

10 Leadership Theories to Master for Managerial Success in 2023

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Theories of leadership explain how and why specific individuals become leaders. They emphasize the character characteristics and actions that people might adopt to improve their [leadership skills](#). Top qualities cited by leaders as essential to effective leadership involve:

- Strong moral principles and ethics
- Excellent organizational abilities
- Competent learner

- Encourages employee development
- Encourages affiliation and connection

These qualities are thought to be the most crucial by leaders all across the world, according to research. And leadership theories aid in illuminating how [leaders](#) use and cultivate these qualities. Leadership theories have recently been more codified, which makes them simpler to comprehend, discuss, and evaluate in practice.

What is a Leadership Theory?

A leadership theory describes how and why certain individuals become leaders. The focus is on the characteristics and behaviors that people can adopt to enhance their leadership ability. According to leaders, strong ethics and high moral standards are [essential qualities of a good leader](#).

What Makes an Honest Leader?

A successful leader possesses personality, bravery, a transparent vision, and ambition. A strong leader creates organizational success by encouraging the team to perform at their highest level.

Essential Leadership Skills of Excellent Leaders

- Understand the way to offer support. Supportive leaders are accessible to their staff, transparent about their choices, team players, and adept communicators of plans and tactics.
- Have empathy and demonstrate it
- Keep the lines of communication open
- Being capable of taking decisions
- Effective planning
- Collaborate.

10 Key Leadership Theories

1. The Transactional Theory or Management Theory

Well during Industrial Revolution, this transactional theory was developed to boost company [productivity](#). It is a leadership approach that emphasizes the value of hierarchy for enhancing organizational effectiveness. These managers place high importance on structure and utilize their authority to enforce rules to inspire staff to perform at their best. In accordance with this philosophy, workers are rewarded for achieving their given objectives. The concept also presupposes that workers must comply with managerial directives.

Managers who practice transactional leadership keep an eye on their staff, making sure they are rewarded for reaching milestones and disciplined when they fall short. These executives, however, do not serve as a trigger for a company's expansion. Instead, they concentrate on upholding the organization's policies and standards to ensure that everything goes as planned.

Leaders Who Practice Transactional Leadership:

- Target immediate objectives.
- Favor standardized processes and regulations
- Recent changes
- Discourage original thought
- Emphasis on one's own interests
- Encourage performance

When there are challenges that are clearly stated and the main goal is to finish a work, transactional leadership works well.

2. Theory of Transformation

The relationship between leaders and staff can help the organization, according to the [transformational theory](#) of management. This leadership theory contends that effective leaders inspire workers to go above and beyond what they are capable of. Leaders develop a vision for their team members and motivate them to realize it.

Employee morale is raised and inspired by transformational leaders, which helps them perform better at work. These managers encourage staff members by their deeds rather than their words because they specialize in setting an example.

Leaders Who Practice Transformational Leadership:

- Self-manage
- Set an example
- Give interaction a high priority
- Be proactive in your work
- Promote the development of employees
- Receptive to fresh concepts
- Take chances and make difficult choices

Transformational leaders, as opposed to transactional leaders, prioritize failed processes and gather personnel who get along well to accomplish shared corporate objectives. Additionally, effective executives prioritize the requirements of the organization and its employees over their own.

3. The Theory of Contingencies

According to the contingency hypothesis, there is no one right way to run an organization. Determining the optimal strategy for leading an organization to achieve depends on both internal and external considerations. The right candidate should fit the correct scenario, according to the contingency theory.

The following elements influence the leadership style, based on contingency theory:

- Management approach
- Work speed
- Organizational policies and culture
- Employee spirit
- Employees' level of maturity
- Relationship between coworkers or members of a team
- Organizational objectives

- Environment and routine at work

The management strategy that will help the organization achieve its objectives in a particular situation is decided by the leader.

According to this view, situations determine whether or not leaders are effective. No matter how successful a leader is, the idea explains, difficult situations will always arise. It emphasizes that the leaders are aware that the conditions in combination with their abilities have a role in their achievement.

4. The Theory of Situations

Similar to the contingency theory, this idea emphasizes the significance of context and holds that a leader should adjust to the shifting context to achieve objectives and make judgments. The level of competence and dedication of the team members can influence how these leaders choose to lead.

Situational leadership, as per situational theory:

- Develop a connection with the workforce
- Encourage employees
- Recognize when alternative leadership philosophies are required in a given situation
- Develop teams and organizational units

The idea also distinguishes four main leadership styles:

1. Telling: Managers instruct staff members on what needs to be done and how to go about it.
2. Selling: Team members are persuaded to adopt a leader's concepts or ideas.
3. Participating: Effective leaders encourage their team members to take an active part in problem-solving and decision-making processes.
4. Delegating: Limiting their involvement, leaders hand off the majority of the work to the team. Such leaders defer to the group for decision-making but they are always ready for advice.

The theory lists a few essential traits of a situational leader, such as problem-solving abilities, trust, adaptability, insight, and coaching.

5. The Great Man Theory

One of the first theories on leadership makes the assumption that these qualities are inherent, which indicates that leaders are born, not created, and cannot be learned. This hypothesis asserts that a leader has certain innate human characteristics, such as:

- Glamour
- Decisive
- Wisdom
- Daring
- Assertiveness
- Appeal

This viewpoint emphasizes the fact that individuals cannot be taught to be effective leaders. It's a quality that either you have or you don't. These abilities come naturally, thus you cannot learn them or receive training in them.

In addition, the idea holds that these leadership qualities are constant over time and apply to all organizations, regardless of the setting in which these leaders are employed. The idea that exceptional leaders emerge when they are required is another tenet of this leadership ideology.

6. The Trait Theory

The great man theory is expanded upon by the trait theory of leadership, which is predicated on the idea that effective leaders have particular personality qualities and features of behavior. They can become effective leaders in a number of circumstances thanks to these qualities. It also promotes the idea that certain people are more naturally gifted as leaders than others. Effective people have hobbies and personality traits that are very different from those of non-leaders.

The main characteristics of a successful leader are:

- Emotional equilibrium
- Acknowledging one's duty
- Competence
- Recognising obstacles
- Thinking with action

- Motivational abilities
- Talents in communication
- Tenacity and flexibility
- Making decisions with assurance

You can learn more about your limitations and strengths with the help of this leadership idea. Then, you can try to strengthen your areas of weakness. The ideal person for a leadership position is chosen by many organizations using the trait approach.

7. Behaviorist Theory

According to this view, a person's leadership abilities are a product of their environment. Different learning talents contribute to effective management. The behavioral idea holds that leaders are formed and trained, not born, in contrast to the model of leadership. In other words, a leader's performance is not influenced by their inherent traits because leadership qualities are driven by behavior. Anyone is capable of becoming a leader with the right training and instruction.

According to the theory, in order to boost the output and morale of their team, managers should be mindful of their own behavior. This theory classifies managers into the following categories depending on the leadership styles it acknowledges:

- Task-focused managers
- Leaders who put people first
- Apathetic leaders
- Effective leaders
- Dictatorial authorities
- Current authorities
- Reliable leaders
- Shrewd businesspeople
- Daddy-like bosses
- Heads of Country Clubs

It is simple to assess the style of leadership of construction professionals, team leaders, or indeed any skilled leader using the behavioral theory.

8. Behavioral Theory

Behavioral leadership theory focuses on the actions of leaders and holds that other leaders are able to imitate similar actions. Because it is sometimes known, the design theory contends that successful leaders could also be developed through teachable conduct rather than being born with it. The behaviors of a pacesetter are extensively emphasized in behavioral theories of leadership; this theory contends that observing a leader's behavior is the best indicator of how successful their leadership will be. The behavioral learning hypothesis emphasizes behavior instead of traits. Consistent with this idea, observable patterns of conduct are classified as "styles of leadership." Task-oriented leaders, club leaders, people-oriented leaders, dictatorial leaders, status-quo leaders, and more are some samples of leadership styles.

9. Functional Theory

The functional theory of leadership emphasizes how employment or organization is being led rather than who has been formally designated as the leader. Within the functional leadership approach, the power to get things done is supported by a collection of people's behaviors rather than one individual.

10. Integrated Psychological Theory

Integrative leadership may be a new style of leadership that encourages cooperation across a variety of barriers in order to advance the common good. It combines leadership theories and techniques that have their roots in five important societal spheres: industry, government, nonprofits, the media, and the community.

Types Of Leadership Theories and Leadership Models

There are several different types of leadership theories that have been developed over the years to explain and understand leadership styles and behaviors. Here are some of the prominent leadership theories:

1. Situational Theories

Situational theories suggest that effective leadership is contingent upon the specific situation or context. These theories argue that different leadership styles should be adopted based on the characteristics of the followers and the demands of the situation.

2. Contingency Theories

The next type of leadership theory is contingency theories that expand on situational theories by proposing that various factors, such as the leader's traits, behaviors, and the situation, interact to determine effective leadership. These theories highlight the importance of adapting leadership styles to match the specific circumstances.

3. Transformational Leadership

Transformational leadership theory emphasizes the leader's ability to inspire and motivate their followers to exceed their own self-interests for the greater good of the organization. Transformational leaders inspire their teams through vision, charisma, intellectual stimulation, and individualized consideration.

4. Transactional Leadership

Transactional leadership theory focuses on the exchange relationship between the leader and their followers. Transactional leaders motivate their team members through rewards, recognition, and a system of rewards and punishments based on performance.

5. Authentic Leadership

The next type of leadership theory is authentic leadership theory that emphasizes the importance of leaders being genuine, self-aware, and true to their values and beliefs. Authentic leaders build trust and inspire followers through their transparency and ethical behavior.

6. Servant Leadership

Servant leadership theory proposes that leaders should prioritize the needs of their followers above their own self-interest. They focus on serving and supporting their team members, fostering a sense of community, and promoting personal growth and development.

Why Are Leadership Theories Important?

Theories of leadership describe how and why particular people develop to be leaders. They lay emphasis on the actions and character characteristics that folks might adopt

for improving their leadership skills. Top qualities that leaders cite as essential to effective leadership include: Strong moral principles and ethics

It is not necessary to overemphasize the importance of leadership. Any organization's success may be a result of its leadership. Due to its leadership, even the state has achieved independence, expansion, prosperity, and power. Effective leadership is another thing about the success and expansion of a business or industrial organization.

What Are Leadership Styles?

Following are the five sorts of leadership according to the Personnel Research Board at Ohio University.

1. The Bureaucrat
2. The Autocrat
3. The Diplomat
4. The Expert
5. The Quarterback

Applying Leadership Theories at Workplace

10 methods to point out leadership at the office include:

- Become a thought leader
- Join a corporation for professionals
- Consider the large picture
- Think proactively and with positivity
- Listen to others and pick up tips from them
- Connect with a goal in mind
- Look for a mentor

- Accept diversity

Bottom Line

As you can see, leadership theories are based on different ways of thinking. Some focus on traits and qualities, while some touch upon the importance of situational aspects that influence how leaders behave. Like many other behavioral concepts, leadership is highly multi-dimensional, and there are numerous factors that go into filling the shoes of a leader. Because the human side of the business is one of the most — if not the most — important elements that determine the success and failure of an organization, leadership will always remain the most prized skill in the business world.

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