



## LEADERSHIP RESEARCH AND THE OLDEST CRIME

**Jon Aarum Andersen**

Örebro University School of Business, Sweden

jon.andersen@oru.se

---

### **Abstract**

*In management and leadership scholarships, organisations are often regarded as entities established as vehicles for the owners so that the owners can achieve their goals. Arguably, the purpose of managerial leadership research is to provide managers with knowledge which benefits organisations. The purpose of this article is to assess whether current managerial leadership research is relevant and helpful to managers or not. Five studies (March & Sutton, 1997; Collins, 2001; Richard et al., 2009; Hiller et al., 2011; Andersen, 2013), which contain data from a total of 2,479 articles, have revealed that the relationship between formal leadership (management) and organisational effectiveness is seldom studied. When effectiveness is addressed it is rarely defined and almost never measured. It is, indeed, no surprise that six studies (Burack, 1979; Calas & Smircich, 1988; Astley & Zamuto, 1992; House & Aditya, 1997; Ghoshal, 2005; Brownlie et al., 2008) have shown that managers regard leadership research both irrelevant and useless.*

**Keywords:** managerial leadership, organisation, relevance, effectiveness, goal-attainment

---

### **1. INTRODUCTION**

The purpose of research is to solve problems. It is a question of what the problem is and who has the problem. The purpose of medical research, for instance, is to provide those who practice medicine with knowledge that enables them to cure diseases, to relieve pain, and to enhance individuals' health. Medical research thus benefits patients. Van Aken (2004) also used the analogy between management and medicine. The development of more instrumental management theory might be regarded as privileging only managers. However, Van Aken (2004) argued, this kind of research will also benefit other employees and owners.

Is current managerial leadership research relevant and helpful to managers? Private enterprises and public agencies are established in order to achieve specific goals. Managers' main task and prime concern is to contribute to the attainment of organisational goals. Hambrick and Quigley (2014, p. 473) have written: 'indeed, an understanding of executive effects can be thought of as fundamen-

tally important for much organizational science.' Arguably, the purpose of managerial leadership is to provide managers with knowledge that benefits organisations and their owners. Is this the case?

### **2. WHY ARE ORGANISATIONS ESTABLISHED?**

This article addresses the topic of leadership in formal organisations. Consequently, the question of how organisations should be studied emerges. As Scott (2003, p. 11) has written: 'Most analysts have conceived of organisations as social structures created by individuals to support the collaborative pursuit of specified goals. Common for rationalistic organisation theories is that organisations are oriented to the pursuit of relatively specific goals. Goals are specific to the extent that they are explicit, clearly defined, and provide unambiguous criteria for selecting between alternative activities. A common characteristic of open system theories is that they define organisations "as congeries of interdependent flows and activities linking shifting coali-

tions of participants embedded in wider material-resource and institutional environments” (Scott 2003, p. 29). The issue of whether or not organisations can be studied with a focus on the goals for organised action constitutes the watershed between the rationalistic and system perspectives.

### 3. RATIONALISTIC ORGANISATION THEORY

Organisations are social phenomena. Rationalistic theory views the organisation as an instrument, that is, a rationally designed means for the realisation of explicit goals set by a particular group of people (Scott, 2003). In management and business administration, organisations are regarded as contrived entities that are established as vehicles for the owners and their goal-attainment. One of the universal characteristics of organisations is the presence of a goal or purpose. A goal is a description of a future, a desired state. Some organisations are established where the owners are the prime beneficiary, namely, business enterprises (Blau & Scott, 1962). Goal-attainment is therefore the central issue and the basic definition of effectiveness in management theory.

The firm – as one type of organisation – is perceived clearly and undoubtedly as rationalistic in theories of business administration and management (Douma & Schreuder, 2002). The firm comprises one or more individuals who pursue the goal of generating dividends from the capital invested. This very goal motivates its establishment. The major difference between private companies and public agencies is the motive behind the establishment. A private organisation is in operation because some individuals (or other organisations) have decided to invest their funds into it. The enterprise is in operation as long as the owners wish it to continue and the market allows it. In contrast, a public organisation is in operation because a political decision has been made to establish it. The public agency remains in operation until a decision is made to cease its operations.

Rationalistic theory highlights the relationship between the owners and managers. Shareholders need to delegate control to a few directors and managers who can run the company on their behalf

(Letza et al., 2004). The main goal of the organisation is not an issue for the managers. For the manager the goal is imperative, an order. As Maghroori and Rolland (1997, p. 80) have written on managers: ‘They [the managers] do not exist for their own sake. They are to serve the organization’s goal and mission and they remain at all times subservient to it.’

### 4. OPEN SYSTEM THEORY

Open system theory emerged as a reaction to and is an argument against rationalistic theory. This perspective is based on the seminal work of Katz and Kahn (1978). They rejected the idea of studying organisations on the basis of goals. It is imperative to note that Katz and Kahn (1978) did not address the issue of ownership. Organisations are dependent on other organisations and groups in order to acquire input and to find outlets for their products and services. Katz and Kahn (1978) have named other organisations ‘constituent groups’ or ‘constituencies’. However, the concept of constituency is not well defined. Theoretically, all constituent groups are equally important (Katz & Kahn, 1978; Pesueux & Damak-Ayadi, 2005).

System theory does not regard the organisation primarily as an instrument for the realisation of the owners’ goals. Katz and Kahn (1978, p. 244f) regarded survival as the sovereign criterion of effectiveness while goal-attainment is not a criterion at all. Rather, the organisation is perceived as a structure that responds to and adjusts itself to a multitude of demands from various constituents (stakeholders) and tries to maintain balance by reconciling these demands. Katz and Kahn (1978) have, however, regarded organisational goals as abstractions or generalisations of future activities and behaviours in organisations on a general level. System theory uses the notion of constituents to explain how goals emerge. Goals are formulated through a complex process involving different and possibly competing expectations from the constituents.

Rationalistic organisation theory regards the goal as an independent variable and as the primary controlling factor in the organisation’s activities. In contrast, open system theory does not see goals as controlling the organisation’s activities. Goals are

conceived as a dependent variable, a product of the activities that take place in the organisation. Or to put it differently, according to rationalistic theory, the goal comes first and then the organisation is established. In system theory it is the other way round. Since all organisations have goals a question arises: whose goals are they? Rationalistic organisation theory is crystal clear on this matter: the goals for the organisation are the owners'. According to system theory the answer is, however, less clear. Rationalistic organisation theory focuses on owners, executives, and organisational goals. Most literature on organisation theory is, however, based on open system theory, which marginalises the importance of goals and owners.

## 5. ON GOALS AND GOAL-ATTAINMENT

Now, who decides the organisational goals? Is it the owners, the managers or the stakeholders? In the final analysis, the critical question is not who influences the organisational goals but who decides them. It is the owners (principals) of the organisation who have goals for the organisation they own. Official goals do not simply emerge. The founders (owners, principals) must state the main goals when the firm is to be registered with the authorities. The main goal of a specific business enterprise is a description of a permanent state in the future with a specific degree of profitability and risk desired by the owners based on their investment time horizon.

The company act confers to the owners (shareholders) the sovereign right to decide the overriding goals and to appoint the executive officer. Only owners have the right to change the business's objectives (Sternberg, 1997). Official goals do not simply emerge. The argument is, once again, that organisations are structural arrangements which are established in order to achieve specific goals. Therefore, in order to understand organisations, we need to understand their goals.

The main issue is if or to what degree the organisation achieves its goal. Consequently, goal-attainment becomes the core issue for the owners, the managers, and the other employees, as well as for researchers of organisations. Based on this premise of relevance, the question addressed here

is to what degree current leadership researchers are engaged in solving problems relating to how leadership impacts organisational effectiveness. To put it differently, in what ways do present-day leadership researchers help business managers to enhance goal-attainment of their companies?

## 6. MANAGERIAL LEADERSHIP VS. POLITICAL LEADERSHIP

For theoretical development and empirical research it is imperative to distinguish managerial leadership from political leadership. Sayer (1992, p. 91) has posed the following questions: 'What does the existence of this object (in its present form) presupposes? Can it exist on its own as such? A key question could be: What cannot be removed without making the object cease to exist in its present form?' Now, if the study object is managerial leadership, we may ask what properties must exist for it to exist and to be what it is. What makes it possible? The argument here is that leader, subordinates, and tasks are the necessary properties for managerial leadership to exist and to be what it is. A formal leader (manager) is a person who is responsible both for the subordinates and for the results. In management and organisation theory the functions of leadership are tied to an organisation or a group. Managerial leadership pertains to formal organisations based on the goals of the owners. Managers lead business enterprises or public agencies and they have subordinates.

The core of managerial leadership is that managers are hired to contribute to the attainment of organisational goals, which can only be achieved by having subordinates performing tasks that lead to productivity and effectiveness. The goals of organisations are not a problem for managers. This is why they hold executive positions.

Managerial leadership and political leadership is not the same study object. Burns (1978) identified two types of leadership (transformative and transactional) on the basis of a qualitative analysis of the biographies of political leaders. Transformational leadership theory is a theory of political leadership defined by the properties of leader and followers but not by tasks. It is imperative to recognise that

Burns' (1978) focus was on leadership at the level of societies and movements. Political leaders lead political, religious, and humanitarian movements. Political and religious leaders have followers (e.g., supporters, members, participants). The goal is the goal of the leader or a common goal. The followers are not given specific tasks to do. Thus political leadership is pinpointed. To conflate managerial leadership with political leadership creates problems especially when it is argued that scholarship on political leadership is relevant and useful for managerial leadership (Pawar, 2003; Khanin, 2007).

It is imperative to note that the majority of empirical studies on leadership contain data from formal leaders, that is, managers in private and public organisations. Thus leadership theory is strongly linked to management and may even be seen as a part of management scholarship. Blake and Mouton (1985, p. 198) have noted that, 'Processes of leadership are involved in achieving results with and through others.' They have, indeed, pinpointed what may be seen as the dilemma of managerial leadership. The formal leader (i.e., manager) is responsible for results in accordance with organisational goals, but the manager can only achieve this through the efforts of subordinates and the actions of other people. This is why Nelson (1993) strongly argued that it is imperative for managers to link rewards and reward system to subordinates' behaviour that leads to the attainment of organisational goals. Managers cannot achieve the goals of the organisation by their own efforts alone. If that were possible, there would be need neither for an organisation nor for a leader.

## 7. THE CRITERION OF RELEVANCE

Several scholars have expressed concern about why organisational research is not more widely used. The academic debate on the relationships between rigorous research and relevance to management practitioners have been taking place since the 1960s. A large part of the literature addressing the academic-practitioner gap focuses on the alleged rigor of academic research in contrast to the perceived need for relevance on the part of practitioners. Van Aken (2004) argued that the relevance problem can be mitigated if research were to be complemented

with prescription-driven research based on the paradigm of the 'design sciences'. Amabile et al. (2001) have argued that management research would be substantially strengthened by effective collaboration between researchers and practicing managers. Such collaboration may well become essential if research projects are to make any real difference in academics' understanding of or impact on management practice. Management research entails significant challenges at the interface between the world of the academic researcher and the world of the business practitioner. These challenges may best be met by academic-practitioner collaboration (ibid.). The primary interest of van Aken (2004) was to develop 'design knowledge', i.e. knowledge that can be used in designing solutions to problems in the field in question. Gulati (2007) also addressed the long-standing debate among management scholars concerning the rigor, or methodological soundness, of management research versus its relevance to managers. The author argued that 'tribes' were formed around rigor and relevance, sequestering themselves into closed loops of scholarship and dismissing the work of outsiders. A normative, seven step model of managerial research was proposed with recommendations for bridging the artificial rigor-relevance divide through problem-oriented research grounded in theory (ibid.).

Daft and Lewin (2008) have, however, argued that academic rigor and practitioner relevance are almost mutually exclusive. Some scholars argue that it is impossible to bridge the gap as science and practice are two systems unable to communicate with each other, while others have suggested ways in which this is possible (Fincham & Clark, 2009). Kieser and Leiner (2011) have argued out that the gap between rigour and relevance in management research is widening. By applying scientific management knowledge in their problem solving efforts managers can find out about its relevance. From the perspective of Kieser and Leiner (2011) it is only practitioners who are in a position to authentically attribute relevance to knowledge.

Management scholars have expressed considerable dismay about the failure of academic research to penetrate the practitioner society according to Rynes et al. (2001) and Rynes (2007). Related to the question of relevance is the issue of

rigor versus relevance in research, that is, the academic-practitioner gap (e.g., Bartunek & Rynes, 2014). Learnmonth et al. (2011) challenged the wisdoms about the importance of 'useful' management scholarship. They suggested that usefulness and uselessness were contingent on issues of temporality and power, and advocated caution in assigning terms such as useful and relevant. These terms were inherently problematic. Usefulness should be viewed more as ideology than as empirical statements. The authors concluded by a call for reflexivity about what it is we are doing when we do 'useful' research, along with a greater concern for the values for which business schools stand (ibid.). Thorpe et al. (2011), however, recognised the substantive contributions made within a management journal to conducting research relevant to management at the level of individual studies. They indicated a range of ways knowledge can be translated and modified, embedded and otherwise found useful. The authors proposed that, to maximise relevance, knowledge must be reconfigured in multiple contexts, of which management research provides but one (ibid.).

What do we find if we briefly address the question of relevance in the field of management control and accounting? When Kaplan and Johnson (1987) argued that relevance was lost in management control almost 30 years ago, it was due to the fact that the contemporary research had not taken into account the fundamental changes in the structure of manufacturing companies. Burns (2000) provides insight into the dynamics of accounting change, but does not deal with whether or to what degree management accounting is based on research. Scapens and Bromwich (2010) noted that management accounting had come a long way as an academic discipline since 2000. They asked what the implications of all this theory was for management accounting practice. The editors refer to Baldvinsdottir et al. (2010), who claimed that the interest of academic researchers in the practical aspects of management accounting has waned. Researchers have neglected the technical core of their discipline and its problems, especially issues with direct, practical relevance (ibid.). A review by Rashman et al. (2009) of the literature on organisational learning and knowledge with relevance to public service organisation

found an over-reliance on the private sector as the principal course of theoretical knowledge. The study of Pisani (2009) provides a comprehensive picture of the field of international management research. Some researchers have addressed the issue of relevance of project management research. Söderlund (2011), for instance, suggested that a better awareness of how to make use of the perspectives he identified would prepare researchers to frame more accurately the problems of contemporary projects.

This article addresses the question on relevance of leadership research in regard to relevance for what and relevance for whom. In managerial leadership research the concept of effectiveness is central. Goal-attainment is the core issue and the basic definition of effectiveness in management theory for private enterprises as well as for public agencies. Effectiveness (i.e., the dependent variable) and what causes effectiveness (i.e., the independent variables) must, however, be kept separate. In business administration profitability is seen as the major criterion of effectiveness for private enterprises. Profitability (i.e., return on investment, cash flow, and market-share change) is the most conventional measure of current business performance (Hambrick, 1983). The ultimate goal of a company is profitability (i.e., degree of return on assets) (Shetty, 1979; Nash, 1983; Walton & Dawson, 2001). For causal models in the field of management the 'bottom line' (or organisational effectiveness) is a much used result variable (e.g., March & Sutton, 1997). It is even assumed that relevant management research should always focus on overall organisational performance as dependent variable. March and Sutton (1997) have addressed the problems attached to effectiveness as the dependent variable. For the managers it is most relevant to know which factors that have a strong impact on goal attainment, and especially those factors which are applicable to the managers.

Leadership research, which does not deal with the question of organisational effectiveness, is thus irrelevant for those in managerial positions. As Jaques (1990: 5) has explained: 'The managerial role has three critical features. First, and most critical, every manager must be held accountable not only for the work of the subordinates but also for adding value to their work.' The supreme task of the formal

leader (i.e., manager) is to contribute to organisational effectiveness. If current managerial leadership research neither directly nor indirectly addresses this problem then it is irrelevant and unhelpful to managers.

Indeed, managers themselves appear to perceive this inapplicability (Burack, 1979; Astley & Zamuto, 1992; House & Aditya, 1997; Ghoshal, 2005; Brownlie et al., 2008). Burack (1979) has noted that managers have regarded leadership research as useless to anyone in leadership positions and that much leadership research is leaderless. Calas and Smircich (1988) have also observed that the leadership literature seemed irrelevant to practitioners, and that researchers did not feel like they are getting anywhere. Nobody seemed to be happy.

## 8. METHODOLOGY AND LEADERSHIP

It appears that for some time leadership researchers have been more concerned with epistemological than with leadership issues. A number of leadership researchers became strongly influenced by the epistemological questions raised in social sciences in general. Some called for the importance of discourse, some for constructionism and re-constructionism, some others for social constructions of reality. The work by Callas and Smircich (1988) contains much of these influences as well as their arguments in favour of discursive practices as well as symbolic representations. They argued for direct participation, anthropological methods, and interpretations. Scientific discourse, narrative discourse, and the 'linguistic turn' became important. Callas and Smircich (1988, p. 212) asked: 'What kind of world will we make?' It would perhaps be more relevant to ask: 'What kind of understanding of the world (of leadership) can we obtain?' Leadership research has increasingly become method-driven due to researchers' fascination of specific approaches and methods. Consequently, some researchers begin their studies with a chosen method and then look for a problem to address.

Alternatively, research may start with the identification of a problem and the study object linked to that particular problem. Thus, the nature of the object under study is the 'fixed point' from where

to begin regarding the choice of methods – it is the nature of the object that determines the possibilities we have for gaining knowledge about it (Danermark et al., 2002). Danermark et al. (2002, p. 41) have written: 'All knowledge is conceptually mediated and it is thus impossible to make neutral observations of "facts" about reality.' Observations are always theory-laden, but observations do not decide what reality is like. Again, reality exists independently of our knowledge about it. Our abstractions should primarily aim at determining these necessary and constitutive properties in different objects, thus determining the nature of the study object. In this context the term 'nature' refers to the type of an object, be it naturally or socially produced, to that which at a certain moment determines what a certain object is. The abstractions must show what it is in the object that makes it what it is and not something else (ibid.).

Once again, it is the nature of the object of study that determines the method. Consequently, there is no one best method in organisation and leadership research. This is critical because leadership research deals with many different objects of study like (1) leaders' personality, (2) leadership behaviour, (3) leaders' attitudes and values, (4) leadership skills, (5) leaders' activities, (6) leadership roles, (7) managerial work, (8) managerial functions, (9) processes of leadership, (10) leaders' perception and construction of their reality, (11) leadership situations/contexts, and (12) leadership effectiveness. There may be more than one method that captures the nature of the study object. However, it cannot be taken for granted that triangulation, that is, the use of two (or more) methods, is warranted.

Alvesson and Sveningsson (2003) have argued that more inductive, longitudinal and narrative work is needed to comprehend the phenomenon of leadership better. Alvesson and Sveningsson (2003) attack leadership research because it is based on 'forcing' respondents to respond to questionnaire statements. Interviews are the preferred method, they argue. This is simply incorrect: there is no one best method. Again, the nature of the object under study decides the choice of method.

If the purpose is to develop social-science explanations, it is not enough just to collect and repeat

the interpretations and explanations that people themselves have of various social phenomena. Alvesson and Sveningsson (2003) have studied the meaning managers ascribe to leadership or construct their leadership, while Holmberg and Tyrstrup (2010) have explored the way in which managers perceive and describe the characteristics of their everyday leadership. Similarly, Kempster and Parry (2011) have examined how managers believed that they have learnt how to lead. Again, if the interpretations and explanations of others were the real explanation, there would be no need for social science (Danermark et al., 2002).

Alvesson and Sandberg (2013) argue that management researchers have lost sight of what is the goal and ultimate purpose of management studies, namely, to produce original knowledge that matters to organisations and society. What knowledge matters to organisations and managers? What kind of scholarly work is relevant and helpful to managers?

Leadership is totally independent of what researchers at any time think about it. Those who adhere to critical realism perceive social objects as relational. Social objects are not simply independent, for they are objects arising out of the relationship they form with other objects. It is a crucial realisation that the objects of social science are relational – they are what they are by virtue of the relations they enter with other objects (Danermark et al., 2002). This is the core of managerial leadership as it is related to individuals (i.e., managers and subordinates), tasks, and organisations.

Tushman et al. (2007) address the 'relevance-rigor gap' in organisation and leadership studies. If management is to be a profession, rigorous leadership theories can only be useful to managers if they grapple with the complexity of contemporary organisations (Uhl-Bien et al., 2007). Is the meaning that some managers ascribe to leadership and construct their leadership or the way in which some managers perceive and describe the characteristics of their everyday leadership useful for other managers to know?

Böhmel et al. (2012) have argued that application of objectivist methodological assumptions and overreliance on mathematical analysis can cause researchers to oversimplify reality. Rigorously derived theories and recommendations may be produced

that lack practitioner relevance. By reflecting on lessons learned over years of practical experience with a robust mixed-methods approach specifically designed to bridge the academia-practitioner gap, the authors encouraged leadership researchers to adopt a more balanced portfolio of research methods that will simultaneously achieve research rigor and generate insightful practitioner-relevant theory.

## **9. RESEARCHERS' PERSPECTIVE VS. INVESTORS' PERSPECTIVE**

A basis of divergence among those who study organisations is the theoretical perspective employed by the researchers. Again, whether or not organisations can be studied by a focus on the goals for organised action constitutes the watershed between the two perspectives. Rationalistic theory regards the goal as an independent variable and as a prime controlling factor in the organisation's activities. System theory does not see goals as controlling the organisation's activities.

It is imperative to distinguish between the perspectives on formal organisations that researchers have, on the one hand, and the perspectives that investors (owners of firms) have, on the other. Researchers' perspective on organisations may be that organisations do not have owners and goals or that goal-attainment is not a vital issue in the study of organisations and leadership.

Scholarship on corporate governance may cast some light on the issue at hand. Corporate governance is understood as the system by which companies are directed and controlled (Cadbury, 2000). Additionally, corporate governance can be conceptualised as a set of processes, customs, policies, laws, and institutions affecting the way a corporation is directed, administered or controlled (Mostovicz et al., 2011). Letza et al. (2004) have noted that through stock markets, share ownership has become dispersed and fragmented and shareholders are more like investors than owners. All the same, this observation does not change the fact that shareholders have the right to appoint directors of the board and thus to take part in major decisions regarding goals and strategies or can refrain from doing so. Letza et al. (2004) and Freeman (1984)

have stated that owners not only want returns; they also want control. Owner control exists because an owner can expend resources in the form of voting power, voting for directors, voting to support management, or even 'voting' to sell their shares (ibid.). If we regard shareholders as investors, then we only imply that they have decided to be passive owners.

Micro-economic theory says that firms strive for maximum profit. In practice, the degree of profitability set as the goal of the firm depends on the investment horizon and the risk propensity of the owners. Not all shareholders hold similar investment horizons as some are 'transient' and some are 'dedicated' (Mostovicz et al., 2011). Any change in the structure of ownership may change the degree of profitability set as the goal of the firm. The perspective of shareholders and investors in general is that their goal is a certain degree of profit and an increase of the value of their assets. The corporation has legitimate obligations and the managers have a fiduciary duty to act in the interests of shareholders (Mayson et al., 1994). The profit margin set by the owners of the firm is the goal set for the managers to achieve. Whatever perspectives the researchers adopt, the owner's perspective remains the same.

## **10. IS MANAGERIAL LEADERSHIP RESEARCH RELEVANT?**

Hambrick and Quigley (2014: 475) remind us the following: 'The academic field of management resides, in great part, on the premise that managers vary in their effectiveness in ways that have consequences for their organisations - that management matters.' What do management and leadership researchers study? Do they investigate the relationship between managerial leadership and organisational outcomes? March and Sutton (1997) have reported that 20 percent of the 439 empirical articles that they assessed dealt with performance, while Collins (2001) has reported that 'organizational performance' appeared in 19 percent of 54 studies. Additionally, Richard et al. (2009) have found that 'organizational performance' appeared in 17 percent of 722 articles. Hiller et al. (2011) have reported the occurrence of leadership effectiveness in seven percent of 1,161 articles. Hiller et al. (2011)

have categorised profitability as tangible outcomes. The survey does not specify the number of studies which have applied return on assets and return on invested capital (profitability) as the criteria variables. Profitability is the major definition of organisational effectiveness for business enterprises. None of these four studies addressed the question on relevance. And none of them investigated the occurrence of organisational effectiveness in particular nor did they report whether or not the term has been defined or measured.

The study by Andersen (2013) narrowed down the four previous studies, that is, from a search for broad concepts to the occurrence of the specific concept of organisational effectiveness in leadership journals. Articles that include the term 'effectiveness' in the abstract or in the running text, or both, was scrutinised in order to assess whether the term had been defined and effectiveness measured or not. On the basis of this premise of relevance, a survey of 105 research articles written by 282 researchers and published in two international leadership journals in year 2011 revealed that the term 'effectiveness' occurred about one time for every thousand words. It was seldom defined and never measured (ibid.) If managers' prime concern is to contribute to organisational effectiveness, then it is no surprise that several scholars have found that managers regard leadership research to be irrelevant and useless.

## **11. REGAINING RELEVANCE**

In business administration and management the firm is perceived according to the rationalistic theory (Douma & Schreuder, 2002). The firm comprises individuals who pursue the goal of generating dividends from the capital invested. This very goal motivates its establishment and a goal statement is required for the firm to operate according to the company act. When researchers apply the open system theory, the idea of studying organisations on the basis of goals is rejected. Thus, the basis for organisational studies is formally incorrect.

However, researchers' perspective on organisations may be that organisations do not have owners and goals or that goal-attainment is not a central



issue in the study of organisations and leadership. Consequently, organisational goal attainment (effectiveness) is an irrelevant concept and not worth scientific endeavour. Organisational, management and leadership studies based on the rationalistic organisation theory imply that the main goal of the organisation is imperative.

The formal leaders (i.e., managers) are hired to be executives; that is, their main task is to contribute to the attainment of the goals as decided by the owners. The purpose of the organisation is the reason for management. If managers do not achieve the goals, the owners will (eventually) fire them. If the managers do not accept the goals, they may resign.

Ladkin (2010) has suggested that we should study leadership through the lens of philosophy, because philosophy teaches us how to live with uncertainty. To live with uncertainty is possible by asking questions. To conduct leadership research is, according to Ladkin, to ask questions. After more than 100 years of leadership research it may be timely to ask for answers. Arguably, the ultimate question in managerial leadership is this: how can managers act in order to enhance organisational goal-attainment.

Managerial leadership research would be relevant if researchers were more explicit on which prob-

lem they address and specify who has the problem. In other words, the relevance for the organisation and thus for the manager, must be made explicit. What managers need to know is how to act and behave in order to enhance organisational effectiveness. In order to achieve this, the relationship between leadership behaviour and organisational effectiveness needs to be the focus. What is the nature of the object of study of organisational effectiveness? If it is defined as the degree of goal-attainment it is an objective study object. Consequently, it is imperative that the research is based on methods that measure organisational effectiveness objectively. In that way, and maybe only in that way, can managerial leadership research become relevant and useful to managers and thus for the organisations in which the managers are appointed to enhance organisational goal-attainment.

The five studies referred to above, which comprised 2,479 articles, reveal that leadership research is irrelevant and useless to managers. However, six other studies also referred to have shown that managers themselves perceive leadership research unhelpful. They do not know why leadership research is irrelevant and useless to them. What managers probably do know is this: "betrayal is the oldest crime."

## EXTENDED SUMMARY / IZVLEČEK

V raziskovanju managementa in vodenja so organizacije pogosto opredeljene kot 'vozila' lastnikov za doseganje ciljev. Tako naj bi bil namen raziskovanja zagotavljati managementu znanje, ki bi koristilo organizacijam. Pričujoči članek se osredotoča na vprašanje, ali je sodobno raziskovanje s področja managementa dejansko relevantno za managerje ali ne, ter ali jim pomaga pri njihovem delu. Ker se dotika vodenja v formalnih združbah se poraja vprašanje, kako na pravi način raziskovati organizacije v njih. Izziv tega, ali je organizacije moč raziskovati z osredotočenostjo na cilje z namenom organiziranja dejavnosti, je pravzaprav na meji med racionalističnimi teorijami in teorijami odprtih sistemov. Racionalistična teorija se osredotoča na lastnike, managerje in cilje organizacije. Večina literature s področja organizacije pa temelji na teoriji odprtih sistemov, ki govori o tem, da je najprej opredeljena organizacija, šele zatem pa cilji.

Članek se osredotoča na pomembnost raziskovanja vodenja v smislu tega, zaradi česa in za koga je raziskovanje vodenja relevantno. V preučevanju vodenja v okvirih širšega področja managementa so ključni koncepti učinkovitosti in doseganja ciljev, ki predstavljajo ključne kriterije uspešnosti. Raziskovanje vodenja, ki se ne ubada s temi vprašanji, je torej nerelevantno za prakse na managerskih pozicijah, saj jim ne pomaga pri izboljšanju njihove učinkovitosti. Kritični pregled petih preglednih študij (March & Sutton, 1997; Collins, 2001; Richard et al., 2009; Hiller et al., 2011; Andersen, 2013),

ki vključujejo podatke za skupno 2.479 člankov, je razkril, da je dejansko razmerje med formalnim vodenjem v okviru managementa in uspešnostjo združb le redko predmet preučevanja. Kadar se članki osredotočajo na to povezavo, je uspešnost le redko pravilno definirana in skoraj nikoli izmerjena. Tako ni presenečenje, da je šest študij (Burack, 1979; Calas & Smircich, 1988; Astley & Zamuto, 1992; House & Aditya, 1997; Ghoshal, 2005; Brownlie et al., 2008) pokazalo, da managerji dejansko razumejo oziroma zaznavajo raziskovalno področje vodenja kot nepomembno za njihovo prakso. Ne vejo pa, zakaj je temu tako. Česar pa se verjetno managerji zavedajo je, da "je izdaja najstarejši zločin".

## REFERENCES

- Alvesson, M., & Sveningsson, S. (2003). The great disappearing act: difficulties in doing 'leadership.' *The Leadership Quarterly*, 14(3), 359-381.
- Alvesson, M., & Sandberg, J. (2013). Has management studies lost its way? Ideas for more imaginative and innovative research. *Journal of Management Studies*, 50(1), 128-152.
- Amabile, T. M., Patterson, C., Mueller, J., Wojcik, T., Odomirok, P. W., Marsh, M. & Kramer, S. J. (2001). Academic-practitioner collaboration in management research: A case of cross-profession collaboration. *Academy of Management Journal*, 44(2), 418-431.
- Andersen, J. A. (2013). Leadership research: Where irrelevance prevails. *Dynamic Relationships Management Journal*, 2(2), 3-14.
- Astley, W. G., & Zamuto, R. F. (1992). Organization science, managers, and language games. *Organization Science*, 3(4), 443-460.
- Baldvinsdottir, G., Mitchell, F., & Nörreklit, H. (2010). Issues in the relationship between theory and practice in management accounting. *Management Accounting Research*, 21(2), 79-82.
- Bartunek, J. M., & Rynes, S. L. (2014). Academics and practitioners are alike and unlike: The paradoxes of academic-practitioner relationships. *Journal of Management*, 20(10), 1181-1201.
- Blake, R. R., & Mouton, J. S. (1985). *The managerial grid III*. Gulf Publishing, Houston.
- Blau, P. M., & Scott, W. R. (1962). *Formal organizations*. Chandler, San Francisco, CA.
- Brownlie, D., Hewer, P., Wagner, B., & Svensson, G. (2008). Management theory and practice: Bridging the gap through multidisciplinary lenses. *European Business Review*, 20(6), 461-470.
- Burack, E. (1979). Leadership findings and applications: the viewpoints of four from the real world - David Campbell, Joseph L. Moses, Paul J. Patinka, & Blanchard B. Smith. In Hunt, J., & Larsson, L. (Eds), *Cross-currents in leadership*: 25-46. Southern Illinois University Press, Carbondale, IL.
- Burns, J. M. (1978). *Leadership*. Harper & Row, New York.
- Burns, J. (2000). The dynamics of accounting change. Inter-play between new practices, routines, institutions, power and politics. *Accounting, Auditing & Accountability Journal*, 13(5), 566-596.
- Böhme, T., Childerhouse, P., Deakins, E., & Towill, D. (2012). A method for reconciling subjectivist and objectivist assumptions in management research. *Journal of Leadership & Organizational Studies*, 19(3), 369-377.
- Cadbury, A. (2000). The corporate governance agenda. *Corporate Governance*, 8(1), 7-17.
- Calas, M. B., & Smircich, L. (1988). Reading leadership as a form of cultural analysis. In Hunt, J. B., Baliga, B. R., Dachler, H. P., & Schriesheim, C.A. (Eds), *Emerging leadership vistas*: 201-226. Lexington Books, Lexington.
- Collins, D. B. (2001). Organizational performance: The future focus of leadership development programs. *Journal of Leadership & Organizational Studies*, 7(4), 43-54.
- Daft, R. L., & Lewin, A. Y. (2008). Rigor and relevance in organizational studies: Idea migration and academic journal evolution. *Organization Science*, 19(1), 177-183.
- Danermark, B., Ekström, M., Jakobsen, L., & Karlsson, J. C. (2002). *Explaining Society. Critical realism in the social sciences*. Routledge, London.
- Douma, S., & Schreuder, H. (2002). *Economic approaches to organizations*. Prentice Hall, Harrow.
- Fincham, R., & Clark, T. (2009). Introduction: Can we bridge the rigour-relevance gap? *Journal of Management Studies*, 46(3), 510-515.
- Freeman, R. E. (1984). *Strategic management. A stakeholder approach*. Pitman, Boston.
- Ghoshal, S. (2005). Bad management theories are destroying good management practice. *Academy of Management Learning & Education*, 4(1), 75-91.
- Gulati, R. (2007). Tent poles, tribalism, and boundary spanning: The rigor-relevance debate in management research. *Academy of Management Journal*, 50(4), 775-782.

- Hambrick, D. C. (1983). Some tests of the effectiveness and functional attributes of Miles and Snow's strategic types. *Academy of Management Journal*, 26(1), 5-26.
- Hambrick, D. C., & Quigley, T. J. (2014). Toward more accurate contextualization of the CEO effect on firm performance. *Strategic Management Journal*, 35(4), 473-491.
- Hiller, N. J., DeChurch, L. A., Murase, T., & Doty, D. (2011). Searching for outcomes of leadership: A 25-year review. *Journal of Management*, 37(4), 1137-1177.
- Holmberg, I., & Tyrstrup, M. (2010). Well then – What now? An everyday approach to managerial leadership. *Leadership*, 6(4), 353-372.
- House, R. J., & Aditya, R. M. (1997). The social scientific study of leadership: Quo vadis? *Journal of Management*, 23(3), 409-473.
- Jaques, E. (1990). In Praise of hierarchy. *Harvard Business Review*, 68(1), 127-133.
- Kaplan, R. S., & Johnson, T. H. (1987). *Relevance lost: The rise and fall of Management Accounting*. Harvard Business School Press, Boston.
- Katz, D., & Kahn, R. L. (1978). *The social psychology of organizations*. Wiley, New York.
- Kempster, S., & Parry, K. W. (2011). Grounded theory and leadership research: A critical realist perspective. *The Leadership Quarterly*, 22(1), 106–120.
- Kieser, A., & Leiner, L. (2011). On the social construction of relevance: A rejoinder. *Journal of Management Studies*, 48(4), 891-898.
- Khanin, D. (2007). Contrasting Burns and Bass. Does the transformational paradigm live up to Burn's philosophy of transforming leadership? *Journal of Leadership Studies*, 1(3), 7-25.
- Ladkin, D. (2010). *Rethinking leadership*. A new look at old leadership questions. Edward Elgar, Cheltenham.
- Learnmonth, M., Lockett, A., & Dowd, K. (2011). Promoting scholarship that matters: The uselessness of useful research and the usefulness of useless research. *British Journal of Management*, 23(1), 35–44.
- Letza, S., Sun, X., & Kirkbride, J. (2004). Shareholding versus stakeholding: A critical review of corporate governance. *Corporate Governance*, 12(3), 242-262.
- Lilien, G. L. (2011). Bridging the academic-practitioner divide in marketing decision models. *Journal of Marketing*, 75(4), 196-210.
- Lilien, G. L., & Rangaswamy, A. (2004). *Marketing engineering: Computer-assisted marketing analysis and planning*. Trafford Publishing, Bloomington, IN.
- Maghroori, R., & Rolland, E. (1997). Strategic leadership: The art of balancing organizational mission with policy, procedures, and external environment. *Journal of Leadership & Organizational Studies*, 4(2), 62-81.
- March, J. G., & Sutton, R. I. (1997). Crossroads - Organizational performance as a dependent variable. *Organization Science*, 8(6), 698-706.
- Mayson, S. W., French, D., & Ryan, C. L. (1994). *Corporation law*. Blackstone Press, London.
- Moorman, D., Zaltman, G., & Deshpande, R. (1992). Relationship between providers and users of marketing research: The dynamics of trust within and between organizations. *Journal of Marketing Research*, 29(3), 314-328.
- Mostovicz, E. I., Kakabadse, N. K., & Kakabadse, A. (2011). Corporate governance: quo vadis? *Corporate Governance*, 11(5), 613-626.
- Nash, M. (1983). *Managing Organizational Performance*. Jossey-Bass, San Francisco, CA.
- Nelson, R. B. (1993). The leader's use of informal rewards and reward systems in obtaining organizational goal. *The Journal of Leadership Studies*, 1(1), 147-158.
- Pawar, B. S. (2003). Central conceptual issues in transformational leadership research. *Leadership & Organization Development Journal*, 24(7), 397-406.
- Pesueux, Y., & Damak-Ayadi, S. (2005). Stakeholder theory in perspective. *Corporate Governance*, 5(2), 521.
- Pisani, N. (2009). International management research: Investigating its recent diffusion in top management journals. *Journal of Management*, 35(2), 199-218.
- Rashman, L., Withers, E., & Hartley, J. (2009). Organizational learning and knowledge in public service organizations. A systematic review of literature. *International Journal of Management Review*, 11(4), 463-494.
- Richard, P. J., Devinney, T. M., Yip, G. S., & Johnson, G. (2009). Measuring organizational performance: Towards methodological best practice. *Journal of Management*, 35(3), 718-804.
- Rynes, S. L. (2007). Let's create a tipping point: What academics and practitioners can do, alone and together. *Academy of Management Journal*, 50, 1046-1054.
- Rynes, S. L., Bartunek, J. M., & Daft, R. L. (2001). Across the great divide: Knowledge creation and transfer between practitioners and academics. *Academy of Management Journal*, 44, 340-355.
- Sayer, A. (1992). *Method in social science: A realist approach*. Routledge, London.
- Scapens, R., & Bromwich, M. (2010). Editorial: Practice, theory and paradigms. *Management Accounting Research*, 21(2), 77-78.
- Scott, R. W. (2003). *Organizations. Rational, natural, and open systems*. NJ: Prentice-Hall, Upper Saddle River.
- Shetty, Y. K. (1979). New look at corporate goals. *California Management Review*, 16(2), 71-79.
- Smircich, L., & Morgan, G. (1982). Leadership: The management of meaning. *Journal of Applied Behavioral Science*, 18(2), 2-73.

- Söderlund, J. (2011). Pluralism in project management: Navigating the crossroads of specialization and fragmentation. *International Journal of Management Review*, 13(2), 153-176.
- Sternberg, E. (1997). The defects of stakeholder theory. *Corporate Governance*, 5(1), 3-10.
- Thorpe, R., Eden, C., Bessant, J., & Ellwood, P. (2011). Rigour, relevance and reward: Introducing the knowledge translation value-chain. *British Journal of Management*, 22(3), 420-431.
- Tushman, M. L., Fenollosa, A., McGrath, D. N., O'Reilly, C., & Kleinbaum, A. M. (2007). Relevance and rigor: Executive education as a lever in shaping practice and research. *Academy of Management Learning & Education*, 6(3), 345-362.
- Uhl-Bien, M., Marion, R., & McKelvey, B. (2007). Complexity leadership theory: shifting leadership from the industrial age to the knowledge era. *The Leadership Quarterly*, 18(4), 298-318.
- Van Aken, J. E. (2004). Management research based on the paradigm of the design sciences: The quest for field-tested and grounded technological rules. *Journal of Management Studies*, 41(2), 219-246.
- Walton, E. J., & Dawson, S. (2001). Managers' perception of criteria of organizational effectiveness. *Journal of Management Studies*, 38(2), 173-199.