

# On the Recursive Relationship between Leadership and Authority

Reed E. Nelson

Graduate School of Management, Nove de Julho University, UNINOVE  
[renelson@siu.edu](mailto:renelson@siu.edu)

## Abstract

Current theories of leadership offer rather limited descriptions of the context within leadership is practiced. They also deemphasize the recursive connections which tie the behavior of the leader to the setting. This paper seeks to expand the study of leadership contexts and contingencies by revisiting some of Weber's classic ideas on authority as they relate to leadership. Specifically, I argue that there is a deep and reciprocal relationship between the type of authority exercised in a given setting and both the administrative mechanisms the exercise of leadership.

Under conditions of rational legal authority leaders do well when they are detached, equitable, procedural and systematic. When traditional authority is dominant, the context will favor intuition, consensus building, understatement, ritual, socialization versus rules, incrementalism and tacit knowledge. Charismatic leaders, in their turn, create settings in which subordinates compete with one another, responsibilities shift suddenly, virtuosity trumps reliability, and face time takes precedence over formal procedure. Faced with different authority types, leaders intuitively and sometimes explicitly take actions which transition organizational settings from one dominant form to another.

## Introduction

Leadership by definition is not practiced in a vacuum. Every leader functions within a social and temporal context and the contexts within which leaders operate vary greatly. While all but the most devout trait theorists would likely agree that an understanding of the context within which leadership occurs is vital, there is little agreement around the nature of the contexts within which leaders operate, nor for that matter, around the ways which leaders respond to and influence context (Porter & McLaughlin 2006).

Contingency theories have been the major tool by which mainline leadership studies have conceptualized and operationalized context, and from the 1950's until the mid 1990s at least, contingency studies of leadership were a more or less constant presence in the literature (Fiedler, 1964; Hersey, Blanchard & Johnson, 1996; Yukul 2006). They are still very much alive in the recent cross cultural studies of desired leader behaviors (Ashkanasy & Roberts, 2010; Muczyk & Holt, 2008; House, et al. 2004). Despite their influence and unquestionable utility, it might be argued that mainline contingency theories have yet to fully catalogue or

analyze the range of contexts within which leadership takes place. Indeed, as early as 1996, no less a prominent contingency theorist as Robert House argued that traditional contingency theories have been too narrow in their scope and that: “We still do not have theories of leadership as it relates specifically to major organizational change, political behavior, or strategic or competitive organizational performance. Clearly, social scientists need to escape the boundaries of predominant paradigms and to question prevailing wisdom. (House, 1996:33).”

Perhaps more importantly the leadership literature has generally neglected the possibility that leaders themselves influence as well as are influenced by the context within which they function. There is ample evidence for instance that transformational leaders influence the motivation and even the creativity and maturity of their subordinates (Yu, Leithwood & Jantzi 2002), but the dominant assumption seems to be that leaders influence their subordinates directly rather than by influencing the environment or context within which they function.

One recent ambitious and interesting attempt to “escape the boundaries of predominant paradigms” and to “question prevailing wisdom” has been K. Grint’s (200, 2005) constructivist approach to leadership. Grint’s categories are much broader in scope than mainline theory, encompassing problem framing and solving, coalition building and political mobilization, compliance strategies, and rhetoric and applying these concepts across a broad range of principally military situations. A major feature of Grint’s thinking which departs from traditional theory is its constructivist nature. While traditional mainline contingency theories have assumed that the context of leadership is objective, such that informed observers could be expected to agree on the overall contours of a given situation, Grint argues that the setting within which leadership plays out is open to and indeed the object of active and competitive interpretation.

Grint’s ideas are novel and welcome insofar as they identify leaders’ efforts to interpret or construe the context within which they function and ponder their importance. However, Grint’s efforts are focused on leaders’ ability to represent and construe rather than their impact in constructing an administrative or social system that influences behavior or intervening in an ongoing social system in more concrete ways. This paper represents a modest attempt to extend our understanding of the recursive relationship between leaders and the contexts within which they operate by revisiting some of Max Weber’s (1947) classic ideas about the nature and exercise of authority in human institutions. Specifically, this paper argues that the exercise of different types of authority favor different organizational forms, which in turn influence the exercise of leadership as one moves from one type of authority to another. In many ways, this paper follows the lead of classic contingency theories of leadership in arguing that leadership styles and behavior that “fit” with the dominant authority type found in an organization will overall be more successful than those that do not. In three particulars however, the perspective taken here extends or challenges mainline leadership studies.

First, and perhaps most importantly, I argue that the type of authority employed in a given setting may not match the strategic or environmental requirements of the setting such that the effective leader may attempt to migrate the organization from one to another authority type. Second, I argue that exercise of charismatic authority favors a predictable type of organizational form or arrangement. The study of charismatic leadership generally attributes the impact of charisma as emanating from the person of the charismatic leader and influencing subordinates and organizational culture directly. While not denying this relationship, I argue that charismatic

authority favors specific administrative arrangements which affect administrative and leadership practice above and beyond the attributes of the individual charismatic leader.

Third, and more generally, I argue that leaders' actions may have more impact on behavior by influencing the context within which followers operate than through their direct interactions with followers per se. Thus a leader who successfully institutes a new organizational arrangement or revives a failing one may have a more durable impact than one who is personally influential but who impacts his/her context less. In this regard this paper is an attempt to apply Giddens ideas on structuration to the behavior of leaders. Giddens (1984) deeply influenced sociological thought by arguing that, while cultures, practices, and institutions influence people's behavior, individual persons in their turn influence these broader forces through their efforts to strike favorable terms with the social context they face. Thus, an official in a state bureaucracy is influenced by the existing rules and practices, but also chooses which of the existing rules or practices to emphasize, ignore, or reinterpret. In the same way, I believe that leaders influence context not just by interpreting situations in favorable ways, as Grint suggests, but by actually creating administrative systems which become a context for the exercise of their leadership.

### **Weber's Three Types**

With little doubt, the most important thinking on authority in the last 200 years was done by Max Weber. Although perhaps better known for his work on Protestantism and capitalism and on bureaucracy, his thinking on authority was much more fundamental to his overall contribution, and his studies of bureaucracy were actually only one part of his work on authority. Weber posited three "pure types" of legitimate authority, and a number of other subtypes, and he argued that different types of authority are accompanied by dramatically different types of organizational forms and governance and control mechanisms. Once one becomes conversant with these types of authority and their accompanying institutional and cultural arrangements, a number of otherwise puzzling observations about leaders and their roles in and across organizations become much clearer.

The most well known of Weber's three authorities is so called rational legal, which is also the most recent and the most divorced from human origins and innate tendencies. Rational legal authority, according to Weber, rests on the "belief in the legality of patterns of normative rules and the right of those elevated to authority under such rules to issue commands." (Weber, 1947: 3290). Intentionally established abstract rules that are universally applicable make the exercise of rational legal authority possible. Rational legal was the latest authority form to develop and is fundamental to the theories of bureaucracy and capitalism (Parsons, 1947: Collins, 1980).

Many of the strengths and weaknesses and the overall dynamics of rational legal authority arise from the bureaucratic organizational form which Weber insists is essential for its enactment. The attributes of bureaucracy-- division of labor, specialization, hierarchy, written rules and regulations, selection and promotion by competence and separation between individual and office. are well known so I will not repeat them here

Weber's second type of authority is "traditional authority." While rational legal authority is based on law and supported through rationality, traditional authority is justified by the mere

fact that a practice has been handed down from the past. The longer a given practice or social institution has existed, the more legitimacy it has. In Weber's terms, traditional authority is based upon "the sanctity of the order and the attendant powers of control as they have been handed down from the past" (Weber, 1947: 334).

Just as rational legal authority is expressed in a predictable, consistent organizational form, traditional authority gravitates toward recognizable, stable administrative arrangements. These may vary more than the bureaucracy because, according to Weber, there are a number of different subtypes of traditional authority, but for our purposes, the most important is the gerontocracy, or as Ouchi calls it, the clan, which in most of its attributes is an inverse image of the bureaucracy. In modern business settings clan-like organizations have been observed most frequently in Japan where the transition from a traditional feudal society to an industrial economy was carried out very rapidly by government decree, leaving many traditional customs and institutions in place. The attributes of organizations which use traditional authority are generalization and rotation (as opposed to specialization in the bureaucracy), Ascription (as opposed to selection and promotion by competence) Consensus (as opposed to hierarchy), Socialization (as opposed to written rules and regulations), and total inclusion (as opposed to separation between individual and office).

Just as the components of the rational bureaucracy are mutually reinforcing, the attributes of organizations based on traditional authority are mutually reinforcing so that if one element is weakened, the others are also diminished. This same interdependence also predisposes organizations to favor only one type of authority in their makeup and makes the coexistence of more than one authority type in an organization difficult. Any pair of elements of the clan can be used to illustrate this idea, but the relationship between consensus and the other elements is particularly suggestive. The rotation of responsibilities and the tendency toward generalization make consensus building easier in the clan because they impede the development of internal barriers to communication, interdepartmental or interfunctional rivalries, jealousies or politics that are the result of the minute division of labor of the bureaucracy. Esoteric or exclusive departmental vocabularies do not develop nor do personal interests associated with a given discipline, function, or geographic location. The internal migration resulting from frequent rotation of responsibilities also facilitates consensus because diverse units normally contain at least a few persons who have worked together at some point in their careers. These cross cutting relationships facilitate communication and agreement. The preference for ascriptive criteria (being) as opposed to competence (doing) for the distribution of rewards and promotions facilitates consensus building because decisions are unlikely to favor the fortunes of certain individuals or work unit

Like the other two types of authority addressed here, the organizational form associated with charismatic organizations appears to grow out of the nature of charismatic authority. Weber defined charisma as "resting on devotion to the specific and exceptional sanctity, heroism or exemplary character of an individual person and of the normative patterns or order revealed or ordained by him" (Weber, 1947: 329). Note here that charismatic authority derives unambiguously from only one person who inspires unquestioning devotion on the part of followers, and who alone is responsible for originating any "normative patterns or order." Such reliance on the gifts of one person leaves little or no room for consideration of past practice or tradition, nor for formal rational argument and exegesis which might constrain or contradict the

“normative patterns or order revealed or ordained” by the charismatic leader. As a result, charismatic organizations do not have a formal hierarchy with orderly layers but rather a jumbled network of subordinates vying for the direct attention of the leader. They select and promote not by competence, but by social proximity or face time with the leader. They do not honor traditions or adhere to formal rules. Instead members emulate leader behaviors and “tattle” on their fellow rivals for the leader’s attention. The division of labor is not rational but shifting and ad hoc, depending again on one’s proximity to and favor with the charismatic leader. Finally, members are totally included or committed to the organization as is the case with clans, but their loyalty is attached to the leader, not to the institution.

### **Successful Leadership and Authority Types**

By this point the reader has, without a doubt asked himself, “what does all this have to do with leadership?” Some would respond “Nothing at all.” Indeed a common observation is that bureaucracy stifles true leadership or that leadership does not tolerate bureaucracy. In fact Weber himself might at least partially agree with such a statement, as we will see below. I believe however, that there are those who have achieved remarkable results through their ability to lead in a manner that is largely consistent with the type of authority which is dominant in the context in which they exercise leadership. I offer the following attributes of effective leaders in each of the three authority contexts.

*The effective Bureaucratic Leader.* 1. The rational legal leader maximizes job scope to fit agenda. Bureaucracies are generally very careful to precisely spell out each position’s and hierarchical level’s responsibilities and authority, but because of the inherent limitations of written rules and formal administrative mechanisms, there is actually a fairly large amount of discretion even in routine positions. Effective bureaucratic leaders maximize this discretion and stretch their job responsibilities to maximize their impact.

2. The R.L. leader brokers deals between diverse parties. Specialization and hierarchy in bureaucracies causes differences in perspectives and interests resulting in all manner of internal barriers. Coupled with the discretion mentioned in item one, this can make implementing change, or even completing ordinary transactions difficult. The effective bureaucratic leader learns to be an intermediary between specializations, departments and hierarchical levels and factions. This brokerage ability is used to advance the agenda alluded to in item one as well as to help get things done that otherwise would not happen or would happen slowly or ineffectually.

3. The R.L. leader understands the rules and how they are applied. Effective bureaucratic leaders understand that while most human beings are much more responsive to verbal stimuli than to writing, the bureaucracy ultimately loses anything that is not written. Hence, control over the wording and interpretation of formal documents can have a major impact on the workings of the organization and the fortunes of its members. They are masters at protocol, drafting documents and memoranda, and framing and advancing language and arguments will achieve their desired ends.

4. The R.L. leader solves peoples’ problems by moving things through the system. When someone in auditing disallows an expense based on rule xii in article vii, the effective

bureaucratic leader will produce documents showing that under certain conditions described in memorandum viii 8-8-1989 the rule may be waved. This ability and disposition makes the leader well known, frequently sought out, and privy to activities and concerns throughout the organization. It also creates reciprocal obligations that the leader uses in pursuing her agenda.

5. The R.L. leader understands the rules and how they are applied. Effective bureaucratic leaders understand that while most human beings are much more responsive to verbal stimuli than to writing, the bureaucracy ultimately loses anything that is not written. Hence, control over the wording and interpretation of formal documents can have a major impact on the workings of the organization and the fortunes of its members. They are masters at protocol, drafting documents and memoranda, and framing and advancing language and arguments will achieve their desired ends.

*Effective Traditional Leaders.* If the bureaucracy would appear to stifle leadership, the clan organization would seem to almost dispense with it, or at least refuse to concentrate the role of leader in one person. Still, I would argue that there are individuals in clans who are particularly effective in reaffirming their identity and even moving them forward without unduly violating the traditional paradigm within which they function. It comes as no surprise that their tactics are quite different from those of leaders that operate within bureaucratic strictures.

1. The Effective Traditional Leader is a Storyteller. In the absence of the bureaucracy's written memory, the clan must rely on oral tradition to orient behavior. Outside of rhymes, and rituals, which are extensively used to store and convey information in traditional (preliterate) societies, a large and varied inventory of stories which express important principles and values are one of the tradition based organization's most important cultural assets. This means that effective traditional leaders need to be lore masters. When a group is trying to reach a consensus decision that is consistent with the organization's traditions, a story about how one of the founders handled a similar decision can frequently cinch the deal. When a newcomer is having trouble grasping how to behave in a clan organization without manuals or new employee orientation, stories told by a senior mentor have didactic, memory, and comfort value. The leader who has ample command of organizational stories commands a resource that is important to the perpetuation of the traditional organization and to the welfare of its members

2. The Effective Traditional Leader Understands Ritual. In the absence of a written organizational memory and bosses who periodically check up on subordinates using formal written criteria, parts of the organization, or the entire body can drift away from core values and shared understandings. One way traditional societies combat this tendency is through rituals that are usually repeated at predictable intervals. All societies enact rituals of one sort or another, whether they are aware of the ritual function of events or not, and traditional societies dedicate considerable resources to ritual gatherings. Although all organizations have rituals, they are much more central to the existence of clan organizations. Effective traditional leaders intuitively or explicitly understand the importance of rituals and actively promote and mold them to their purposes.

3. The Effective Traditional Leader is a Mentor. Bureaucracies are designed and set up to explicitly select, recognize, and reward if not to cultivate individual talent. Aside from very

careful selection, clan organizations have no such specific mechanisms. The intensively peer oriented environment treats employees collectively by age set and those in higher age sets tend not to differentiate between those of lower age sets. I believe that effective traditional leaders compensate for this somewhat by mentoring more promising newcomers and following their career paths more closely than others.

4. The effective Traditional Leader senses where the organization is heading. Clan organizations do not change the same way other kinds of organizations change. They tend to have considerable cultural inertia which needs to be dealt with before significant change can occur and tend to resist direct appeals to change and logical arguments justifying change. They rarely respond to individual initiatives for change no matter the status of the individual proposing the change. Clans are particularly poor at adopting changes that come from outside the organization. Effective leaders in traditional organizations understand this inertia but also understand the currents of change that others miss and engage in subtle behaviors to move along changes they consider important. Thus, the clan leader subtly guides the flows of affect and information in the organization both to reinforce and strengthen its culture, and at the same time nudge a recalcitrant organization in the direction s/he believes it needs to go.

*The Effective Lieutenant.* How people become charismatic leaders is a somewhat mysterious process which seems to defy systematic instruction. The frequency of charismatic leaders who successfully attract a following also seems to be perennially low. For this reason I will not attempt here to identify elements of successful charismatic leadership. What seems much more practical and useful here is to identify tactics of successful members of the charismatic leader's inner circle. Some appear to make considerable contributions in their own right, others cannot take the heat. While luck and the caprice of the charismatic leader likely have great influence over the success of lieutenants, there also seem to be some principles that favor some lieutenants over others:

1. The effective lieutenant has an eye for novelty. One of the few sure fire ways of getting the attention of the charismatic leader and occupying space in his memory is to do something or present something novel. In the absence of written records and formal evaluations for assessing his subordinates the leader relies on his impressions and memory, both of which are unsystematic and unstable and both of which are highly susceptible to novelty, especially if the novelty appeals to the leader's interests or likes.

The lieutenant who presents the leader with an appealing novelty not only will be remembered and garner more interaction and face time, if the novelty has value as a potential new product or initiative, s/he is likely to end up in charge of putting the novelty into place, which in turn increases the scope of her responsibilities and the amount of resources and influence she possesses.

2. The effective lieutenant has an ear for gossip. Gossip is found in all organizations of course, but it is far more important to the fortunes of members of charismatic organizations than those of bureaucracies or clans. Partial inclusion in bureaucracies limits the utility of gossip for self promotion or attacking rivals and in clans communication is so generalized that gossip tends to be more dangerous for the gossip than for the victim. These controls do not exist in charismatic organizations however, and the competition and rivalry between members of the inner circle

means that it is one of few ways to find out what is going on outside of one's immediate work group.

3. The effective lieutenant cultivates visibility but knows how and when to hide. As alluded to in item one, in the absence of written standards or consensus about acceptable behaviors, exposure to the charismatic leader and successful image management are important for the lieutenant. Exposure and image management benefit from doing things that are generally well publicized or visible so they get back to the charismatic. At the same time, the more visible the lieutenant's actions, the more subject to scrutiny they are and the more danger that they will generate gossip. The successful lieutenant therefore walks a fine line between publicizing successes and initiatives and giving rivals fodder for gossip or alert them of an increase of stature.

4. The effective lieutenant knows how to say "Can't see why not." In the bureaucracy employees usually occupy specialized positions with clear job descriptions and access to superiors and an appeals system that assume responsibility for difficult questions. In the clan, generalization and rotation mean that large numbers of people across the organization are experienced with and privy to the operational details of most employee's jobs at any given time. In the charismatic organization, the successful lieutenant acquires diverse responsibilities, frequently from rivals who have little inclination to bring their replacement up to speed. The ability and disposition of lieutenants to take on a juggle a diverse portfolio of sometimes unrelated duties can prove very important in determining relative position in the inner circle.

### **Summing Up**

Authority is obviously not the only force impinging on the exercise of leadership in organizations. The ethics of the surrounding culture and of the individuals in an organization can vary tremendously within authority types, profoundly influencing the behaviors of leaders and followers. The intellectual quality of human resources, the degree of capital intensity, the presence of external threat and volatility, the sophistication of the technology employed, the political and regulatory system, and other factors all play roles which contribute to the unique culture of an organization, the configuration of its social networks and the strategies, tactics and personal styles characterizing those who exercise formal and informal influence. Still, I believe that organizations do not exist for long periods of time without the exercise of some kind of authority, nor do leaders attract and influence followers without recourse to authority. The forgoing paper was a preliminary effort to face this fact squarely

### **References**

- Ashkanasy, N.M. and E.T. Roberts. (2010). Leadership in Australia: Results from the GLOBE Study. *International Journal of Organizational Behavior* 2: 37-44.
- Derve, D.S., Nahrgang, J.D. Wellman, N, Humphrey, S.E. (2011). Trait and behavioral theories of leadership: An integration and meta analytic test of their relative validity. *Personnel Psychology* 60: 37-52
- Conger, J.A. and R. Kanugo. (1988). *Charismatic leadership: the elusive factor in organizational effectiveness*. San Fransisco: Josey Bass, 1988.

- Fiedler, F. (1964). A contingency model of leadership effectiveness. In Berkowicz, L (ed.) *Advances in Experimental and Social Psychology*. New York: Academic Press.
- Foti, R.J. and N.M. Hauenstein. (2007), Pattern and variable approaches in leadership emergence and effectiveness. *Journal of Applied Psychology* 92: 347-355.
- Giddens, A. (1984). *The constitution of society*. Berkeley: University of California Press.
- Grachev, M.V. and M.A. Bobina. (2006) Russian organizational leadership: Lessons from the Globe Study. *International Journal of Leadership Studies* 1: 67-71.
- Grint, K. (2000). *The arts of leadership*. Oxford,: Oxford University Press.
- Grint, K. (2005). Problems, problems, problems: On the social construction of leadership. *Human Relations*.
- Hersey, P., Blanchard, K. H., & Johnson, D. E. (1996). *Management of Organizational Behavior, 7th ed.*, Upper Saddle River, NJ: Prentice-Hall.
- House, R.J. (1996). The path goal theory of leadership: Lessons Legacy, and a reformulated theory. *Leadership Quarterly* 7(3): 323-352.
- House, R.J.; P.J. Hanges, M. Javidan; P. Dorfman, V. Gupta. (2004). *Culture, Leadership, and Organizations: the GLOBE study of 62 Societies*. Beverly Hills, CA: SAGE
- House, R, M. Javidan, P. Hanges, P. Dorfman. (2007). Understanding culture and implicit leadership theories across the globe. *Journal of World Business* 37: 3-10.
- Javidan, M and Carl, D.E. (2005). Leadership across cultures: A study of Canadian and Taiwanese executives. *Management International Review*. 45: 23-44.
- Muczyk, J.P. and Holt, D.T. 2008. Toward a cultural contingency model of leadership. *Journal of Leadership and Organization Studies*. 14: 277-286
- Ng, K.Y. Ang, S. Chan, K.Y. (2008). Personality and leader effectiveness: A moderated mediation model of leader self efficacy, job demands, and job autonomy. *Journal of Applied Psychology* 93: 733-743.
- Seltzer, J. and B.M.Bass. (1990). Transformational leadership: Beyond initiation and consideration. *Journal of Management* 16: 693-703.
- Porter, L.W. and G.B. McLaughlin. (2006). Leadership and the organizational context: Like the weather? *Leadership Quarterly* 17: 559-576.
- Van Vianen A.E.M. (2000). Person-organization fit: The match between newcomers and recruiters' preferences of organizational cultures. *Personnel Journal*. 48: 747-773.
- Weber, M. (1947). *Economy and society*. New York: Free Press.
- Yu, H. Leithwood, K. Jantzi, D. (2002). The effects of transformational leadership on teacher's commitment to change in Hong Kong. *Journal of Educational Administration* 40 (4/5): 368-390.
- Zaccaro, S.J. (2007) The trait theory of Leadership. *American Psychologist*. 62: 7-16.