

Corporate Leadership: A Review of Literature of Contemporary Leadership Theories

Prof. Dr. Satya Subrahmanyam

Head and Managing Partner Vignan Institute of Technology and Management

Berhampur, Odisha, India

satya69sb@yahoo.com

Abstract

This research article was motivated by the premise that no corporate grow further without effective corporate leaders. The purpose of this theoretical debate is to examine the wider context of corporate leadership theories and its effectiveness towards improving corporate leadership in the corporate world. Evolution of corporate leadership theories is a comprehensive study of leadership trends over the years and in various contexts and theoretical foundations. This research article presents the history of dominant corporate leadership theories and research, beginning with Great Man thesis and Trait theory to Decision process theory to various leadership characteristics. This article also offers a convenient way to utilize theoretical knowledge to the practical corporate situation.

Keywords: Traits Theory, Behavioural Theory, Contingency Theory, Path-Goal Theory, Decision Process Theory

Introduction

The research scholars argue that because today's corporate environment is markedly different, new theories are needed to understand the nature of leading in highly complex and dynamic corporate environment where so many of the conventional elements of leadership are substantially reframed. The content that the implicit assumptions underlying conventional leadership theories need to be challenged and the new theories and definition of corporate leadership are needed (Hazy, Goldstein & Lichtenstein, 2007).

Clawson (1999) noted that in this environment, the industrial age leadership notions of command and control, or



planning, organizing, motivating and controlling, are becoming absurdly out of date. A prominent business leader writes that we are in an accelerating, global epidemic of institutional failure, not just failure in the sense of collapse, but the more common and pernicious form – corporate increasingly unable to achieve the purpose for which they were created, yet continuing to expand as they devour scarce resources, demean the human spirit and destroy the environment (Hock, 1999).

Review of Literature

Additions to the study of leadership from the 1980s to the present fall under the label of a new leadership approach (Bryman, 1996). In a review of the leadership theory, a new paradigm shift led to a group of leadership theories called neo-charismatic leadership theories (House & Aditya, 1997). Cater (2006) believes that theories on new

leadership search for explanations in the way leaders accomplish results that are exceptional in their businesses. They also seek to find ways of motivating employees to attain elevated levels of value, trust and performance, while influencing these followers to share their leader's dream for the continued success of the business. The focus of the current study is on neo-charismatic leadership theories and uses the model of the exemplary leader by Kouzes and Posner (2002) to form the basis of the measurement of leadership practices of founders and successors of family businesses.

Included in this category are the Theory of Transactional leadership explained by the Leader-Member Exchange (LMX) (Liden, Erdogan, Wayne & Sparrowe, 2006); Transformational Leadership (Burns, 1978; Bass, 1985); Servant Leadership (Greenleaf, 1977); Collins Level 5 Leader; the concept

of Exemplary Leadership (Kouzes & Posner, 2002) and Quinn's Fundamental State of Leadership (2005). A review of these leadership theories identified the main aim of trying to explain how leaders can motivate employees, achieve outstanding results and influence followers to share their leader's vision for the business (House & Aditya, 1997).

Transactional Leadership

Leadership can be viewed through the transactional lens as the exchange of items of value whether economic, political or psychological in nature. In a work context, this style could be explained by the follower agreeing to perform work in exchange for money from the leader. There is nothing beyond the benefits derived from the exchange that binds the parties together, as long as the follower performed his duties satisfactorily, the leader would not intervene

(Burns, 1978; Bass, 1990). According to Bass (1990), transactional leadership is in many cases a prescription for mediocrity.

Leader-Member Exchange (LMX) is a popular transactional leadership theory (Dansereau, Graen & Haga, 1975). The central view highlights the value of the high-quality relationship between leaders and followers in organizations (Maslyn & Uhl-Bien, 2001). This focus on relationships is the distinguishing feature of LMX research (Liden et al., 2006; House & Aditya, 1997). LMX researchers have also looked at the characteristics of leaders and followers, their interaction and contextual considerations (Wang, Law, Hackett, Wang & Chen, 2005). The LMX literature shows that effective leadership between managers and subordinates can have many positive outcomes for organizational performance (Bryman, et al., 2011). The leader gives more time and attention to the followers in

this group, as well as trusting them more and giving them privileges (Dansereau et al., 1975).

Furthermore, Uhl-Bien and Maslyn (2003) state that LMX theory describes a process of rule-making, as opposed to role-taking. In role making the dyad partners generate relationships built on trust, respect and obligation to work beyond the standard requirements of the job, while role taking is the fulfilment of job contract, but does not involve any extra effort. There is an active process of negotiation between managers and subordinates in role making, which goes beyond what is contained in the job description; there is no process of negotiation in role taking and specified grounds along which employees proceed formally (Lau & Liden, 2008).

Transactional Leadership Theory

Bass (1990) defined transactional leadership as a trading of benefits. The leader provides a benefit by directing the group toward desirable results. In return, the followers provide the leader with status and the privileges of authority, influence and prestige. The leader can demand from the followers what the employees regard as an excessive expenditure of their energy. The workers' compliance might decrease if the desired outcomes do not match the perceived effort required.

Bass purported transactional leadership behaviour covered the two dimensions of a) contingent reward and b) management by exception. Contingent reward leadership is an active and positive exchange between leaders and followers in which followers receive rewards for accomplishing agreed-upon objectives. Leaders can transact actively or passively with followers by focusing on mistakes, delaying decisions or



avoiding situations until a problem arises. Bass (1990) referred to such behavioural exchanges as management by exception.

If leaders are not strict and fair in issuing rewards and punishments, a negative impact on team effectiveness results. Because transactional leadership is a social exchange behaviour, the leader always evaluates the performance and response of subordinates before making an appropriate distribution of rewards (Bass, 1990; Burns, 2004). If subordinates foresee positive feedback resulting from their future efforts, they might contribute much more of their ability to achieve an organizational goal.

If leaders do not issue contingent rewards fairly, they negatively affect employee morale and reduce job motivation and performance. Workers no longer have the desire to achieve the team goal. According to previous research, a contingent reward

has a positive impact on team effectiveness, but management by exception has no significant influence on team effectiveness (Bass, 1990).

Management by exception requires leaders to manipulate the mechanism of punishment correctly toward any subordinate who does not achieve the organizational mission or exhibits aberrant behaviour. Because of the weaknesses of human beings, subordinates do not like criticism or blame. Management by exception promotes a stronger negative feeling to team members (Bass, 1990).

(Transactional leadership theory is based on the premise that a transaction takes place between the leader and followers that benefits both parties. While describing transactional leadership, Burns (1978), theorized that leaders derive their power by identifying and satisfying the motives and needs of their followers. The motives and



needs of the leader must also be identified and fulfilled in order for a transactional relationship to develop. This exchange of needs fulfilment was described by Hollander (1978) as the social exchange in which the leader and followers give and receive benefits. Hollander clarified this definition of exchange as leaders giving followers a sense of direction, values and recognition and followers providing leaders with esteem and responsiveness in return. The definition of transactional leadership as the coaxial exchange was also supported by (Bass 1990; Bass, Avolio and Goodheim, 1987 and Simon, 1978).

Downton, Jr. (1973) described several underlying assumptions which are pertinent to the transactional theory of leadership. First, individuals engage in actions to obtain personal goals. Second, individuals pursue goals with the least amount of input possible for the greatest returns. Third, behaviours

that were successful in obtaining goals continue, while unrewarded behaviour was usually terminated. Finally, social exchanges create debts that have to be repaid at some time and so reciprocity between individuals becomes an important aspect of their relationship.

Burns felt that the majority of leaders and followers develop this kind of transactional association, but the leadership of this nature does not provide motivation, inspiration and intellectual stimulation for the leader or the followers (Burns, 1978). Bass (1985b) suggested that transactional leadership would ultimately fail because these leaders lacked the reputation of delivering appropriate rewards and were therefore reviewed as ineffective. Thus, a transactional leader is one who is involved in an exchange process of rewards for work with followers (Burns, 1978.)



Transformational Leadership Theory

The roots of transformational leadership are found in the work of James McGregor Burns (1978) who is generally considered the founder of modern leadership theory (Bass, 1990). According to Burns (1978), leaders are able to persuade followers through their teaching role of leadership. Additionally, he believes that the brilliance of leadership lies in the way leaders view and act upon their own values and motivations, as well as those of their followers. He confirms that there is a moral aspect of leadership and believes transformational leadership is grounded in conscious choice among real alternatives.

The followers must have the opportunity to experience and understand the different options or actions the leader may be prescribed. Burns further contends that the leadership role is most powerful if leaders help to develop their followers into leaders.

In other words, the transformational leader is constantly supporting the evolution of leaders within the organization and in doing so; these transforming leaders affect real change (Burns, 1978).

Bass and Avolio (1990) describe four characteristics of transformational leadership – inspirational motivation, intellectual stimulation, individualized consideration and idealized influence. The Four I's, as they called, are fundamental to the transformational leadership. The first characteristic of transformational leadership, inspirational motivation, was once considered to be synonymous with the charisma a top-level leader would exhibit. It is now recognized as being much more than charisma and is seen at all levels of organizations (Avolio et al, 1991). This leader is proactive in seeking to minimize errors, but when mistakes occur, the situation becomes a learning experience



instead of an opportunity to punish or criticize (Bass, 1990).

Intellectual stimulation, the second characteristic, focuses on creativity and innovation. The leader encourages others to take a new look at old problems and barriers. The followers learn to analyze situations and problems so that they can create their strategies to solve issues. Ultimately, the followers become problem solvers without the leader's assistance. The leader is also open to and intellectually stimulated by the thoughts and ideas of the followers. Through intellectual stimulation, followers are able to conceptualize, comprehend and creatively generate solutions that lead to higher productivity and satisfaction (Bass, 1990; Avolio et al., 1991).

Individualized consideration, the third characteristic, involves the leader

diagnosing and evaluating the individual needs of the followers as opposed to treating all followers as having the same needs. Leaders who exhibit this characteristic provide feedback while coaching and advising followers, giving them the ability to take on more responsibilities. These responsibilities do not stop at job duties, but they also include the personal responsibility for their own learning and development. These leaders are known for removing roadblocks within the system so the employees can reach full potential (Bass, 1990; Avolio et al., 1991).

Idealized influence is the fourth characteristic of transformational leadership as defined by Bass and Avolio (1990) and focuses on the vision and sense of mission the leader conveys to others. Transformational leaders show respect for others while building confidence and trust among those who report to them. It is

within this characteristic that leaders create leaders by showing others that they can accomplish their goals. Avolio et al. (1991) contend that idealized influence is a combination of the other three characteristics with the addition of a strong emotional connection to the identification with the leader.

This leadership approach has received the most scholarly attention (Avolio, 2005). Originated by Burns (1978) this concept refers to when the leaders reach beyond the transactional elements of initiation, meaning that when the leader broadens the interest of his followers then only does superior leadership performance occur (Seltzer & Bass, 1990; Bryman et al., 2011)

However, Boehnke, Bontis and DiStefano (2005) are of the opinion that transformational leadership is more than just inducing desired performance. Followers

are motivated to perform at the highest levels, transcending self-interest (Shoemaker, 1999). The leader reaches beyond transactional elements of consideration and of initiation of the structure when applying transformational leadership (Judge & Bono, 2000; Bryman et al., 2011).

Bass's (1985) model claimed that problems are handled by leaders in a transactional manner, but leadership does not stop at this level. There are six main principles that underline transformational leadership.

Transformational Leadership Theory

- Identifying and articulating a vision – behaviour on the part of the leader aimed at identifying new opportunities for his unit and developing and inspiring others with his vision of the future.



- Providing an appropriate model – behaviour on the part of the leader that sets an example for employees to follow that is consistent with the values the leader advocates.
- Fostering the acceptance of group goals – behaviour on the part of the leader aimed at promoting cooperation among employees and getting them to work towards a common goal.
- High-performance expectations – behaviour that demonstrates the leader's expectation of excellence, quality and high performance from the followers.
- Providing individualized support – behaviour on the part of the leader that indicates that he respects followers and is concerned about their personal feelings and needs.

- Intellectual Simulation – behaviour on the part of the leader that challenges followers to re-examine some of their assumptions about their work and rethink how it can be performed.

These underlying concepts are also identified and repeated in other leadership theories such as Collins' (2005) level 5 leader and Kouzes and Posner's (2002) exemplary leader and has a positive relationship with business performance.

Exemplary Leadership Theory

Inspiration has also been used by exemplary leaders to motivate followers through the practice of setting of a positive example in the workplace. In this way, effective leaders seek the best in themselves and in others. Kouzes and Posner (2002) researched patterns of leaders' behaviours and identified the following five practices of exemplary



leadership theory – a) model the way, b) inspire a shared vision, c) challenge the process, d) enable others to act and e) encourage the heart. Interactions of the five exemplary leadership practices also reinforced creativity. Instead of reacting, leaders opened up to the possibilities of innovation by actively searching for new ideas from colleagues, employees and other outside the workplace.

Model the Way

Leaders exemplify how they live out their values and earn credibility from others through demonstration. By modelling behaviours, exemplary leaders set expectations about the way they want others to perform. Such leaders are respected, trusted and valued.

Inspire a Shared Vision

Exemplary leaders not only envision future possibilities but also articulate their vision in a meaningful way. Vision provides long-term goals which are fundamental to the future of the organization. People will only commit to a vision in which they believe and have confidence.

Challenge the Process

Exemplary leaders accept challenges as an opportunity for growth and progress. Rather than staying with the status quo, leaders actively discover innovative ideas. This creates a climate for experimentation, since both success and failure are valued resources for learning.

Enable Others to Act

Enabling and empowering have similar meanings both of which involve establishing trust and building up someone's capacity. By using the word "we" and promoting



collaboration, exemplary leaders strengthen the skills and talents of others. It is important to note that helping others to lead themselves is a critical part of enabling others.

Encourage the Heart

Exemplary leaders encourage people by recognizing contributions, uplifting spirits and celebrating accomplishments. They show sincere appreciation for individual efforts. Such positive actions reinforce in others a striving for success.

The Theory of Servant Leadership

The theory of servant leadership is a new and underdeveloped area of leadership study (Greenleaf (1977)). It is founded on the proposal of the servant leaders who initially serves others and the growth of the followers is a measure of the results. Contrary to transformational leaders, servant

leaders do not seem authority, recognition or self-interests. Servant leadership seeks to persuade the employees and the community positively, rather than pursuing a profit that is short-term.

According to Greenleaf (1977), the terms – servant and leader – initially appear to be contradictory and lead to the question of how it is possible that the two can merge; Greenleaf promotes the view that the servant leader is a servant first. It begins with the natural feeling that one wants to serve, to serve first.

According to Bryman et al., (2011), empirical research is still developing and the appeal of the servant leadership concept is emerging because of the stress it places on principles, integrity and moral responsibilities.

Collin's Level 5 Leader

A study was conducted by Collins close to the end of the 1990s, where he developed a new leadership model to determine the elements of how a good company could become a great company, if possible.

A specific leadership style emerged as a common denominator in the eleven companies that met the criteria and this same style was absent in the eleven comparing companies that was used as a control group. This leadership style was named level 5 leadership (Collins, 2005) and provided an additional model for neo-charismatic leaders to use. Interesting to note is that the characteristics exhibited by the level 5 leaders enabled them to a). Motivate followers, b). Achieve outstanding goals and c). Install a vision to attain long-term results, which are all aligned with the neo-charismatic theories.

- Level 5 (Executive): Builds enduring greatness through a paradoxical combination of personal humility plus professional will.
- Level 4 (Effective Leader): Catalyses commitment to and vigorous pursuit of a clear compelling vision, which stimulates the group to high-performance standards.
- Level 3 (Competent Manager): Organizes people and resources towards the effective and efficient pursuit of predetermined objectives.
- Level 2 (Contributing Team Member): Contributes to the achievement of group objectives, works effectively with others in a group setting.
- Level 1 (Highly Capable Individual): Makes productive contributions



through talent, knowledge, skills and good work habits.

Collins (2005) further concludes that leaders often arise as a result of a life-changing experience and is of the opinion that Level 5 leaders have ambitions for their companies and therefore select outstanding successors. Collins notes that good to great companies did not rely on an outsider leader to assist in the transformation because using an outside change agent was negatively correlated with the good to great transformation.

Even though there are researchers that believe there are flaws in Collins methodology in choosing the – good to great companies, there are groups of researchers that acknowledge that his ideas have had a great impact on managerial thinking (Resnick & Smunt, 2008).

Kouzes and Posner's Theory of Exemplary Leadership

The basis of this theory by Kouzes and Posner (2002) found that the study of leadership and practices leaders use in organizations originates with the relationship between aspiring leaders and followers to accomplish extraordinary goals. Without understanding these relational connections between leaders and followers, strategic tactics, skills and practices are meaningless. As a result, their research began 25 years ago and focused on finding out what essential qualities the followers most look for and admire in a person they would be willing to follow. The results reveal that there four qualities which include emotional satisfaction, shared visions of the future, a focus on trust and collaborative relations (Kouzes & Posner, 2002).

They realized over time that these fundamentals remained constant even if the context of leadership situations changed (Kouzes & Posner, 2002). While observing



leaders who performed successfully and studying those specific situations, Kouzes and Posner (2002) developed a theory of exemplary leadership, which is a model developed from their research findings. They believe that average leaders can be developed into extraordinary leaders through practices that can be learned. Their work led to the development of the leadership practices inventory (LPI).

This LPI assessment gives feedback to leaders on their performance with respect to five practices of exemplary leadership defined by Kouzes and Posner (2002). The identified five practices common to these achievements are the following. The first was leading by example and model the way – which referred to standing up for beliefs. In the second practice, leaders inspire a shared vision, a positive outcome for the organization and sharing that vision with others. Third, leaders embraced change and

risk-taking by challenging the process. Exemplary leaders enable others to act by fostering collaborative efforts and sharing power. Finally, exemplary leaders celebrate victories and recognize the follower contribution by encouraging the heart. An organizational climate that empowers followers to transform problems into successes is created when leaders follow these five actions (Kouzes & Posner, 2002). Kouzes and Posner (2002) further emphasize that people wanting to develop exemplary leadership skills can do so if they are willing to learn about themselves. Self-confidence can be developed by building on strengths and overcoming weaknesses.

Quinn's Theory of Fundamental State of Leadership

Quinn (2005) noted that leadership studies and training programs are often based on the assumption that the best way to achieve



leadership excellence is to emulate the qualities and behaviours of other successful leaders. Quinn, however, observed that during times of crisis or significant life challenges, leaders often perform at an extremely high level by drawing on their own fundamental values, capabilities and instincts. While operating during such times of stress, decisions are made without regard to the expectations of others. Quinn defined this frame of mind as the – fundamental state of leadership.

In developing this theory, Quinn (2005) studied personal accounts of leaders who had successfully worked through a time of personal crisis or had been at the helm of a successful organizational transformation. From these stories, he gained insight into the question of what separates exceptional leadership performance from adequate competence. Quinn (2005) found that individuals usually work in their normal

state, which is based on a person's own comfort zone. In the normal state, a leader is described as a comfort centred, externally directed, self-focused and internally closed. Conversely, leaders operate in the fundamental state when faced with a challenge. In this state, they respond from the opposing perspectives of being results centred, internally directed, other focused and externally open (Quinn, 2005).

Quinn's leadership theory is based on the idea that leaders can develop the skills necessary to transition to the fundamental state of leadership at will, rather than only during times of stress. Although operating in the fundamental state is temporary, Quinn believes that with each experience, one gain renewed energy and vision, learns to act with courage derived from his core values and is open to new learning. The individual will be able to inspire and motivate others to high performance as well (Quinn, 2005).



Conclusion

There is no comprehensive of the theory and meaning of the term leadership, so it is difficult to determine what a corporate leader should react and how the leader should behave in a particular situation. The existence of different types of corporate leadership theories indicates the efforts of previous researchers in the studies of corporate leadership. These theories play an important role for the further literature study of the corporate leadership (Morgeson, DeRue & Karam, 2010). Every corporate leader is different in his or her attitudes, behaviours and leadership styles. Hence, there is no single theory works for all corporate leaders. Corporate leaders need to develop their own leadership approach by learning more about the previous mentioned corporate leadership theories.

This research article on the literature review of corporate leadership theories provides a sound foundation for acquiring a greater knowledge of corporate leadership and its origination. The accrued knowledge on the topic of corporate leadership is beneficial to utilize because it provides information that can help in production and enable stronger relationships and leadership abilities. It is recommended that the research laid in this article be utilized and built upon in the future for more detailed analysis of corporate leadership theories and for an increased understanding of the complex phenomena of corporate leadership as more knowledge is accrued over the years.

References

- [1]. Avolio, B.J. & Bass, B.M., 1991. *The Full-range of Leadership Development*. Binghamton: Center for Leadership Studies.



- [2]. Bass, B.M., 1985. *Leadership and Performance beyond Expectations*. New York, Free Press.
- [3]. Bass, B.M., 1985b. Leadership: Good, better, best. *Organizational Dynamics*, 13(2) 26-40.
- [4]. Bass, B.M., 1990. *Bass & Stogdill's Handbook of Leadership: Theory, research, and managerial applications* (3rd ed.), New York, The Free Press.
- [5]. Bass, B. M., Avolio, B. J., & Goodheim, L., 1987. Biography and the assessment of transformational leadership at the world class level. *Journal of Management*, 13, 7–19.
- [6]. Bass, B.M. & Avolio, B.J., 1990. Developing transformational leadership: 1992 and beyond. *Journal of European Industrial Training*, 14(5) 21-27.
- [7]. Boehnke, K., Bontis, N., & DiStefano, A. C., 2003. Transformational leadership: an examination of cross-national differences and similarities. *Leadership Organisational Development*, 24(1), 5–15.
- [8]. Bryman, A., 1996. The importance of context: Qualitative research and the study of leadership. *Leadership Quarterly*, 7(3), 353–370.
- [9]. Bryman, A., 2011. Mission accomplished?: Research methods in the first five years of Leadership. *Leadership*, 7(1) 73–83.
- [10]. Burns, J.M., 1978. *Leadership*. New York, Harper & Row Publishers
- [11]. Burns, J. M., 2004. *Transforming Leadership*. New York, Grove Press.
- [12]. Cater, J.J. 2006. *Stepping out of the shadow: the leadership qualities of successors in family business*. Unpublished doctoral thesis, Louisiana State University and mechanical College, Louisiana. Retrieved from Proquest.com.
- [13]. Clawson, J. G., 2006. *Level Three Leadership: Getting below the surface* (3rd ed.), New York, NY: Pearson.
- [14]. Collins, J. 2005. Level 5 leadership: the triumph of humility and fierce resolve. *Harvard Business Review*, 4, 136-146.



- [15]. Dansereau, F., Graen, G. & Haga, W.J., 1975. A vertical dyad linkage approach to leadership within formal organisations: a longitudinal investigation of the role making process. *Organisational Behaviour and Human Performance*, 13(1), 46-78.
- [16]. Downton, J.V., Jr., 1973. *Rebel Leadership: Commitment and charisma in the revolutionary process*. New York: The Free Press.
- [17]. Greenleaf, R. K., 1977. *Servant Leadership: A journey into the nature of legitimate power and greatness*. New York, NY: Paulist Press.
- [18]. Hollander, E.P., 1978. *Leadership Dynamics: A practical guide to the effective relationship*. New York: Free Press.
- [19]. House, R.J. & Aditya, R.N., 1997. The social scientific study of leadership: Quo vadis? *Journal of Management*, 23(3), 409-473.
- [20]. Kouzes, J., & Posner, B., 2002. The Leadership Practices Inventory: Theory and evidence behind the five practices of exemplary leaders. Retrieved from <http://www.leadershipchallenge.com>.
- [21]. Lau, D. C. & Liden, R.C., 2008. Antecedents of co-worker trust: leaders' blessings. *Journal of Applied Psychology*, 93(5), 1130-1138.
- [22]. Liden, R.C., Erdogan, B., Wayne, S.J. & Sparrowe, R.T., 2006. Leader-member exchange, differentiation, and task interdependence: implications for individual and group performance. *Journal of Organisational Behaviour*, 27(6):723-746.
- [23]. Maslyn, J.M. & Uhl-Bien, M., 2001. Leader-member exchange and its dimensions: Effects of self-effort and other's effort on relationship quality. *Journal of Applied Psychology*, 86(4), 697-708.
- [24]. Quinn, R.E., 2005. Moments of Greatness: entering the fundamental state of leadership. *Harvard Business Review*, 83(7/8), 75-83.
- [25]. Resnick, B. & Smunt, T., 2008. From good to great...*The Academy of Management Perspectives*, 22(4), 6-12.



[26]. Seltzer, J., & Bass, B. M., 1990. Transformational leadership: Beyond initiation and consideration. *Journal of Management*, 16(4), 693-703.

[27]. Shoemaker, M.E., 1999. Leadership practices in sales managers associated with the self-efficacy, role clarity, and job satisfaction of individual industrial salespeople. *Journal of Personal Selling & Sales Management*, XIX(4), 1-19.

[28]. Simon, H.A., 1978. Rationality as process and as product of thought. *The American Economic Review*, 68(2) 1-16.

[29]. Wang, H., Law, K.S., Hackett, R.D., Wang, D. & Chen, Z.X., 2005. Leader-member exchange as a mediator of the relationship between transformational leadership and followers' performance and organisational citizenship behaviour. *Academy of Management Journal*, 48(3), 420-432.