



PATH-GOAL LEADERSHIP STYLES AND PROJECT SUCCESS OF IT COMPANIES: A THEORETICAL FRAMEWORK PROPOSITION

Ahmed Redžović

MBA Candidate, International Burch University, Sarajevo, Bosnia and Herzegovina

ahmed.redzovic@stu.ibu.edu.ba

Abstract

This article extensively examines the Path-Goal Theory of leadership, focusing on its practical and goal-oriented nature and its potential impact on project success in the IT sector. Originating in 1971 and revised in 1996 by Robert House, the theory underscores the crucial alignment of leadership styles with follower characteristics and environmental factors. The dynamic path-goal leadership style, encompassing directive, supportive, participative, and achievement-oriented styles, is explored in the context of its application in the IT industry. The article explores the theory's origins, key components, and implementation strategies, offering valuable insights for leaders seeking to enhance project success. It also delves into the significance of situational characteristics, including employee and environmental factors, and their relevance to adapting leadership approaches in the IT sector. A comprehensive examination of the advantages and disadvantages of the Path-Goal Theory is presented, providing a nuanced perspective on its applicability in the context of project success in IT companies. The article concludes by discussing hypotheses and a research model, emphasizing the theory's potential contribution to project success in the ever-evolving landscape of the IT industry. Ultimately, the Path-Goal Theory emerges as a guiding framework for leaders, encouraging adaptability, empathy, and an understanding of both individual and collective aspirations, crucial elements in fostering project success in the dynamic realm of IT companies.

Keywords: Path goal theory, project success, leadership, strategy, informational technology, mentoring



INTRODUCTION

Effective leadership is the cornerstone of success in any organization, guiding individuals and teams toward common goals and fostering an environment of productivity and innovation. Thriving in a dynamic and fiercely competitive work environment underscores the significance of adept leaders as pivotal assets for any organization. The competencies of leaders arguably stand out as a crucial element in the foundation of a successful organization within a competitive landscape. Consequently, while it is imperative to bolster leaders' capacity to comprehend the evolving internal and external work environments, there is also a need for them to elevate their competitiveness through refining their thought processes and methodologies. Leadership styles, the approaches leaders take to influence and motivate their followers, play a pivotal role in shaping organizational culture and outcomes. One such influential leadership theory is the path-goal leadership approach, which places a strategic emphasis on achieving objectives and paving the way for subordinates to excel (Gillo, 1982).

As we navigate the complex landscape of leadership theories, the path-goal model stands out for its pragmatic and goal-oriented nature. It recognizes that leaders must not only set a clear direction but also facilitate the process for their team members. The path-goal leadership style is a dynamic framework that acknowledges the diverse needs and motivations of individuals within a team, emphasizing that effective leaders adapt their strategies to suit the unique circumstances they encounter (House, 1996).

In this article, we delve into the intricacies of path-goal leadership, exploring its definition, origins, key components, and various styles within the framework. By examining the practical application of this approach in different contexts and industries, we aim to provide valuable insights for leaders seeking to enhance their effectiveness. As we uncover the benefits and criticisms associated with path-goal leadership, we invite readers to consider the nuanced interplay between leadership styles and organizational success.

Join us on this exploration of path-goal leadership as we navigate through its historical development, discuss its relevance in contemporary leadership scenarios, and offer actionable tips for practitioners. By the end of this article, we hope to shed light on how path-goal leadership styles can serve as a compass for leaders navigating the complexities of the modern professional landscape.

Origins and Development

The path-goal theory, conceptualized by Robert House, an Ohio State University graduate, originated in 1971 and underwent revisions in 1996. According to this theory, a leader's conduct is contingent upon the satisfaction, motivation, and performance levels of their

subordinates. The updated version additionally posits that leaders should exhibit behaviors that complement the abilities of their subordinates and compensate for any deficiencies. Robert House and John Antonakis classify the task-oriented elements of the path–goal model as a form of instrumental leadership (Librarianship Studies & Information Technology, 2020).

This theory drew inspiration from the work of Martin G. Evans (1970), focusing on leadership behaviors and follower perceptions regarding how following a specific behavior (path) would lead to a particular outcome (goal). The path–goal theory was also influenced by Victor Vroom's expectancy theory of motivation developed in 1964, which built upon the earlier work of Georgopoulos et al. (1957) titled "A path-goal approach to productivity" published in the *Journal of Applied Psychology* (John Antonakis and Robert J. House, 2004).

In essence, the initial theory views the manager's role as guiding workers to select optimal paths to achieve both their individual and organizational goals. It asserts that leaders must adapt their behavior based on the situational demands, aiming to assist followers in goal attainment and ensuring alignment with organizational objectives. The acceptability of a leader's behavior to subordinates is contingent upon it being a source of satisfaction, and motivation occurs when need satisfaction is linked to performance, with leaders facilitating, coaching, and rewarding effective performance (House, 1996).

The original path-goal theory identifies four primary leader behaviors: directive, achievement-oriented, participative, and supportive. Directive behavior involves informing followers about expectations and task performance methods, proving most effective in ambiguous and intrinsically satisfying roles. Achievement-oriented behavior entails setting challenging goals, expecting high performance, and expressing confidence in followers' capabilities, particularly relevant in fields driven by achievement motives. Participative behavior involves leaders consulting with followers before making decisions, most suitable when subordinates are highly engaged in their work. Supportive behavior focuses on addressing subordinates' needs and preferences, especially crucial in psychologically or physically challenging situations (Minhaz, 2022).

The path–goal theory presupposes leader flexibility and the ability to adapt their style as per situational requirements. It introduces two contingency variables, namely environmental factors and follower characteristics, to moderate the leader behavior–outcome relationship. Environmental factors, such as follower–task structure, authority system, and work group, are beyond followers' control and dictate the required leader behavior for optimizing outcomes. Follower characteristics, encompassing locus of control, experience, and perceived ability, influence how the environment and leader actions are interpreted (R., 1996).

Research supports the theory's premise that effective leaders guide followers toward goals, simplifying the process by mitigating obstacles. Employee performance and satisfaction are positively impacted when leaders compensate for deficiencies in employees or the work setting. In summary, the path-goal theory serves as a valuable reminder to leaders that their central purpose is to help subordinates define and efficiently reach their goals (House R., 2020).

Key Components

To facilitate your team in accomplishing their objectives, your role involves providing assistance, support, and motivation, encompassed through three key strategies:

- Assisting them in identifying and reaching their goals.
- Removing obstacles to enhance overall performance.
- Offering suitable rewards at various stages of progress.

(Mind Tools, 2023).

To execute these strategies effectively, employing four distinct leadership styles is instrumental:

1. **Supportive Leadership:** This approach centers on cultivating relationships. It involves demonstrating sensitivity to individual team members' needs and considering their best interests. Supportive leadership is particularly effective in situations where tasks are repetitive or stressful (Indeed, 2022).
2. **Directive Leadership:** This style revolves around clear communication of goals and expectations, coupled with assigning well-defined tasks. It is most effective when dealing with unstructured tasks or projects, or when tasks are complex and team members lack experience (HARAPPA, 2020).
3. **Participative Leadership:** Emphasizing mutual participation, participative leadership involves consulting with the group and considering their ideas before making decisions. This style is advantageous when team members are experienced, the task is intricate and demanding, and when team members actively seek to contribute their insights (Hawley, 2023).
4. **Achievement-Oriented Leadership:** In this leadership style, you establish ambitious goals for your team, expressing confidence in their capabilities. Expectations for high performance and maintaining elevated standards characterize this approach, making it suitable for situations where team members lack motivation or find their work uninspiring (House, 1996).

Implementation Strategies

In this section, we observe four implementation strategies. Achievement strategy, directive strategy, supportive strategy, and participative strategy

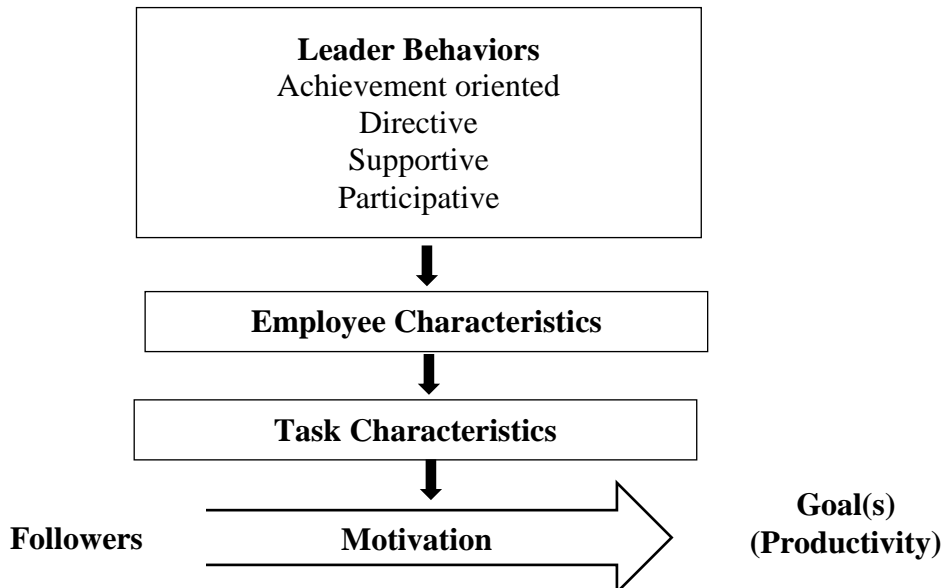


Figure 1. Major Components of Path-Goal Theory (Path-Goal Theory, 2016).

Achievement oriented

For this strategy to yield success, leaders should demonstrate unwavering confidence in their team's capacity to surmount challenges. Establish ambitious expectations for employee objectives. Outline a set of goals that you wish your team members to accomplish within a specified time frame (Jenn, 225) .

Convey your assurance that the set goal is attainable, even in the face of stringent deadlines. Associate the achievement of these objectives with a broader goal, a specific project, or a top priority. This leadership approach is particularly effective with employees exhibiting a low need for affiliation or those who thrive in independent work settings (Jenn, 225).

It is also well-suited for individuals who prefer a less structured environment and harbor a strong belief in their own capabilities. This style proves most effective in professional settings such as scientific or technical fields, as well as in achievement-oriented environments like sales (Jenn, 225).

Directive

As this leadership style is oriented towards tasks, involving the provision of precise guidelines, goals, and performance standards, the most effective implementation is through

thorough training or personalized one-on-one coaching. Divide larger goals into more manageable steps, complete with milestones. When employing this leadership approach, consider employing rewards for accomplishments, especially when employees reach significant milestones. This method is well-suited for individuals who appreciate structure or need clearer insights into how external factors impact their roles and responsibilities. Additionally, it proves beneficial for employees who may lack confidence in their own abilities (Carter, 2021).

Supportive

In employing this leadership style, leaders express authentic concern for their employees' needs, striving to provide assistance in reaching their goals. This approach is particularly impactful in circumstances where both relationships and tasks pose physical or psychological challenges (Evans, 1970).

Supportive leaders concentrate on fostering a warm and amiable atmosphere, demonstrating approachability should employees encounter problems or concerns. Through empathy and motivation, managers can cultivate more cohesive organizational cultures and establish secure work environments (Ahmed, 2023).

Participative

Applying this theory allows employees to actively engage in goal setting. Schedule regular meetings with your team to deliberate on goals and collaboratively devise strategies for achieving them. Foster an environment that encourages employees to share feedback on their progress. This collaborative approach facilitates working together to achieve objectives, enhance processes, and elevate overall business strategies (Emeritus, 2023).

Situational Characteristic

When evaluating a situation, a Path-Goal leader should take into account two sets of characteristics. The first group comprises Environmental and Task characteristics, while the second group focuses on Employee characteristics (P.G., 2016).

Employee Factors

To excel in leadership, every leader must consider the individual needs of those they lead. The conventional wisdom of "treat others as you want to be treated yourself" falls short, requiring leaders to discern how others desire to be treated for optimal performance. Several employee characteristics serve as valuable indicators for determining the appropriate leadership behavior for a specific individual:

- Skill and ability (both perceived and actual)
- Level of experience
- Preference for structure and control
- Affiliation needs
- Incentive preferences
- Level of empowerment versus desire for control (Mind Tools, 2020).

These characteristics should guide how leaders approach and collaborate with each individual, influencing how employees perceive and evaluate the leader's actions. Some individuals thrive on team bonding, while others prefer working independently. Individuals with lower skills and less experience often require more explicit instructions, structure, and guidance, whereas highly skilled and experienced individuals may feel insulted by excessive micromanagement.

In most leadership scenarios, assessing employee characteristics is crucial, extending beyond the scope of the Path-Goal theory. Team members should have confidence in their abilities and align their focus with assigned tasks, whether those tasks are vague, complex, simple, or come with detailed instructions. Changing someone's personal characteristics is often challenging or undesirable, making it necessary for leaders to adapt their approaches to managing and leading by comprehending the unique attributes of the individuals they oversee (Gupta, 1979).

Environmental Factors

In the discussion of environmental characteristics, two crucial factors warrant consideration: task structure and work group dynamics. Various environmental factors should be taken into account, including:

- Task complexity and structure
- Organizational structure and operational methods
- Team dynamics

Leaders must individually assess each employee's situation. A newcomer might be grappling with assimilating into the group, eager to prove themselves and build confidence. Internal conflicts within the team are not uncommon, acknowledging that interpersonal dynamics can vary. Ideally, when assigning tasks to team members, selecting individuals who collaborate well and have a positive working relationship is preferable.

Regarding tasks, a leader's approach should be tailored based on the nature of the task. Is the task clear from the outset, or will aspects of it be uncovered during the process? Can the

leader provide explicit instructions, or is a more flexible approach needed, especially in the case of creative work? (Bailon, 2023).

How does Path-Goal Theory Work?

In essence, the Path-Goal Theory operates by directing leaders to select a leadership style that aligns with the attributes of their followers and the requirements of the work environment. The objective is to establish a supportive and motivating ambiance conducive to achieving goals and improving overall performance. The theory acknowledges the dynamic and situational aspects of leadership, promoting adaptability in approach according to the prevailing circumstances. The following table illustrates examples of how leadership behaviors are related to follower (employee) and task characteristics (House, 1996).

Table 1. Examples of leadership behaviors, follower and task characteristics

Leadership Behaviour	Follower Characteristics	Task Characteristics	Scenario Example
Directive Leadership	<ul style="list-style-type: none"> - Lower skill levels - Less experience 	<ul style="list-style-type: none"> - Unstructured tasks - Complex tasks 	A new employee with limited experience in software development is given step-by-step instructions and guidance on coding a critical module for a complex project.
Supportive Leadership	<ul style="list-style-type: none"> - High stress environment - High need for affiliation 	<ul style="list-style-type: none"> -Psychologically or physically demanding tasks 	In a high-stakes project with tight deadlines causing stress, the leader fosters a positive work environment through regular check-ins, encouragement, and a focus on team well-being.
Participative Leadership	<ul style="list-style-type: none"> - Experienced team members - Desire for involvement 	<ul style="list-style-type: none"> - Complex tasks requiring collaboration and creativity 	A marketing team, consisting of experienced members, collaborates in decision-making for a new advertising campaign, leveraging the collective expertise of the

			team.
Achievement-Oriented Leadership	- Highly skilled and experienced individuals	- Challenging tasks requiring high performance	A research and development team, comprising skilled engineers, is motivated with ambitious goals, emphasizing the importance of reaching technological milestones for a groundbreaking product.

Advantages and Disadvantages of Path-Goal Theory

Similar to other leadership theories, the Path-Goal Theory possesses both advantages and disadvantages. Its incorporation of situational factors distinguishes it, rendering it more sophisticated and superior to many behavioral leadership theories. Let's commence with the positive aspects (Lindberg, 2022).

- As a contingency theory, it considers situational aspects.
- It offers four distinct leadership behaviors for leaders to select from.
- Environmental and employee factors are taken into consideration.
- It places a significant emphasis on goals and the means to achieve them.

Now, let us look at some disadvantages:

- Excessive emphasis on rewards and punishment at the expense of a sense of purpose.
- Certain situations may require the application of multiple leadership styles.
- The burden of accountability is predominantly placed on the leader, with less emphasis on shared accountability and empowering employees
- A pronounced emphasis on how the leader interacts with a follower, overshadowing the dynamics among team members and their interactions with the leader (Study Corgy, 2023).

Project Success

In the context of IT project management, the utilization of the Path-Goal Theory of leadership holds particular relevance. This adaptable leadership style, encompassing directive, supportive, participative, and achievement-oriented approaches, provides a versatile toolkit for leaders navigating the complexities of IT projects (Gillo S. , 1982).

Fundamentally, the Path-Goal Theory encourages leaders to harmonize their leadership behaviors with the distinctive characteristics of team members and the specific requirements of IT project environments. For example, a directive leadership style may prove effective in furnishing clear guidelines for tasks in intricate coding projects, ensuring team members

comprehend project expectations. Conversely, supportive leadership becomes crucial in fostering a positive work environment, particularly when facing tight deadlines and high-pressure situations prevalent in IT project settings (Schwalbe, 2018).

Additionally, the participative leadership style encourages collaboration and engagement, particularly beneficial in scenarios requiring creative problem-solving, such as software development. Simultaneously, an achievement-oriented leadership approach, emphasizing ambitious goal-setting, instills a sense of purpose and motivation, proving especially valuable in motivating teams through challenging project phases (Schwalbe, 2018).

By applying the principles of the Path-Goal Theory, IT leaders can adeptly tailor their strategies to the ever-evolving dynamics of IT projects. This adaptability not only heightens team motivation and satisfaction but also plays a crucial role in overcoming obstacles and realizing project success. In the fast-paced and evolving landscape of the IT sector, characterized by demands for creativity, collaboration, and precision, the Path-Goal Theory emerges as a guiding framework for leaders seeking to navigate complexities and guide their teams toward successful project outcomes (Wang, 2022).

Hypotheses and Research Model

For this article, we propose four hypotheses:

1. Supportive LS affects Project Success of IT Companies
2. Participative LS affects Project Success of IT Companies
3. Achievement oriented LS affects Project Success of IT Companies
4. Directive LS affects Project Success of IT Companies

The research model is as follows:

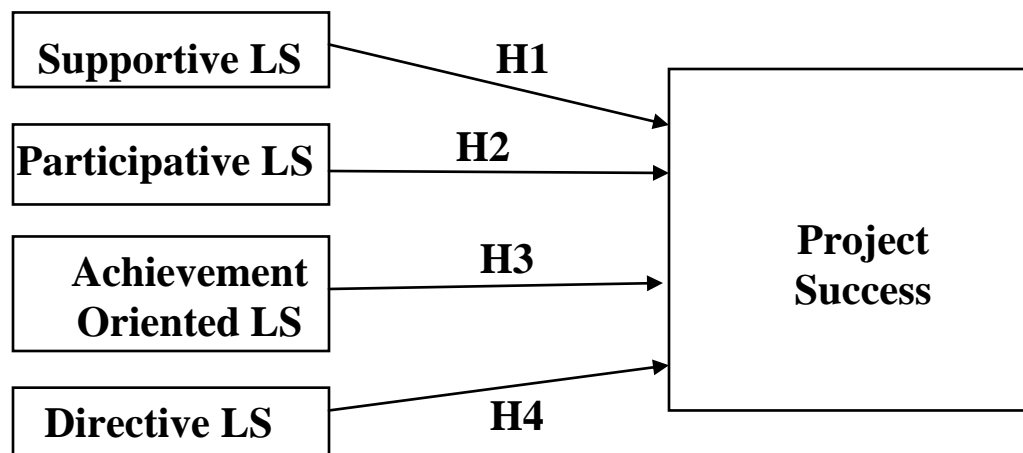


Figure 2. Proposed research model

EXPECTED RESULTS

In line with conclusions based on literature, it is expected that all hypothesized relationships among variables will be confirmed. Replication of the study in different geographical contexts across different time periods is strongly recommended. Still, regardless of the positive and optimistic forecast on supporting the proposed research model, it is on future researchers to test the model and provide empirical evidence.

CONCLUSION

In summary, the Path-Goal Theory serves as a valuable framework in leadership, providing insights into how leaders can effectively motivate and guide their teams toward achieving goals. Rooted in contingency leadership, the theory highlights the dynamic interaction between leaders, followers, and the work environment. By aligning leadership behaviors with follower characteristics and task requirements, the theory emphasizes adaptability and situational awareness.

The four primary leadership styles within the theory — directive, supportive, participative, and achievement-oriented — offer leaders a versatile toolkit to address diverse situations. Recognizing the distinct characteristics of individual followers and their varied responses to leadership approaches, the theory encourages leaders to tailor their strategies for optimal outcomes. Furthermore, the focus on removing obstacles, clarifying paths, and enhancing motivation aligns with the overarching goal of creating a supportive and motivating work environment. Leaders are prompted to be perceptive to the needs of their followers, fostering a culture of collaboration, trust, and achievement.

While the Path-Goal Theory provides valuable insights, it is crucial to acknowledge that effective leadership is a nuanced and ongoing process. Leaders must stay attuned to the evolving dynamics within their teams and adapt their approaches accordingly. The theory acts as a guiding principle, reminding leaders to navigate the complex terrain of leadership with flexibility, empathy, and a deep understanding of both individual and collective aspirations.

In practice, the Path-Goal Theory encourages leaders to be not only visionaries but also pragmatists — understanding that success involves not only setting goals but also navigating the path in a way that resonates with the unique characteristics of followers and the demands of the tasks at hand. Through this adaptive and follower-centric lens, leaders can aspire to create environments where motivation is high, obstacles are surmountable, and goals are not merely set but achieved with collective enthusiasm and commitment.

REFERENCES

- Ahmed, K. (2023). *WallStreetMojo*. Preuzeto od Supportive Leadership: <https://www.wallstreetmojo.com/supportive-leadership/>
- Bailon, A. (31. May 2023). *Ed App*. Preuzeto od Why the Path Goal Theory of Leadership is essential at work: <https://www.edapp.com/blog/path-goal-theory-in-online-leadership-training/>
- Carter, L. (2021). *Louis Carter*. Preuzeto od What Does a Directive Leadership Style Entail?: <https://louiscarter.com/directive-leadership/>
- Emeritus. (07. March 2023). *Emeritus*. Preuzeto od What is Participative Leadership? Why is it Necessary Today?: <https://emeritus.org/blog/leadership-what-is-participative-leadership/>
- Evans, M. (1970). A Path-Goal Theory of Leader Effectiveness. *Organizational Behavior and Human Performance*. 1-44.
- Gillo, D. L. (1982). *Path-Goal Theory of Leader Behavior and Its Relation to Job Satisfaction as Moderated by the Intrinsic Motivation of the Task*. Kalamazoo: Western Michigan University.
- Gillo, S. (1982). The path-goal theory of leadership: A meta-analysis. *Academy of Management Proceedings*, 42-46.
- Gupta, V. a. (1979). A New Look at the Interdependence Between the Leadership Style and the Nature of the Task. *Organizational Behavior and Human Performance*. 40-56.
- HARAPPA*. (8. Decembar 2020). Preuzeto od The Path-Goal Theory Of Leadership: <https://harappa.education/harappa-diaries/the-path-goal-theory-of-leadership/>
- Hawley, M. (18. September 2023). *Reworked*. Preuzeto od What is Participative Leadership?: <https://www.reworked.co/leadership/what-is-participative-leadership/>
- House, R. (17. April 2020). *Librarianship Studies & Information Technology*. Preuzeto od Librarianship Studies & Information Technology: <https://www.librarianshipstudies.com/2020/04/path-goal-theory-of-leader.html>
- House, R. J. (1996). *Path-goal theory of leadership: Lessons, legacy, and a reformulated theory*. JAI Press Inc.
- Indeed*. (25. June 2022). Preuzeto od Supportive Leadership: What It Is and How To Develop It: <https://www.indeed.com/career-advice/career-development/supportive-leadership>
- Jenn. (2022. June 225). *Indeed*. Preuzeto od What Is Achievement-Oriented Leadership? (Plus Benefits): <https://www.indeed.com/career-advice/career-development/achievement-oriented-leadership>
- John Antonakis and Robert J. House, (2004). *Instrumental Leadership: Measurement And Extension Of Transformational-Transactional Leadership Theory*. *The Leadership Quarterly*.
- Librarianship Studies & Information Technology*. (17. April 2020). Preuzeto od <https://www.librarianshipstudies.com/2020/04/path-goal-theory-of-leader.html>
- Lindberg, C. (28. November 2022). *Path-Goal Theory of Leadership*. Preuzeto od <https://www.leadershipahoy.com/path-goal-theory-of-leadership/>
- Mind Tools*. (2020). Preuzeto od Path-Goal Theory: <https://www.mindtools.com/amapuws/path-goal-theory>
- Minhaz, M. (2022). *IEduNote*. Preuzeto od Path-Goal Theory of Leadership: <https://www.iedunote.com/path-goal-theory>
- P.G. (2016). *Leadership: Theory and practice (7th ed.)*. Thousand Oaks: SAGE Publications.
- Path-Goal Theory*. (2016). SAGE Publications.
- Schwalbe, K. (2018). *Information Technology Project Management. Cengage Learning*.
- Study Corgy*. (10. November 2023). Preuzeto od Path-Goal Theory: Strengths and Weaknesses: <https://studycorgi.com/path-goal-theory-strengths-and-weaknesses/>
- Wang, Q. a. (2022). Path-Goal Leadership Styles and Organizational Success: A Comparative Analysis in the IT Sector. *Leadership and Management in Technology*, 289-306.