

1. Introduction

Leadership is one of key factors that has the potential to largely affect an organization's performance. I discuss the impact of different leadership styles on organizational performance. The idea is motivated by Hasan et al. (2018) who show that some leadership styles can enhance the capability and ability of the workers and their organizational performance.

2. Literature review

As we know, the role of leadership in an organization is crucial in determining and establishing objectives, policies and designing strategies and methods for achieving the organizational goals effectively and efficiently. In addition, high-quality leadership is a key to achieving the company's objective and goals and the changes that appear in the external environment. On the other hand, at this moment, most of the companies are facing trouble related to large labor turnover, poor financial performance, unethical practices, etc. This sort of problem appears due to the lack of effectiveness in leadership.

Hasan et al. (2018) explore the relationship between leadership styles and organizational performance. He focused on the six major leadership styles: transactional leadership, transformational leadership, democratic leadership, autocratic leadership, bureaucratic leadership, and charismatic leadership. The author's primary purpose behind choosing these leadership styles is because these are the most common styles used by companies. The author adopts two approaches to prove the following research hypothesis: "leadership style dimensions significantly impact organizational performance." First he uses the quantitative approach, collecting data in a survey questionnaire. Second he summarizes the evidence from the literature to achieve the research objectives. He finds that transactional, bureaucratic, and charismatic leadership styles negatively affected organizational performance while the other three leadership styles (transformational, democratic, and autocratic) are positively correlated with organizational performance. The author provides profound insights into the impact of leadership styles on organizational performance and he shows that organizations use transformational and democratic leadership styles to improve their organizational performance in the future.

Transformation leadership style and organizational performance

In my opinion the concept of transformational leadership is not clear because the definitions of four components (Inspirational, Intellectual, Idealized, and Individualized) connected with transformational leadership overlap. According to Brayman (1993), transformational leadership appears to be more of a set of personality traits than a set of specific needs. However, when we look at the specifics and study the main components of the transformational leadership theory, it is easy to see how the arguments against transformational leadership are eroding. The qualification of transformational leaders, according to Bass and Avolio (2006) is for those with great personality qualities and the ability to influence others in exchange for their loyalty. It focuses on the processes between the leader and the followers.

Charismatic leadership style and organizational performance

The main drawback of this leadership style is that the followers are entirely reliant on the leader, and if the leader quits the organization, they are left without direction.

Democratic leadership style and organizational performance

From my view, the idea that everyone participating has an equal stake in decision-making and a shared degree of skill is a significant flaw in democratic leadership. However, on the other hand, the democratic leadership style can help to improve both organizational performance and efficiency. Moreover, it can lead to communication failures and uncompleted projects.

Transactional leadership style and organizational performance

As I see it, transactional leadership is only theoretically applicable and practical in specific organizational contexts. Stability is one of the characteristics that favor the formation of transactional leadership. Organizations tend to be tightly managed and structured in stable, predictable contexts. Such businesses favor the development of specific rules and regulations and the establishment of specific performance

evaluation methods and hierarchical distribution. Transactional leaders may develop and become effective in these situations by focusing on specific goals, procedures, and performance results.

Bureaucratic leadership style and organizational performance

When it comes to bureaucratic leadership, I believe it is more like talking about computer programming. A computer follows a protocol to perform anything we ask of it, as a bureaucratic boss consults the regulations or protocol to determine what must be done and how it should be done. Bureaucracy prohibits the type of power that is developed by accessing motivational biases among people. According to Ojukuku et al. (2012), bureaucratic leadership has a detrimental influence on organizational performance. According to them, bureaucratic leaders are less likely to motivate workers in their organization to work in the anticipated way, that would enhance the organizational performance.

Autocratic leadership and organization performance:

In my opinion, autocratic leadership is best suited in some instances of urgency because autocratic leaders make more snap judgments, which helps mitigate the effects of procrastination. Furthermore, because autocratic leaders do not solicit input from their followers, they make choices independently, resulting in speedier results (Harris et al., 2007).

3. Conclusion

In conclusion, my discussion shows that organizational performance is linked to leadership style and that leadership styles have both a positive and negative influence on performance. It is critical for a leadership style to provide people with opportunities, a sense of belonging, and the ability to participate in decision-making. However, the available research has some limitations, such as using only quantitative data. The research's usefulness has been severely decreased because of this. Future studies should identify the link between leadership style and organizational performance combining research methodologies and qualitative methods. To conclude, every leadership style has a positive and negative influence on organizational performance, but it depends on the situation and circumstances of the organization.

4. Resources:

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