MEASURING LEADERSHIP EFFECTIVENESS: AN EMPIRICAL STUDY OF CONTINGENCY THEORY

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Abstract

This research aims to measure leadership effectiveness with an empirical study on contingency theory. The method used in this research is the SLR (Systematic Literature Review) method, which is a method used referring to certain research methodologies and development processes to capture or collect and publish research related to certain topics. Data collection was carried out secondaryly, namely by digging up information through previous research, reading from books, journals or websites that support this research. The results of this research state that in the practice of contingency theory of leadership in organizations, a leader must adapt to various situations, environmental conditions and company culture. Contingency theory is able to support organizations to achieve optimal goals.

Keywords: Leadership, Contingency Theory, SLR (Systematic Literature Review)

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INTRODUCTION

Companies need to improve the quality of human resources in order to compete and meet increasing customer demands. By increasing productivity, efficiency and performance, companies can become leaders in the eyes of consumers. Human resources are an important asset in a company. The potential of human resources greatly influences a company's ability to compete and succeed. Companies are seen as needing to provide motivation and training to improve the quality of employees' abilities, so that they can compete with other companies and ensure the company's continuity. These qualities include employee ability, responsibility and discipline. Discipline can be seen from employees' compliance with regulations and accuracy in completing tasks. The quality of human resources in a company is determined by the quality of a leader.(Erwinsyah et al., n.d.)

Leaders in a company or organization have a dominant and crucial role in the company to determine the progress and decline of the company. Leaders also play a role in achieving goals and managing existing resources in the company. Being a leader is a big responsibility. Leaders must be able to set an example for employees so that they can build total work enthusiasm and motivation for the company. The direction of a company's movement in achieving its goals is determined by a leader in making decisions and policies. So the role of a leader greatly influences the quality, caliber and condition of employees. Apart from that, a leader should also be able to exert influence and be able to direct employees towards their targets. (Cilacap, Indonesia, and Cilacap 2016) This is in line with the opinion of James L. Gibson John M. Ivancevich, James H. Donnelly, JR, and Robert Konopaske who stated that "Leadership as attempt to use influence to motivate individuals to accomplish some goals" which implies that leadership is a management function that is able to influence employees to achieve predetermined company goals.(Akmal and Yogyakarta 2021)

Yukl (2005) argues that leadership theory has 5 variations of approaches, characteristic approach, behavioral approach, power-influence approach, situational approach, and contingency approach. (Fitricia.M.G. Hidayah A.A. 2019) Contingency leadership theory emphasizes that the effectiveness of a leadership style depends on the suitability of the leadership style applied to the situation being faced. One leadership style will adapt to employee conditions, individual behavior, the environment and the company's situation. Contingency theory introduced by Fred Fiedler is a leadership style capable of adapting to different situations. Leadership effectiveness depends on the suitability of the leadership style and the characteristics of the situation being faced. (Reams 2023)

The leadership style chosen by will reflect a leader's individual tendencies and preferences in leading. Leaders can also use various leadership styles according to the situation and character of the employees they lead. (Baiduri et al. 2023) Contingency leadership theory provides a framework for leaders to be able to manage and solve problems in their organizations effectively. Fiedler (1978) also identified several situations that can influence a leader's behavior, namely interpersonal relationships, task structure, and position. (Suntara and Hijran 2023)

Based on the description above, researchers are interested in conducting research related to the effectiveness of leadership theory: empirical studies of contingency theory. The purpose of this research is to measure the effectiveness of contingency theory.

RESEARCH METHODS

Research methods are steps to solve a problem that exists in the object being studied. This research was conducted using the Systematic Literature Review (SLR) method. Data collection was carried out secondaryly, namely by digging up information through previous research, reading from books, journals or websites that support this research.

Systematic literature review is a method used to refer to a particular research methodology and development process to capture or collect and evaluate research related to a particular topic. The SLR method is carried out with various objectives, to analyze, identify, evaluate, and synthesize all available research on relevant topics and events. Apart from that, SLR is also often used to set a research agenda, such as for a dissertation or to meet research objectives. (Triandini et al. 2019)

Study Literature Review is a mandatory activity in research, especially academic research which aims to develop theoretical aspects and practical benefits of research. Researchers conducted a literature review to look for theoretical foundations, group theoretical foundations, reflection frameworks, and identify research hypotheses. With this method researchers can gain a broader and deeper understanding of the problems being studied. (Wildana et al. 2024)

LITERATURE REVIEW

Leadership

Leadership theories are based on observations of many qualities or characteristics of successful and unsuccessful managers. This theory is used to predict a person's leadership effectiveness based on characteristics. This view states that the effectiveness of a leader is greatly influenced by his characteristics. (Nursalim et al. 2023)

According to (Wahjosumidjo, 2010), the word "lead" means directing, directing, leading and continuing (forward). Managers act to help the organization achieve its maximum capabilities to achieve its goals. Leaders do not stand alone on the sidelines, but encourage and encourage (produce) by standing at the forefront, encouraging progress and providing inspiration for the organization to achieve its goals. (Marjaya, I., & Pasaribu 2019)

Leadership is about directing and influencing subordinates so that they are willing to act, act and work so that they can do their work well to achieve goals, so we can conclude that it is the ability to monitor company goals. (Khair 2019) Leadership is a process of moving other people and influencing others to work together without tearing each other down so that organizational goals can be achieved.(Laili et al. 2023)

Leadership Effectiveness

Effective leadership is a form of communication that aims to influence other people and explore employee creativity through systematic thinking that is effective in making decisions, processing thought results, contributing to problem solving and increasing work morale. Willing to work together to achieve goals (Mus, 2020). Therefore, effective management is a manager who can act to manage activities that are more related to people, resources, information and equipment (Notanubun, 2018).(Adistia, Krisma 2022)

In leadership effectiveness, factors that influence job satisfaction and employee performance. The influence of management effectiveness on employee performance has been analyzed in several studies, research by Triayong et al. (2013) stated that management effectiveness has an impact on employee performance. In addition, Fanggidae's (2015) research shows that leadership effectiveness influences employee performance. (Rasmuji, R., & Putranti 2017)

Contingency Theory

Fisher (1998) argues that appropriate matching of monitoring systems and contingency factors is likely to lead to improved unit or individual (manager) performance. In addition, Chenhall (2003) explains that "good fit increases efficiency, while bad fit reduces efficiency". In general, the situational approach clearly focuses on the concept of the relationship between the management monitoring system and contingency factors. However, this system has also been

criticized for allegedly trying to identify key conditioning factors but failing to assess their impact on the monitoring system (Otley, 1995).(Idawati 2017)

Contingency theory assumes that leadership is a process consisting of the leader's ability to influence the group situation (group task situation) and the level of leadership style, personality and approach that is appropriate for the group (Hutahaean, 2021). It can be said that a contingency or situational approach like this emphasizes that the management style used depends on the situation, employees, tasks, circumstances and environmental variables (Susanto, 2017).(Mujahidah, N., & Wulansari 2021) The contingency approach is a theory that tries to achieve a balance of universal organizing principles and the view that each organization is unique and has different situations that need to be handled with a particular leadership approach.(Az-zahroh et al. 2023)

RESULTS AND DISCUSSION

Contingency Theory for Effective Leadership

The optimal leadership style depends on 3 points, first depends on personality, skills and abilities, second depends on the behavior of employees or subordinates, third depends on environmental or company conditions. Fiedler assumes that team performance depends on the leader's interactions with employees and situational support. (Gistituati 2021)

Effective leadership practices are those that are able to create the realization of shared goals in an organization through solid relationships between leaders and team members. This good relationship shows the leader's level of professionalism in managing his team, while his team members can achieve optimal performance according to their respective abilities. This concept is known as contingency or situational leadership, which places the importance of adapting leaders to the abilities and situations of their members in completing tasks and overcoming problems. This leadership emphasizes that no one leadership style is effective in all situations, especially considering the variations in abilities and capacities of team members. This concept is expected to overcome organizational problems that arise from disharmony between leaders and team members in their collaboration. (Suntara, R. A., & Hijran 2023)

Contingency leadership styles and organizational culture

Organizations or companies need to create a supportive work environment to encourage new ideas. Leaders need to develop members' potential more optimally so that the company can develop and meet shareholder expectations and create pride in employees. In this case, good leadership is very important. Relationships of mutual trust and respect need to be built between individuals within the company. Employees need to be inspired so that their work

morale increases and work in synergy to achieve common goals. A positive work atmosphere with healthy appreciation and attention needs to be improved. Companies must be able to achieve excellent performance and maintain environmental sustainability. Fairness in all matters is important to create a work environment that supports and increases productivity. Cooperation and dedication from all parties involved is needed. Apart from that, companies must also have the same adaptability, outlook on life, goals, mission and principles, and be ready to work with a new mindset or business mentality. Organizational mindsets, business strategies and management practices need to adapt to remain competitive.(Ilmi 2016)

According to Supriyadi (2023) organizational culture can be considered as the foundation for organizational stability and continuity which provides a sense of ownership. Providing a sense of security for employees is very important, and what is more important is creating a culture that encourages employee morale.(Supriyadi, Zaharuddin. 2023)

According to Arnold and Connelly in Fitricia, G.M., et.al (2019) employee welfare is influenced by the relationship between superiors and subordinates. Through managerial style a manager can reduce or increase employee stress. When superiors communicate well and provide support to employees, it will reduce employee stress. Likewise, if a superior is rude, pressures or even intimidates employees, it will cause increased stress for employees. (Fitricia. M.G. Hidayah A.A. 2019) This is in accordance with the essence of the theory or contingency leadership style pioneered by Fiedler, who believes that the role of leaders in improving employee performance depends on the leadership style and appropriate conditions. Communication and relationships between leaders and subordinates are very important to determine leadership success. A leadership style that suits the situation will influence employee performance. Apart from that, the contingency leadership style must pay attention to the situation, character and culture in the company. A leadership style that is effective and fits the company's culture means employees will feel comfortable and safe, so they will be enthusiastic to give their best to the company.

Implementation of Contingency Leadership Theory in Educational Institutions

Contingency theory suggests that a leader's role towards his members depends on the leadership style he chooses, whether it is appropriate to the current conditions or not. In this context, educational institutions, especially schools, have an important role as agents of change for society. As an entity that contributes to changing the future of the nation, schools must have the power to operate their internal systems well and carry out effective management. Good quality management will have a significant impact on the progress and

development of the school so that it can achieve the stated goals. Management in the context of educational institutions such as schools is the responsibility of the principal as the main leader, which of course is supported by the cooperation of teachers and school staff in its implementation.

In every educational institution there must be a leader who has power or authority who will play a role in organizing, planning or making decisions which will have a big impact on the continuity of the institution in the future.(Turmuzi 2023) A leader in an educational institution certainly applies one of the most effective leadership styles. One of the leadership styles applied by leaders in an educational institution is contingency theory.

According to Mujahidah & Wulansari (2021), in its implementation in formal educational institutions (schools), there are at least three important situations that must be implemented by a leader in applying contingency theory: First, the leader-member situation or the relationship between the leader and his members. For example, in a class that is in this situation, the most appropriate leadership style used by a leader (teacher) is Relationship Orientation, because having a good relationship between the teacher and students can make it easier for the teacher to convey his assignments and can also motivate students to do their assignments. . Second, Task Structure or the arrangement of tasks given by the leader to his members. The appropriate leadership style to apply in this situation is Task Oriented. For example, a teacher gives an assignment to a student, then the teacher must explain in detail about the material to be assigned and what the procedures for the assignment are. A teacher also cannot declare wrong an assignment answer from a different student, because each student has a different reference source. Each teacher will also provide corrections or additions as improvements to the assignment. Third, the power of position. In this position of power situation, the relationship between teacher and student is prioritized to produce obedience, so the leadership style that is suitable for this situation is Relationship Oriented. (Mujahidah and Wulansari 2021)

CONCLUSION

That the optimal leadership style in an organization, including educational institutions, really depends on several key factors. First, internal factors such as a leader's personality, skills, and abilities play an important role in determining an effective leadership style. Second, interactions between leaders and team members, as well as situational supports, such as environmental or company conditions, also have a major impact on team performance. Successful leadership practices are those that are able to build solid relationships between leaders and team members, recognize the importance of adapting to individual abilities and situations, and adapt leadership styles to existing conditions.

In implementing contingency leadership theory in educational institutions, such as schools, the role of the principal as the main leader becomes crucial. School principals must have sensitivity to various situations faced in the learning process, and be able to adapt their leadership style according to needs. This includes building good relationships between teachers and students, paying attention to the structure of assignments, and considering the strengths of the position in determining the appropriate approach.

Thus, the implementation of contingency leadership theory not only helps create an effective learning environment, but also strengthens relationships within educational institutions and supports the achievement of learning goals more optimally. The success of leadership in educational institutions is largely determined by the leader's ability to understand and manage well existing relationships, tasks and situations.

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