# WHAT IF YOUR LEADER GOSSIPS TO YOU? EXAMINING GOSSIP RECIPIENTS' JUDGEMENTS BASED ON THE SENDER'S STATUS

**Maria Kakarika**

Duhram University Business School
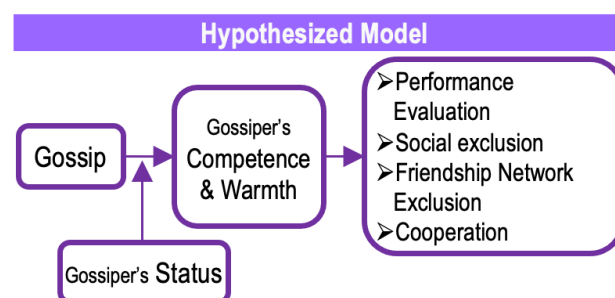
**Helena González-Gómez & Shiva Taghavi**

NEOMA Business School)

Despite the prevalence of gossip in organizations (Dunbar, 2004), research on workplace gossip is limited (Brady et al., 2017; Wu et al., 2018) and inconclusive, lacking a common framework (Dores Cruz et al. 2021). Workplace gossip has been defined as positive or negative informal evaluative talk between organizational members about another member who is not present (Brady et al., 2017; Dunbar, 2004; Foster, 2004; Kurland & Pelled, 2000). That is, gossip involves the sender who shares information about the subject to the recipient (Dores et al., 2021; Michelson et al., 2010), yet existing literature has focused mostly on the target and/or subject of gossip (e.g., Ellwardt et al., 2012; Wu et al., 2018). To understand the consequences of gossip for the gossip sender, we need to consider how recipients interpret gossip and evaluate senders (Lee & Barnes, 2021). Further, the conditions and specific characteristics of the parties involved in a gossip exchange that may shape the outcome are largely unknown, despite previous research signaling that the consequences of gossip might be contingent on specific characteristics of the parties involved in the gossip exchange (Martinescu et al., 2019).

We fill in these gaps by providing theoretical, empirical, and practical insight into the conditions under which gossip results in benefits or detrimental social consequences for the

gossip sender. We therefore focus on the role that the sender's status may play on the between gossip and its outcomes. We examine hierarchical position and gender, both of which have been identified as foundational features of social relations at work (Martinescu et al., 2019) and represent two important dimensions of status (Piazza & Castellucci, 2004), namely relationships between social groups (i.e., gender) and hierarchical relationships (i.e., hierarchy). Our research questions are the following: Do the recipients' judgments of the gossiper depend on gossiper's hierarchical status? Is it the same for men & women leaders vs subordinates gossipers?

To answer these questions, we draw from the Stereotype Content Model (Fiske et al, 2007; Cuddy wt al, 2008) and examine how the status of gossip senders can trigger different attributions of *agency* (competence) and *communion* (warmth) (Bakan, 1966), the two basic dimensions that influence social perceptions (Fiske, Cuddy, & Glick, 2007). Because some research suggests that morality is another aspect of communion (Leach et al., 2007), we also examine morality. Finally, we examine the recipients' corresponding behavioral reactions that take the form of performance evaluations, social exclusion, and cooperation (Ellwardt, Steglich, & Wittek, 2012; Feinberg, Willer, & Schultz, 2014). We therefore respond to the call of Brady et al. (2017) for gossip research on both the processes and employee work outcomes. An overview of our model can be found in the Figure below.



**Hypothesized Model**

Gossip → Gossiper's Competence & Warmth → 
➢Performance Evaluation
➢Social exclusion
➢Friendship Network Exclusion
➢Cooperation

Gossiper's **Status**

# Study 1

We adapted the scenario of gossip about personal affairs in a work setting created by Kakarika, Taghavi and González-Gómez (2023) to manipulate gossip and status. The scenario described a gossip incident from the gossiper, Pat- a gender neutral name-, who was either participants' leader, subordinate or peer. After reviewing the materials, participants (N = 776) rated the extent to which four adjectives related to agency/competence (e.g., skillful), and communion/warmth (e.g., friendly), and morality (e.g., honest) (Fiske et al., 2002; Leach et al., 2007) applied to Pat.

Our results showed that hierarchical status shields the gossiper from the negative effects of gossip, as can be seen in the Figures below.
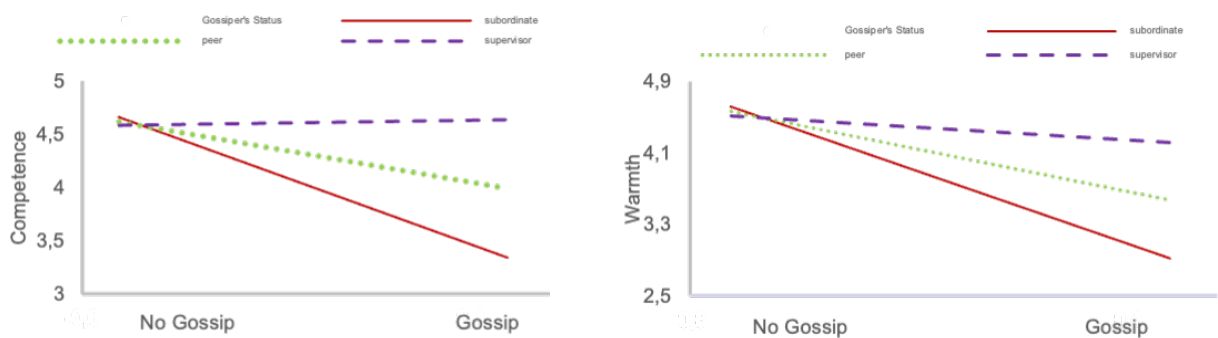


We argue that leaders' gossiping behavior may signal to the recipient that the leader is being friendly and engages in social bonding, reducing the distance between them, thus buffering the negative effects of gossip on agency and communion. In contrast, when their gossiper is a subordinate, participants perceive them to be less competent and less warm, consistent with literature showing that gossipers are penalized by peers (e.g., Kakarika et al., 2023).

Our findings from Study 1 constitute the basis for Study 2 which intends to replicate and extend these results, by examining the joint role of sender's gender and hierarchical status in the relationship between gossip, social perceptions, and behavioral outcomes.

**REFERENCES AVAILABLE FROM THE AUTHORS**

# Exploring Implicit Leadership Theories towards Top Management Teams

Bo van Beuningen, MSc. (IESE Business School Barcelona), bvanbeuningen@iese.edu

prof. dr. Anneloes M.L. Raes (IESE Business School Barcelona), araes@iese.edu

Word count: 742 (excluding references)

*Research aim*. Implicit Leadership Theories (ILTs; Eden & Levaitan, 1975) are people´s cognitive structures that specify the traits and abilities that characterize leaders (Lord et al., 1984, Lord & Maher, 1991), and serve as an anchor for people´s perceptions and evaluations of leaders (Shondrick et al., 2010). While traditionally assessed for individual leaders (Shondrick et al., 2010; Epitropaki et al., 2013), little is known on the ILTs that people hold for leaders that are part of a collective leadership structure, such as an organization´s Top Management Team (TMT).

A TMT has been defined as the "aggregate informational and decisional entity through which the organization operates" (Klenke, 2003, p. 1024), and typically exists as a distinct organizational entity. Researchers have extensively studied the functioning and impact of TMTs, but little is known on the ILTs that people hold about TMT leadership. In the context of increasing societal interest in leadership as a shared and collective activity, this oversight is unfortunate, especially given that ILTs shape people´s acceptance (Engle & Lord, 1997; Lord et al., 2001), and evaluations (Van Quaquebeke et al., 2014) of leaders. To address this oversight, we aim to develop a conceptualisation of ILTs towards TMTs.

*Theory and hypotheses.* Based on the TMT literature, we conceptualize the ILTs of TMT leadership in terms of both individual-level (i.e., attributes of TMT members) and collective-level (i.e., attributes of the TMT as a whole; cf. Hambrick, 1995; Raes et al., 2007) characteristics. Regarding the individual characteristics, prior research has suggested that collaborative and relational skills might be perceived as more important when leadership is seen as a shared, TMT activity, rather than an individual activity (Mendez et al., 2015; Wilson et al., 2020). Moreover, we expect to find additional, collective-level attributes in employees´ ILTs of TMTs that we do not find in the ILTs of individual leaders. For example, employees are likely to expect a certain degree of unity and integrated behaviour from the TMT (cf. Raes et al., 2007; Hambrick, 1995). In conclusion, we expect to observe differences between responses when asking people to evaluate ideal leadership in a TMT or an individual structure.

*Methods and results.* So far, no conceptualization for the ILTs of TMTs exist, so our objective is to develop such a conceptualization. Following established procedures of prior work (Ling et al., 2000; Offermann et al., 1994; 2018), we used a two-step survey validation process to gather terms that people

associate with ideal and non-ideal leadership in either a TMT or an individual leadership structure (Step 1), and to validate the importance of the terms and underlying factor structure by a follow-up validation study with a similar experimental design (Step 2).

In the first step, we asked a European employee sample ($N = 338$) and a Spanish student and employee sample ($N = 201$) to provide terms to describe ideal and non-ideal leadership. In both samples, a between-subject experimental design was used to ask participants about their associations with leadership in either a TMT or an individual leadership structure. In the second step, another sample of European employees will be used to validate the relevance of those terms in a similar between-subject design. Separately for both conditions (TMT and individual), an exploratory factor analysis will be conducted to identify underlying dimensions in the most important terms, and the final factor structures will be compared. To compare our data with three existing ILT scales (items were added to our list of terms), confirmatory factor analyses with the corresponding items will be conducted.

***Contributions and further research***. Our work contributes to gaining insight into what people expect from leaders in TMTs to go beyond the existing knowledge of ILTs for individual leaders, as ILT scholars have called for (Epitropaki et al., 2023; Foti et al., 2017). Practically, knowing what people expect from their TMT may help TMT members to be more effective in their leadership, and may inform their selection and training. Future research could use our work to explore the degree of congruence between followers´ ILTs and their perceptions of their (TMT) leaders, and the potential consequences of a mismatch between the two (cf. Epitropaki & Martin, 2005; Khorakian & Sharifirad, 2019; Topakas, 2011). In a context of increasing emphasis on teamwork and collaboration at the top (cf. Raes et al., 2022), and given the scrutiny that employees hold their top executives to, it is both theoretically and practically relevant to extend our knowledge of ILTs to the domain of TMTs.

**References**

Eden, D., & Leviatan, U. (1975). Implicit leadership theory as a determinant of the factor structure underlying supervisory behavior scales. *Journal of Applied Psychology, 60*(6), 736.

Engle, E. M., & Lord, R. G. (1997). Implicit theories, self-schemas, and leader-member exchange. *Academy of Management Journal, 40*(4), 988-1010.

Epitropaki, O., & Martin, R. (2005). From ideal to real: a longitudinal study of the role of implicit leadership theories on leader-member exchanges and employee outcomes. *Journal of applied psychology, 90*(4), 659.

Epitropaki, O., Acton, B. P., & Nieberle, K. W. (2023). Implicit Leadership and Followership Theories: From the Leader/Follower Within and Between to Leaders/Followers in Plural and in Flux. *The SAGE Handbook of Leadership*, 115.

Epitropaki, O., Sy, T., Martin, R., Tram-Quon, S., & Topakas, A. (2013). Implicit leadership and followership theories "in the wild": Taking stock of information-processing approaches to leadership and followership in organizational settings. *The Leadership Quarterly, 24*(6), 858-881.

Foti, R. J., Hansbrough, T. K., Epitropaki, O., & Coyle, P. T. (2017). Dynamic viewpoints on implicit leadership and followership theories: approaches, findings, and future directions. *The Leadership Quarterly, 28*(2), 261-267.

Hambrick, D.C., 1995. Fragmentation and the other problems CEOs have with their top management teams. *California Management Review*, *37*(3), 110-127.

Khorakian, A., & Sharifirad, M. S. (2019). Integrating implicit leadership theories, leader–member exchange, self-efficacy, and attachment theory to predict job performance. *Psychological Reports, 122*(3), 1117-1144.

Klenke, K. (2003). Gender influences in decision-making processes in top management teams. *Management Decision*, 41, 1024-1034.

Ling, W., Chia, R. C., & Fang, L. (2000). Chinese implicit leadership theory. *The Journal of Social Psychology, 140*(6), 729-739.

Lord, R. G., & Maher, K. J. (1991). Cognitive theory in industrial and organizational psychology. *Handbook of Industrial and Organizational Psychology*, *2*, 1-62.

Lord, R. G., Brown, D. J., Harvey, J. L., & Hall, R. J. (2001). Contextual constraints on prototype generation and their multilevel consequences for leadership perceptions. *The Leadership Quarterly*, *12*(3), 311-338.

Lord, R. G., Foti, R. J., & De Vader, C. L. (1984). A test of leadership categorization theory: Internal structure, information processing, and leadership perceptions. *Organizational Behavior and Human Performance, 34*(3), 343-378.

Mendez, M. J., & Busenbark, J. R. (2015). Shared leadership and gender: all members are equal… but some more than others. *Leadership & Organization Development Journal, 36*(1), 17-34.

Offermann, L. R., & Coats, M. R. (2018). Implicit theories of leadership: Stability and change over two decades. *The Leadership Quarterly, 29*(4), 513–522.

Offermann, L. R., Kennedy Jr, J. K., & Wirtz, P. W. (1994). Implicit leadership theories: Content, structure, and generalizability. *The Leadership Quarterly, 5*(1), 43-58.

Quaquebeke, van, N. V., Graf, M. M., & Eckloff, T. (2014). What do leaders have to live up to? Contrasting the effects of central tendency versus ideal-based leader prototypes in leader categorization processes. *Leadership, 10*(2), 191-217.

Raes, A. M., De Jong, S. B., & Bruch, H. (2022). Setting the tone at the top: How the interface processes of organizational climate and non-TMT Managers' leadership transmit TMT cohesion to employees. *Long Range Planning, 55*(3), 102157.

Raes, A. M., Glunk, U., Heijltjes, M. G., & Roe, R. A. (2007). Top management team and middle managers: Making sense of leadership. *Small Group Research, 38*(3), 360-386.

Shondrick, S. J., Dinh, J. E., & Lord, R. G. (2010). Developments in implicit leadership theory and cognitive science: Applications to improving measurement and understanding alternatives to hierarchical leadership. *The Leadership Quarterly, 21*(6), 959-978.

Topakas, A. (2011). *Measurement of implicit leadership theories and their effect on leadership processes and outcomes*. Doctoral dissertation, Aston University.

Wilson, J., North, M., Morris, D., & McClellan, R. (2020). Rethinking implicit leadership theories: Tomorrow's leaders are collective, generative, and adaptive. *Journal of Leadership Studies, 14*(3), 24-32.

# Moral meaningfulness: Do servant leaders promote corporate social responsibility implementation in banks?

## Ghulam Kalsoom[1], Zuhair Abbas[2]

[12]Ph.D. Candidate, Faculty of Management and Economics, Tomas Bata University in Zlin, Czech Republic.

kalsoom@utb.cz, abbas@utb.cz

## Extended abstract

## An overview and research goals

Drawing upon stakeholder theory, this research examined servant leadership and stakeholder pressure with CSR implementation. Corporate social responsibility (CSR) has increased momentum in research and practice, primarily in a developing country context (Jamali and Mirshak, 2007). At the global level, there is increasing pressure for businesses to act socially responsible for implementing CSR strategies (Mohr et al., 2001, Sen and Bhattacharya, 2001). Similarly, CSR initiatives are implemented by 90% of Fortune 500 companies (Lee, 2008). Notably, CSR has shifted from philosophy to reality, and organizations must think and act responsibly for the betterment of society and achieve profit maximization (Lichtenstein et al., 2004).

A prior study revealed that servant leadership pushes employees toward CSR activities for the welfare of society and the mental and health well-being of all stakeholders (Van Dierendonck, 2011). Subsequently, recent research revealed that CSR fully mediates servant leadership with firm innovativeness (Broch et al., 2020). Significantly, there has been increased debate among scholars and practitioners that servant leadership may improve CSR activism through human capital mechanisms in the workplace (van Dierendonck and Nuijten, 2011). Additionally, servant leadership focuses explicitly on concern for others (Christensen et al., 2014). Hence, the CSR phenomenon is considered a perfect setting with servant leadership theories to mature. This research will address a research gap by integrating two pieces of literature, such as leadership and CSR.

CSR is studied at the organizational level and does not examine at the individual level (Aguinis and Glavas, 2012). Also, CSR is mainly studied at the macro level compared to the micro-level perspective. Similarly, several scholars call for a new focus on antecedents and micro-foundations of CSR (Rodrigo et al., 2016, McWilliams and Siegel, 2001). An important strand of stakeholder theory implies that businesses may take a constructive approach to assess and try to respond to stakeholder pressures, considering the power that stakeholders control over the organization and the degree of moral obligation the organization feels toward specific stakeholders when developing responses to achieve CSR objectives (Brown and Forster, 2013, Theodoulidis et al., 2017). However, few attempts have been made between stakeholder

pressure and CSR (Rodrigues and Krishnamurthy, 2022, Kamal, 2021). However, it has been suggested to examine stakeholder pressure on CSR in the service industry (Rhee et al., 2021). Consequently, it has been suggested that there is a compelling need to investigate servant leadership under the mediation mechanism of moral meaningfulness with CSR to view the influence of stakeholder pressure (Aguinis and Glavas, 2012). By doing so, this research heeds a call mentioned above by examining leadership-stakeholder pressure via moral meaningfulness as mediation mechanism with CSR outcomes, which attempts to address a neglected aspect in the existing literature. For this reason, the role of servant leadership and stakeholder pressure via the mediation mechanism of moral meaningfulness with CSR is still lacking in the existing literature.

The objectives of this study are threefold. First, this research examined the impact of servant leadership on CSR outcomes. Consequently, it has been suggested to investigate new leadership styles, such as servant leadership, which enhances CSR activism among employees and managers to understand better both employee-managerial perspectives (van Dierendonck and Nuijten, 2011). Secondly, this research considers the important role of stakeholder pressure differently as organizations respond differently to achieve corporate social responsibility. Previous research revealed stakeholder pressure tries on partial aspects of CSR; by doing so, the authors suggest a more holistic view of stakeholder pressure on CSR (Helmig et al., 2016). Thirdly, this study investigated the mediating role of moral meaningfulness between servant leadership and stakeholder pressure on CSR Implementation. Moral meaningfulness considered a lacking phenomenon with CSR in the existing literature (Mihelič and Culiberg, 2019).

## Research Methodology

This research employed survey-method. This research carried out in the banking sector of Pakistan. There are several reasons for the selection of this sector. Firstly, the notion of CSR has been extensively researched within the context of western business concept, there is a dearth of research on how CSR is applied and perceived in the developing countries context (Jackson & Apostolakou, 2010). Hence, relatively limited research has been carried out on CSR with servant leadership in the Pakistani context (Afsar et al., 2018). Similarly, corporate social responsibility phenomenon is rarely driven by developments in service sector especially for employees working in the banking sector. The present study responds to a recent call for further research on a servant leadership promotes corporate social responsibility in banking sector (Shah et al., 2021). Secondly, to spur groundbreaking research suggest theoretical and practical implications of servant leadership to promote CSR through mediation mechanism of moral meaningfulness.

This research used an 8-week time-lag between each phase of data collection. The first survey assessed the role of servant leaders. The second measured stakeholder pressure. The third measured moral meaningfulness as a mediation mechanism. Finally, we measured CSR implementation which is multi-dimensional construct comprised sub-dimensions such as (Economic responsibility, Ethical responsibility, Legal responsibility, Philanthropic responsibility). There was a special code in the surveys that let us compare data from all four

waves. The unit of analysis (population) were full-time employees and managers working in the major banks of four provinces of Pakistan, e.g., Sindh, Punjab, KPK and Balochistan. A survey-based questionnaire was used to collected data using the purposive sampling technique. The final sample size was 298 employees and managers. The data analyzed by using Smart-PLS 4.0 software to check validity and reliability along with model fitness.

## Results

The data revealed servant leadership and stakeholder pressure drives CSR implementation in the banks. We found servant leaders mainly focused on fulfilling needs of multi-stakeholders by launching CSR initiatives. Our research demonstrate stakeholder pressure pushes to banks to behave responsibly for CSR implementation. Furthermore, our results show moral meaningfulness mediates the link between servant leadership, stakeholder pressure and CSR Implementation.

This research has several contributions to the theory. First, this study provides a comprehensive framework by combining leadership and CSR literature by examining servant leadership and CSR with stakeholder pressure. In this way, this is considered an original contribution to the body of knowledge. Second, this study examined moral meaningfulness as a potential mediator to get a better understanding of ethical behaviours of employees at work. Third, this research extends body of knowledge by using stakeholder theory to know the leadership-stakeholder impact on CSR. Finally, this research contributes to the existing literature by conducted research in non-western setting specifically in the developing country context, such as the banking sector of Pakistan. Previously scholars mainly focused Western context (Christensen et al., 2014, Broch et al., 2020).

For managerial implications, this research provides essential insight for managers and industry practitioners. First, servant leadership's novel focuses on serving multiple stakeholders' needs, benefiting followers, organizations, customers, communities, and societies at the micro and macro levels. Second, servant leaders push their employees to play a vital role in practicing and following corporate social initiatives in the organizational setting. Third, this research assists stakeholders in improving their firm reputation to attract talented people and state-level leadership for CSR activism in their organization.

## Acknowledgements

## References:

Aguinis, H. and Glavas, A. (2012), "What we know and don't know about corporate social responsibility: A review and research agenda", *Journal of management,* Vol. 38 No. 4, pp. 932-968.

Broch, F. F. M., Escrig, E. D., Gómez, R. C. and Alcamí, R. L. (2020), "Promoting firm innovativeness through servant leadership and corporate social responsibility to employees", *Leadership & Organization Development Journal.*

Brown, J. A. and Forster, W. R. (2013), "CSR and stakeholder theory: A tale of Adam Smith", *Journal of business ethics,* Vol. 112, pp. 301-312.

Christensen, L. J., Mackey, A. and Whetten, D. (2014), "TAKING RESPONSIBILITY FOR CORPORATE SOCIAL RESPONSIBILITY: THE ROLE OF LEADERS IN CREATING, IMPLEMENTING, SUSTAINING, OR AVOIDING SOCIALLY RESPONSIBLE FIRM BEHAVIORS", *Academy of Management Perspectives,* Vol. 28 No. 2, pp. 164-178.

Helmig, B., Spraul, K. and Ingenhoff, D. (2016), "Under positive pressure: How stakeholder pressure affects corporate social responsibility implementation", *Business & Society,* Vol. 55 No. 2, pp. 151-187.

Jamali, D. and Mirshak, R. (2007), "Corporate social responsibility (CSR): Theory and practice in a developing country context", *Journal of business ethics,* Vol. 72, pp. 243-262.

Kamal, Y. (2021), "Stakeholders expectations for CSR-related corporate governance disclosure: evidence from a developing country", *Asian Review of Accounting,* Vol. 29 No. 2, pp. 97-127.

Lee, M. D. P. (2008), "A review of the theories of corporate social responsibility: Its evolutionary path and the road ahead", *International journal of management reviews,* Vol. 10 No. 1, pp. 53-73.

Lichtenstein, D. R., Drumwright, M. E. and Braig, B. M. (2004), "The effect of corporate social responsibility on customer donations to corporate-supported nonprofits", *Journal of marketing,* Vol. 68 No. 4, pp. 16-32.

McWilliams, A. and Siegel, D. (2001), "Corporate social responsibility: A theory of the firm perspective", *Academy of management review,* Vol. 26 No. 1, pp. 117-127.

Mihelič, K. K. and Culiberg, B. (2019), "Reaping the fruits of another's labor: The role of moral meaningfulness, mindfulness, and motivation in social loafing", *Journal of Business Ethics,* Vol. 160, pp. 713-727.

Mohr, L. A., Webb, D. J. and Harris, K. E. (2001), "Do consumers expect companies to be socially responsible? The impact of corporate social responsibility on buying behavior", *Journal of Consumer affairs,* Vol. 35 No. 1, pp. 45-72.

Rhee, Y. P., Park, C. and Petersen, B. (2021), "The effect of local stakeholder pressures on responsive and strategic CSR activities", *Business & society,* Vol. 60 No. 3, pp. 582-613.

Rodrigo, P., Duran, I. J. and Arenas, D. (2016), "Does it really pay to be good, everywhere? A first step to understand the corporate social and financial performance link in Latin American controversial industries", *Business Ethics: A European Review,* Vol. 25 No. 3, pp. 286-309.

Rodrigues, C. and Krishnamurthy, A. (2022), "When subsidiaries follow their parents' CSR focus: the influence of organizational characteristics on CSR towards target groups", *The International Journal of Human Resource Management,* Vol. 33 No. 13, pp. 2719-2743.

Sen, S. and Bhattacharya, C. B. (2001), "Does doing good always lead to doing better? Consumer reactions to corporate social responsibility", *Journal of marketing Research,* Vol. 38 No. 2, pp. 225-243.

Theodoulidis, B., Diaz, D., Crotto, F. and Rancati, E. (2017), "Exploring corporate social responsibility and financial performance through stakeholder theory in the tourism industries", *Tourism Management,* Vol. 62, pp. 173-188.

Van Dierendonck, D. (2011), "Servant leadership: A review and synthesis", *Journal of management,* Vol. 37 No. 4, pp. 1228-1261.

van Dierendonck, D. and Nuijten, I. (2011), "The Servant Leadership Survey: Development and Validation of a Multidimensional Measure", *Journal of Business and Psychology,* Vol. 26 No. 3, pp. 249-267.

The authority approach to theorising and practising leadership: a proposal

Le Vinh Nguyen, PhD

The nature of leadership has been examined in terms of trait, behavior, relation, contingency, and several others. Nevertheless, leadership research may need new orientations and insights (e.g., Alvesson, 2019; Anderson & Sun, 2017). The present study aims to put forward a perspective on organisational leadership using some available but underexploited lenses, such as the resource-based view of the firm, property rights, agency theory, and the theory of the firm. The perspective investigates the nature of leadership in terms of authority and addresses the likely skipped question, "Why does someone become a leader and lead?" instead of "How to lead." The research methodology and findings are summarised below.

The perspective started with finding a generic and parsimonious definition of leadership. From examining hundreds of definitions of leadership, twelve definitions have been adopted to extract such a definition, which is *the use of resources.* These two keywords, namely use and resources, have been subsequently identified to be central in several theories that roughly explain who have the authority to lead and why. Property laws have recognised a degree of power and authority of the owners of resources. The owners of the resources being used in a leadership context (e.g., organisational resources such as money or labor), either shareholders or laborers, have several using authorities, including (1) the authority to exercise the usage of resources directly (i.e., self-leadership authority) (2) the authority to delegate the usage of resources to an agent (i.e., proxy leadership authority), and (3) the residual authorities to control the resources and the agent (i.e., supervisory leadership authority) (Foss et al., 2019; Hart & Moore, 1990). These authorities compose the right to lead of the owners and sequentially shape three leadership mechanisms as follows.

First, as discussed in the economic and law literature regarding resources property, as well as by theories such as the theory of the firm, the authority of the owners to exercise the use of their resources (directly) in various ways according to moral conduct and their purposes equals to their authority to lead. This authority rests first with the owners and can, typically and most clearly, be seen in business founders and owners, those who legally have the authority (or formal right) to utilise the firms' resources for production (Coase, 1937). Hence, the owners naturally have the authority to lead and are the primary leaders of their resources, including themselves. This authority shapes the *self-leadership mechanism.*

Second, and as the central tenet of agency theory, the owners of resources have a critical authority to determine how to delegate, individually or collectively, the use of their resources to another person, an agent, so that the resources can be used more effectively (Aghion & Tirole, 1997; Hart, 2017). Being consented to by the owners and often institutionalised in organisations or nations, the agent(s) can downward delegate (or distribute) their using authority. As a result, a leadership structure (or hierarchy) shapes and works begin in organisations typically. Hence, the owners' delegation of authority generates different leadership roles for the management staff and helps shape the *proxy leadership mechanism.* This mechanism is often particularised via manager employment contracts, in which some competent employees are entitled to be organisational leaders and authorised to behave and perform as leaders temporarily.

Third, and together with their delegation, the owners retain the authority to control their agent's use of resources and all other residual authorities over the resources. These controlling and residual authorities entitle the owners to set standards for evaluating organisational effectiveness and individual manager's performance. In business particularly, the owners have the authorities to (1) set the purpose, main goals, and strategy of the firm and (2) control and evaluate the degree of attainment of the goals (Andersen, 2019). Hence, these authorities of the owners jointly shape the *supervisory leadership mechanism* that necessarily moderates leaders' behaviors, especially delegated leaders in organisations (i.e., managers).

The three above mechanisms together explain why some people, be they owner-leaders or delegated leaders, have the authority to lead and become leaders. While these mechanisms are observable in business, the same can be examined publicly with the people as the collective owner and officials are delegated leaders. Besides trait, competency, relation, and contingency, why someone becomes a leader can reveal their motivation, expectation, and responsibility, which very likely drive their behaviors. Therefore, the perspective presented here may necessarily extend the meaning of leadership and augment the sociological and psychological views on it. Depending on the types of leaders and the levels of management, leaders tend to perform distinct, even contrasting, patterns of behavior (e.g., do things right vs. do the right things), which seems to be better described by multiple specific models or theories rather than a one-size-fits-all theorization. Such diverse descriptions seem to capture the phenomena of leadership (i.e., leaderships) closely and precisely.

References

Aghion, P., & Tirole, J. (1997). Formal and real authority in organizations. *Journal of Political Economy, 105*(1), 1-29.

Alvesson, M. (2019). Waiting for Godot: eight major problems in the odd field of leadership studies. *Leadership, 15*(1), 27-43. https://doi.org/10.1177/1742715017736707

Andersen, J. A. (2019). Owners vs executives and decisions vs control. *Corporate Governance: The International Journal of Business in Society, 19*(3), 458-470.

Anderson, M. H., & Sun, P. Y. T. (2017). Reviewing leadership styles: Overlaps and the need for a new "full-range" theory. *International Journal of Management Reviews, 19*(1), 76-96. https://doi.org/10.1111/ijmr.12082

Coase, R. H. (1937). The nature of the firm. *Economica, 4*(16), 386-405.

Foss, N. J., Klein, P. G., Lien, L. B., Zellweger, T., & Zenger, T. (2019). Ownership competence. *Strategic Management Journal, 42*(2), 302-328. https://doi.org/10.1002/smj.3222

Hart, O. (2017). Incomplete contracts and control. *American Economic Review, 107*(7), 1731-1752. https://doi.org/10.1257/aer.107.7.1731

Hart, O., & Moore, J. (1990). Property rights and the nature of the firm. *Journal of Political Economy, 98*(6), 1119-1158.