic) that make leaders. Fielder (1967) and Vroom (1973) shifted focus to the situation and followers’ characteristics as important variables for leaders’ influence. Others (e.g., Bryman, 1992; Burns, 1978) highlighted differences between leaders in terms of how they think (visionary leadership versus reactive leadership), behave (transformation leadership versus transaction leadership), and involve others (power centric versus people centric). Most of these studies assume a uniform and almost stable environment in which organizations operate. But the environment has undergone considerable change

and is still in flux which requires a new way of looking at the question of leadership (Bennis, 2007).

Leaders in the New Paradigm Organizations are responsible for *building* organizations where people are continually expanding their capabilities to be of value for themselves, the organizations, and the global community (Senge, 1990). However, before the leaders are able to perform their roles, they first need to change their worldview—their paradigms.

Influenced by the reductionist views, the study of the mind and human behavior during the 20<sup>th</sup> century was dominated by the assumptions that man is the sum of his thoughts, feelings, and beliefs (Morris & Keltner, 2000). The mind and whatever exists there is the source of controlling human behavior. The latest researches indicated that human beings have the capacity to train their mind to manage their mental and emotional response to stimuli at its source, rather than simply change their behavioral response (Melot & Angeard, 2003). This means that the very beliefs, preferences, assumptions, and habits that motivate an individual to respond to a situation in a particular way can be transformed before they direct human behavior (Suzuki, 2004). The new paradigm for the leader assumes that attaching to one's thoughts, feelings, and beliefs limits one's potential and man can control his mind. Thus, the new style that fits well in the New Paradigm Organization is the Conscious leader who creates adaptive organizations (Suzuki, 2004).

#### *Expectations from Leaders in Contemporary Organizations*

For the purpose of this study, a survey was conducted of teaching faculty at different universities in Peshawar (Pakistan) to know what they expect from leaders in the organizations they work in. Their perceptions of the new roles of leaders are based on unstructured interviews which can be categorized as follows:

- **Visionary:** Contemporary leaders, according to most respondents, should act upon the principle of creative tension. Creative tension comes from seeing clearly where we want to be—the vision—and telling the truth about where we are—the current reality. The gap between the two creates a natural tension. Different arguments were given in support of the leaders' ability to visualize a different future. Leaders have long recognized the principle of creative tension. Martin Luther King Jr. once said, "Just as Socrates felt that it was necessary to create a tension in the mind, so that individuals could rise from the bondage of myths and half truths....so must we....create the kind of tension in society that will help men rise from the dark depths of prejudice and racism (King Jr., 1986). Leading through creating tension is different than solving problems. In problem solving, the energy for change comes from attempting to get away from an aspect of current reality that is undesirable. With creative tension, the energy for change comes from the vision (Senge, 1990).
- **Designer:** Modern leader has to be an "organizational architecture"—to design the governing systems and processes which people use to follow in learning and doing various activities. Vision, according to the respondents, is not sufficient for real progress. Leaders have to think beyond putting the right

strategy in place. They need to foster strategic thinking and correct the mental models (Mintzberg, 1987). The leader has to anticipate potential problems and develop systems to handle them before they occur (Autry & Mitchell, 1998). Systems let people say, “we did it ourselves”.

- **Teacher:** The task of conscious leader as teacher is to help everyone in the organization, oneself included, to gain more insightful views of current reality. This is in line with a popular emerging view of leaders as coaches, guides, or facilitators (Kouzes, 1987). This role starts with bringing to the surface people’s mental models of important issues. These mental models of how the world works have a significant influence on how people perceive problems and opportunities, identify courses of action, and make choices.
- **Servant:** This is the subtlest role of the conscious leader. It is a matter of attitude. Greenleaf (1977) in his book, “The Servant Leadership” argues, “the servant leader is servant first.... It begins with the natural feeling that one wants to serve, to serve first. It is different from one who is leader first, perhaps because of the need to assuage an unusual power drive or to acquire material possessions”. Leaders’ sense of stewardship operates on two levels: stewardship for the people they lead and stewardship for the larger purpose or mission that underlies the enterprise (Spears, 1998). People can suffer economically, emotionally, and spiritually under inept leadership. Similarly, organizations cannot survive and succeed when they deviate from their mission (Miller, 1984).

The four roles, which a leader in modern organizations is expected to perform, vary with situation, nature of the task, and characteristics of the followers. The influence of these contingent variables on the relative importance of leaders may be summed up as follows:

**Table 1** Leadership role and the corresponding contingent factors

Leadership Role	Contingent Factors
Creative tension	<ul style="list-style-type: none"> <li>• Situation (environment) is complex</li> <li>• Task is mission critical</li> </ul>
Designing	<ul style="list-style-type: none"> <li>• Task is complex</li> <li>• Environment is stable</li> </ul>
Teaching	<ul style="list-style-type: none"> <li>• Environment is volatile</li> <li>• Task is complex</li> <li>• Followers are new</li> </ul>
Serving	<ul style="list-style-type: none"> <li>• Task is mission critical</li> <li>• Followers have personal problems</li> <li>• Environment is volatile</li> </ul>

The New Paradigm Organizations require leaders who create organizations characterized by horizontal structures, empowered employees, shared information, collaborative strategy, and adaptive culture that encourages openness, equality, continuous improvement, and change (Daft, 2001).

It is generally presumed that followers’ expectations are liable to change with age, one’s position in the organization, gender, and education. Based on the studying

the extant literature the researchers would like to test the following hypotheses empirically:

- H1:** Old employees will expect leaders to be visionary more than performing on other roles.
- H2:** The higher the education of followers, the greater their expectations from leaders to perform on visionary role more than on others.
- H3:** Employees' expectations from leaders are directly related to their position in the organization

#### *Research design*

The study was carried out in organizations from both public and private sector in Khyber Pakhtunkhwa (KP). Respondents were selected on the basis of stratified random sampling procedure. This method of sampling ensures proportionate representation to various segments in a heterogeneous population. Data was collected in two ways: First, interviews were conducted to identify roles that leaders in contemporary organizations are expected to perform. Four major leadership roles, which correspond to those given in other studies, were identified. They are: (a) visionary role (b) designer role (c) teacher role, and (d) servant role. A questionnaire was designed, pilot tested according to the four dimensions, and administered to 65 employees working in sampled organizations. A total of 46 questionnaires were returned (70% response rate). Data was analyzed through SPSS using Chi-Square Test ( $\chi^2$ ) for independence and Cramer's V for determining associations among various variables of interest.

Cramér's V is a measure of association between two nominal variables, giving a value between 0 and +1

## **RESULTS**

Results of the data collected on various characteristics of respondents and their expectations from leaders are as follows:

#### *Association between employees' age and role expectation:*

It was presumed that age would influence employees' expectation with respect to the role of leader. Old employees were expected to give more weight to the visionary role of leaders than other roles. Results of this study, however, show that age is very weakly associated with employees' expectations of what role a leader should focus on ( $\chi^2=7.68$ , sig. .26, Cramer's V=0.289) in addition to being statistically insignificant.

**Table 3.** *Effect of age on leader's expected role<sup>a</sup>*

Count		age group			Total
		0-20	21-40	41-60	
Leader role	<b>Visionary</b>	0%	23.3%	41.7%	26.1%
	<b>Designer</b>	0%	30.0%	25.0%	26.1%
	<b>Teacher</b>	50%	33.3%	25.0%	32.6%
	<b>Servant</b>	50%	13.3%	8.3%	15.2%
Total		100%	100%	100%	100%

<sup>a</sup>  $X^2=7.68$  ( $p > .05$ );  $V = 0.28$ .

*Education and leadership role:*

This study assumed a positive correlation between followers' education and their expectation about leaders' role in an organization. The higher one's education, the more he/she will expect a leader to be visionary. Employees with low level of education would expect leaders to guide them in their job assignments rather than worrying about organizational change in response to environmental pressure. The results of this study, however, showed an insignificant association between level of education and the leadership role ( $X^2=11.32$ , sig. 0.25, Cramer's  $V=0.286$ ).

Table 4. The effect of employees' education level on the perceived leadership role<sup>a</sup>

		Education				Total
		SSC	Intermediate	bachelor	master	
Leader role	<b>Visionary</b>	.0%	16.7%	38.1%	20.0%	26.1%
	<b>Designer</b>	.0%	25.0%	28.6%	30.0%	26.1%
	<b>Teacher</b>	33.3%	33.3%	28.6%	40.0%	32.6%
	<b>Servant</b>	66.7%	25.0%	4.8%	10.0%	15.2%
Total		100%	100.0%	100.0%	100.0%	100.0%

<sup>a</sup>  $X^2=11.32$ , sig. .25, Cramer's  $V=0.286$

*Employees' position in organization and leadership role*

Employees' views about leadership are said to be profoundly influenced by their position in organizations. An individual working on the strategic level happens to interact with external environment (political, social, economic, and technological) and makes sense of various threats and opportunities. He/she, therefore, tends to focus on strategies that align an organization with its environment, hence the need to be visionary. Similarly, an individual working down in the organization is likely to be concerned with day to day operations where he/she needs guidance. The results of this study validates the hypothesis that one's position determines

his/her expectations from leaders in terms of their role as visionary, designer, or teacher ( $X^2=40.09$ , sig. .00, Cramer's  $V=0.66$ ).

Table 5. The effect of one's position in the organization on one's view of leadership role<sup>a</sup>

		Position			Total
		operational	tactical	strategic	
Leader role	visionary	.0%	26.7%	72.7%	26.1%
	Designer	5.0%	53.3%	27.3%	26.1%
	Teacher	60.0%	20.0%	.0%	32.6%
	Servant	35.0%	.0%	.0%	15.2%
Total		100.0%	100.0%	100.0%	100.0%

<sup>a</sup> $X^2=40.09$ , sig. .00, Cramer's  $V=0.66$

### DISCUSSION AND CONCLUSION

Leadership is an exciting subject and a contested terrain. The term generally conveys images of dynamic and powerful individuals who direct corporations, command victorious armies, and shape the destiny of nations (Awamleh & Gardner, 1999). Much of the world history is a story of religious, military, and political leaders who are credited or blamed for important events. Most often, the centrality of socio-economic conditions is disregarded or discounted (Ford, 1981). The focus of much research has been on the factors that determine leadership effectiveness. Social scientists have tried to discover traits, behaviors, situational characteristics, and sources of power that determine how well leaders translate their visions into reality (Lord, DeVader, & Alliger, 1986).

The study in question was carried out to understand the dynamic phenomenon of leadership with respect to how employees of different gender, age, and organizational position perceive leaders in performing various roles. The study revealed that age and gender do not influence employees views regarding what role leaders should focus more than others. However, one's position in organization has a significant affect on how much attention a leader should devote to different roles.

Individuals in leadership positions face challenging and conflicting demands on their time and energies. There is a continued stream of problems, inquiries, requests, and reports from different people interacting with a leader (Yukl, 2002). What role a leader should perform is generally determined by aspects of the situation and dependencies involving various parties (subordinates, peers, superiors, and outsiders) in addition to the nature of the position, type of the organization, and the organization culture (Joseph & Winston, 2005). Moreover, the choices leaders make are constrained by various factors including policies, procedures, budget, and laws. Despite all these constraints, leaders have to make choices that enhance their effectiveness (Yukl, 2002) which can be measured in terms of his/her ability to expand choices, shaped impressions formed by others, and exploit the available opportunities. Most importantly, modern leaders have

to demonstrate ability to help interpret the meaning of events (visionary role), create/adapt organizations to the changing conditions (designer role), facilitate learning and cooperation (teacher role), and build trust by looking beyond personal interests (steward role).

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