
Literature Review: Leadership Styles in Organizational and Cultural Contexts

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Abstract:

Contemporary organizations face unprecedented challenges in leadership effectiveness due to globalization, cultural diversity, and rapidly changing organizational dynamics. Despite extensive research on leadership styles, significant gaps remain in understanding how transformational, transactional, charismatic, and laissez-faire leadership approaches function across different organizational and cultural contexts. Leadership is a fundamental factor in organizational effectiveness, whether in the public, educational, and business sectors. This literature review aims to synthesize and analyze eight empirical studies examining various dimensions of leadership styles and their contextual influences on organizational outcomes. The eight articles reviewed in this paper examine various dimensions of leadership styles, ranging from transformational, transactional, charismatic, to the influence of cultural context. The methodology employed systematic literature selection from databases including Google Scholar, Scopus, PubMed, ProQuest, and ScienceDirect, focusing on articles published between 2002-2022 that examined leadership styles in diverse organizational contexts. Results demonstrate that transformational leadership consistently contributes positively to job satisfaction, performance, and organizational commitment across police, educational, and business organizations, while laissez-faire styles tend to have negative effects. The analysis reveals that national cultural factors, demographic diversity, gender, and communication serve as critical mediators in leadership effectiveness. The results of the review show that transformational leadership styles consistently contribute positively to job satisfaction, performance, and organizational commitment, while laissez-faire styles tend to have a negative effect. In addition, national cultural factors, demographic diversity, gender, and communication are important mediators in leadership effectiveness. The findings underscore the urgent need to develop leadership models that are more contextual, inclusive, and social justice-oriented to address the challenges of globalization and organizational complexity in the 21st century.

Keywords: Charismatic leadership, diversity, job satisfaction, organizational culture, performance, transformational leadership.

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INTRODUCTION

The concept of leadership has long been a center of study in the fields of management, organizational psychology, and social sciences. Since the beginning of the 20th century, research on leadership has evolved from trait theory that focuses on the innate characteristics of a leader, to behavioral theory that emphasizes learnable leadership behavior. Furthermore, contingency and situational theories emphasize that the effectiveness of leadership is greatly influenced by a particular context, so there is no one leadership style that is suitable for all situations (Ayman & Lauritsen, 2018; Santos, 2021; Tsolka, 2020).

Further developments gave birth to transformational and charismatic leadership theories that highlight the role of leaders in providing inspiration, vision, and shaping the values and behaviors of their followers. This model is considered relevant to the needs of modern organizations facing rapid change, global competition, and innovation demands (Dereli, 2015; Vlado, Denizos, & Chatzinikolaou, 2018). Transformational leaders focus not only on

achieving short-term targets, but also on building organizational culture, developing human resources, and empowering team members.

In practice, leadership styles cannot be separated from social, cultural, and organizational contexts. Recent studies have shown that effective leadership in one context may not necessarily succeed in another (Bush, 2018; Schuetz, 2016). For example, hierarchical leadership may be accepted in a culture with high power distance, but is considered less effective in a more egalitarian environment. Similarly, gender and communication factors play a big role in shaping leadership effectiveness, as followers respond to leaders not only based on policies, but also through daily interactions that build trust.

Another challenge in 21st-century leadership is the increasing diversity of cultures and demographics (Chin, Trimble, & Garcia, 2017; Moran & Abramson, 2017). Multinational organizations, international educational institutions, and local communities are now made up of individuals with different ethnic, religious, linguistic, and cultural backgrounds. This demands the emergence of a leadership model that is more inclusive, sensitive to diversity, and oriented towards social justice.

The central research problem addressed by this literature review is the fragmented understanding of how different leadership styles operate across various organizational and cultural contexts, particularly in an era of increasing globalization and workplace diversity (Cerasoli, 2025; Muktamar, Wahdiniawati, Fatmawati, & Mardikawati, 2023; Tran, 2025). This problem is urgent given the rising failure rates of leadership initiatives and the growing complexity of multicultural organizational environments (Kezar, 2023).

The urgency of this research is driven by several factors: first, the increasing globalization of business operations requiring culturally sensitive leadership approaches; second, the growing emphasis on diversity, equity, and inclusion in organizational practices; third, the need for evidence-based leadership development programs; and fourth, the demand for leaders who can navigate complex multicultural environments effectively.

Previous research has primarily focused on individual leadership styles in isolation, with limited attention to contextual factors and cultural mediators. Studies have often been conducted within single cultural contexts, limiting their generalizability to diverse organizational settings. Furthermore, most research has emphasized Western leadership models, potentially overlooking culturally specific leadership approaches that may be more effective in non-Western contexts.

Research gaps identified include: (1) limited comparative analysis of leadership effectiveness across different cultural contexts; (2) insufficient attention to the mediating role of gender and communication in leadership effectiveness; (3) lack of comprehensive synthesis examining multiple leadership styles simultaneously; (4) inadequate focus on the interplay between organizational culture and leadership styles; and (5) limited exploration of inclusive leadership models for diverse organizational settings.

The novelty of this research lies in its comprehensive synthesis of leadership styles across multiple organizational contexts, with particular attention to cultural, gender, and communication factors as mediators. This review uniquely combines findings from diverse organizational settings (police, education, business, multicultural organizations) to provide a holistic understanding of leadership effectiveness.

The objectives of this research are: (1) to synthesize findings on the effectiveness of transformational, transactional, charismatic, and laissez-faire leadership styles across different organizational contexts; (2) to examine the role of cultural factors, gender, and communication as mediators in leadership effectiveness; (3) to identify patterns and inconsistencies in leadership research across various organizational settings; (4) to highlight gaps in current leadership literature; and (5) to propose directions for future leadership research and practice.

The benefits of this research include: providing evidence-based insights for leadership development programs; offering guidance for organizations operating in multicultural environments; contributing to the theoretical understanding of contextual factors in leadership effectiveness; informing policy decisions related to leadership training and development; and establishing a foundation for future empirical research on inclusive leadership models. The practical implications extend to helping organizations design more effective leadership strategies that account for cultural diversity and contextual factors.

RESEARCH METHODS

This research was conducted using a literature review method that aims to examine and synthesize findings related to leadership styles (transformational, transactional, charismatic, and laissez-faire) as well as the influence of cultural, gender, and communication contexts on organizational effectiveness.

The literature is collected from a variety of scholarly sources relevant to leadership and organizational topics. Databases used in literature searches include Google Scholar, Scopus, PubMed, ProQuest, and ScienceDirect. In addition, open access articles published in Academia Letters and university repositories are also considered. The keywords used in the literature search were "Leadership Styles," "Transformational Leadership," "Transactional Leadership," "Charismatic Leadership," "Laissez-Faire Leadership," "Organizational Performance," and "Cultural Context of Leadership." The inclusion criteria applied in the selection of literature are empirical and conceptual articles that examine leadership styles and their impact on organizations, articles published in scientific journals, dissertations, or conference proceedings, studies conducted in various organizational contexts (education, policing, business, multicultural organizations), English-language articles published in the range 2002–2022 according to the selected literature.

The exclusion criteria include articles that only discuss leadership in general without explaining a specific leadership style, non-scientific literature such as opinion articles or popular media and studies that are not relevant to cultural, organizational, or leadership style themes.

The process of writing this review is carried out through the stages of identification, selection, data extraction, synthesis, and interpretation. Each selected article is evaluated based on its methodological quality, relevance, and contribution to the research topic. The results of the synthesis are presented in the form of a literature table for easy comparison, then discussed critically in the discussion section.

RESULTS AND DISCUSSION

Table 1. Literature Review

Yes	Title & Author	Research Focus	Method	Key Findings
1	Analysis of Perceived Leader Behaviors in Law Enforcement Agencies – Morreale (2002)	Leadership styles in the police force (transformational, transactional, laissez-faire)	MLQ Survey, 465 respondents	Transformational → increase job satisfaction & extra effort; laissez-faire → negative
2	Do the Standards of the NCAAA Lead to Organization Excellence – Alsaleh (2016)	Saudi Arabia's accreditation standards & organizational excellence	Analysis of NCAAA & EFQM documents	Leadership, strategic planning, partnerships are essential for the quality of education
3	Charismatic and Transformational Leadership	The concept of charisma & transformational	Theoretical studies	Charisma is a core component of transformational leadership; empirical validation is needed
4	Dimensions of Transformational Leadership – Rafferty & Griffin (2004)	Transformational sub-dimensions	Analysis of confirmatory factors	Identify the 5 subdimensions: vision, inspirational communication, intellectual stimulation, support, personal recognition
5	Cultural Context of Leadership – Zeerak (2022)	Influence of cultural context (national & organizational)	Review theoretic	The effectiveness of leadership styles differs according to the context; Hofstede framework relevant
6	Culturally Diverse Leadership in the 2000 Decade and Beyond – Trimble & Jimenez-Luque (2022)	Leadership in a global & multicultural society	Conceptual review	Need inclusive leadership, responsive to social justice and diversity
7	Effects of Leadership Styles on Employee Performance – Memon (2014)	Relationship of leadership style, performance, culture, gender, communication	Literature review	Transformational → positive performance; Communication Important Moderation Factors
8	Analysis of Head of Departments Leadership Styles – Pihie et al. (2011)	Leadership style of head of department of Malaysian research university	MLQ 5X survey, UK lecturer	Transformational & transactional → positive on lecturer satisfaction; laissez-faire → negative

Discussion

The results of the synthesis of eight articles show the consistency of the findings that transformational leadership has a positive impact on job satisfaction, motivation, and employee performance. This is reflected in the context of police, universities, and business organizations. In contrast, laissez-faire styles have repeatedly been shown to negatively impact subordinate satisfaction and performance.

These findings directly address the central research problem by demonstrating that while transformational leadership shows consistent positive outcomes across diverse contexts, the effectiveness of leadership styles is significantly moderated by cultural, organizational, and communication factors. The evidence reveals that leadership effectiveness cannot be understood in isolation from contextual variables, confirming the need for more nuanced, culturally-sensitive leadership approaches. In addition, several studies highlight the importance

of cultural context and diversity. Zeerak (2022) and Trimble & Jimenez-Luque (2022) emphasize that leadership cannot be separated from the influence of national culture as well as global diversity. Memon (2014) also added that gender and communication are important mediators in leadership effectiveness.

Another relevant finding is the importance of strategic leadership in educational institutions. Alsaleh (2016) shows that accreditation standards in Saudi Arabia will only be effective if mediated by strong leadership. Meanwhile, research at a Malaysian research university proves that a combination of transformational and transactional is more effective than a single style.

Examined more deeply, the literature also underscores that modern leaders need to balance several key aspects: 1) the ability to provide a clear vision, 2) communication skills to build trust, 3) sensitivity to culture and diversity, and 4) the ability to encourage innovation through intellectual stimulation and personal recognition.

Thus, today's leadership is required to be transformational, contextual, inclusive, and communicative. This is in line with the demands of globalization and increasing organizational complexity that require leaders to not only organize, but also inspire, empower, and be agents of change.

CONCLUSION

This comprehensive literature review of eight studies confirms that transformational leadership emerges as the most consistently effective style for improving performance and satisfaction across diverse organizational contexts, from police departments to universities to multicultural organizations. However, the critical finding that leadership effectiveness is significantly moderated by cultural context, gender, and communication mechanisms underscores the complexity of leadership in contemporary organizations. The evidence strongly supports the need for leadership approaches that are contextual, inclusive, and oriented toward social justice principles.

Future research should prioritize longitudinal studies examining leadership effectiveness across different cultural contexts, experimental research testing the causal relationships between leadership styles and organizational outcomes, and development of culturally-adaptive leadership models. Additionally, organizations should invest in leadership development programs that emphasize cultural competency, inclusive practices, and contextual awareness. Policymakers should consider these findings when developing guidelines for leadership training in multicultural environments, while practitioners should adopt more flexible, adaptive leadership approaches that account for the diverse needs and cultural backgrounds of their team members.

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