

The 2nd International Conference on Education Innovation and Social Science, July 2023

ISSN (Online): <u>2961-9602</u>

IMPROVING LEADERSHIP STYLE IN STARTUP TO INCREASING TEAM PERFORMANCE

Adam Khausal¹, Emilia Fitriana Dewi²

^{1,2} Bandung Institute of Technology adamkhausal19@gmail.com

KEYWORD

Leadership Styles, Startup, Team Performance

ABSTRACT

Startup can be defined as an organization that is either recently created or in the early stages of development and is focused on monetizing a concept. Startups often have a small core team made up of management from the executive, marketing, finance, and operations departments. Teman Survei is a property survey service that can be ordered through our marketplace website more easily and effectively, problem faced by the Teman Survey is a leadership style that is inappropriate and too free for the team to explore more outside the business so that the team becomes out of control and of course there is often a loss of responsibility between teams. Leadership that lacks leadership in this team makes team performance decrease and results in a slow growth company This problem causes the slow growth of the company. The goal of this study is to know how the leadership situation in Teman Survei team and to know how to improve leadership by defining leadership styles and make an implemented plan to increase team performance. This study uses qualitative methods that include Literature review, Data Collection, In-Depth interview, and pragmatism as data analysis and interpretation. The results show that the leadership style carried by the leader is a servant style and an adaptive style which makes the leader lose control of the team. this makes implementation planning in the future will be in the form of implementing a Full-Range leadership style which is a combination of Transformational style and Transactional style.

INTRODUCTION

Startup can be defined as an organization that is either recently created or in the early stages of development and is focused on monetizing a concept (Bednár & Tarišková, 2017). Many startups have been founded in Indonesia, and as of 2022, there will be 2356 startups there, making it one of the nations with the most startups globally (Annur, 2022). This is seen positively and was predicted given that established companies might be valued at up to \$70 billion in 2021 (Muslim, 2022). The most crucial responsibility among all of them is the one that maintains the company's vision and goal consistently and guarantees that all positions can function effectively (Coulson-Thomas, 2016).

To accomplish desired goals, a successful leader affects followers in the desired way. The efficacy or performance of an organization may be impacted by different leadership styles (Nanjundeswaraswamy & Swamy, 2014). Therefore, the leadership style is very influential on the running of the team. The leadership style in each team certainly varies depending on the individual in the team being led. (Gandolfi & Stone, The Emergence of Leadership Styles: A Clarified Categorization, 2017) To bring practical concepts of both leadership and leadership style, it is very helpful to have a clear knowledge of why leadership is so essential and why the selected leadership style is so vital.

Teman Survei has been running around for a year and a half. Business development in the first year went very well and problems started to occur in the middle of the second year. The company has experienced slow growth. This is based on the activities of each team which sometimes has activities such as internships and outside organizations. Because of this, this business is less controlled on the side of the CEO and also other executives. The researcher

ISSN (Online): 2961-9602

conducted an interview with each member of the Teman Survey team to find out what problems hindered work and caused the company to experience slow growth. According to Interview results, Researcher stated the problem faced by the Teman Survey is a leadership style that is inappropriate and too free for the team to explore more outside the business so that the team becomes out of control and of course there is often a loss of responsibility between teams. Leadership that lacks leadership in this team makes team performance decrease and results in a slow growth company. This problem causes the slow growth of the company.

Leadership effectiveness in the perspectives of members is closely related to the leader's motivation, ability to inspire, and ability to prioritize requirements, which creates a sense of comfort and calmness for members (McDermott, Kidney, & Flood, 2011). (Gandolfi & Stone, Clarifying Leadership: High-impact Leaders in a Time of Leadership Crisis, 2016) stated that not all leadership styles will result in an improved organizational future. Choosing a leadership style is a crucial decision, and in the midst of the current leadership crisis, it is time to focus on a style that is still widely disregarded. Team Performance is a result of competent team members who have a shared goal, have the chance to express their ideas and opinions, and are able to hold one another accountable (Sucato, 2020). The leadership approach influences the business's spirit, which in turn affects the business's performance (AlKhajeh, 2018). The leadership styles of a business have a significant impact on the productivity of its team members (Müller, Spang, & Ozcan, 2009)

It is necessary to improve leadership styles by changing the leadership style so that in the future there will be an increase in team performance. Compared to company value that Integrity, Quality, and Collaboration, the value that company creators have faded and this needs to be enhanced by changing leadership styles. Full-Range Leadership that includes the Transformational and Transactional styles will be the next implementation of leadership styles in team (Martin, 2017). This leadership style change is an implementation planning leadership in Teman Survei company. This leadership is expected to help in improving team performance and impact on team discipline and business improvement in the future.

METHODS

The goal of this research is to find that by defining leadership style can improve leadership skill in the Teman Survei team. For that reason, an in-depth understanding of the issue is required. Consequently, this study employs qualitative methodology. Qualitative research methodologies have a focus toward explaining the significance and experienced aspects that define human lives and their social environments (Fossey, Harvey, McDermott, & Davidson, 2002). The qualitative method utilized in this research is the case study. The data collected in this research are Literature Study, observation, interview, and document analysis. The interview is collected from 3 informants each of them from Teman Survei team members. They are chosen using intentional sampling on the condition that they are actively involved in the case and under the direct command of the CEO as team leader. The interview is conducted to validate the experience-based findings.

Pragmatism is used as a method for conducting this investigation. As stated by (Cresswel, 2007), pragmatism concentrates on the research outcomes, the activities, circumstances, and outcomes of inquiry rather than the antecedent conditions. (Rossman & Wilson, 1985) Pragmatism focuses on the problem being studied and the query posed about the problem rather than the research method. Therefore, researchers are free to select the research methods, techniques, and procedures that will help them achieve their research objectives.

The findings would be validated through the in-depth interview, reducing the researcher's potential for bias. However, (Cutcliffe & Mckenna, 2001) argue that when practitioners and readers of the theory perceive the study findings and regard them as significant and practical in terms of their experience, this is arguably the most accurate measure of the credibility of the findings produced.

The collected data is subsequently transcribed, classified, and organized into categories and themes (Adu, 2019). In the analysis, the researcher employs inductive coding, in which codes are "directly" derived from the data using the participant's word state (Linneberg & Korsgaard, 2019). The objective of this method is to obtain an abundance of data. Subsequently, the categories derived from the analysis would be confirmed through an in-depth interview with each member of the Teman Survey team to reach consensus on the category's validity. In the discussion, the validated categories would be elaborated upon.

RESULTS

The interview results could be summarized into 3 categories which are the leadership styles in startup, The Effect of Leadership Styles on Team Performance, and Leadership styles that are Effective for the team. The column of styles presents the styles it uses and recommended by the team. The column of summary are the team point of view of how their leader implements the leadership style, with the effect for the team performance, and their recommendation of what effective leadership style to increase the team performance.

Table 1. Interview Results Summary			
Categ ory	Leaders hip Style	Summary	
Leade rship styles in startup	Servant Leadership Style	(1) Leaders always help the team to solve existing problems and find solutions and the best decisions for the next step	
		(2) Leaders can always cover their work	
	Adaptiv e Leadership Style	(1) The team and their leader implement the styles based on the phase and what event will they face of their business now running.	
		(2) The leader has given a flexible job task and deadline	
		(3) the leader gives a big chance to the team to learn more from the internship program	
The Effect of Leadershi p Styles on Team Performan ce	Servant Leadership Style	(1) The team feels comfortable because the leaders not only give a command to do the task but the leader also helps them to finish it	
		(2) this styles makes the team forget the task because the leader always covered the team task and makes not all member participate	
	Adaptiv e Leadership Style	(1) the leader loses control of the team	
		(2) The leaders also lack ambition because the team and the leader have activity outside the business.	
		(3) lack of command from the leader and arguably too flexible towards the team.	
Leade rship	Transfo rmational	(1) The company grows along with the growth of its team members	

Styles that Effective for Team	Leadership Style	(2) The leaders can give the team training to focus on their division. It can be internal or external.
		(3) The team can get more knowledge and skill during running the business
	Transac tional Leadership Style	(1) the team will become more disciplined and can increase the performance per individual
		(2) With reward and punishment can make the team member more active and disciplined
		(3) the team can be motivated by the reward and the punishment for their job
		(4) increase the awareness of the importance of the great team performance for this business progress
	Full- Range Leadership Style	(1) combination between the Transformational and Transactional
		(2) more adaptive and more beneficial for them if the leader uses a punishment for decreasing performance and reward for increasing performance
		(3) The reward can be that the leader gives them information about free training for their division skill and also makes a team day per 2 months so the team can be more passionate when they do the job.

DISCUSSION

This research results that the leader uses a different leadership style with 2 styles: Servant leadership styles and Adaptive leadership style. First servant leadership style compared to (Greenleaf, 1970) that the team feel helped with their leader that participates in every team work. Here the leader not only gives orders but also helps the team solve problems, daily tasks, and also any work that cannot be handled by each division.

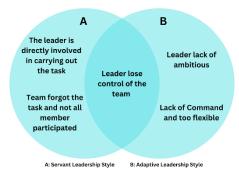
Based on (Greenleaf, 1970), the leaders also show the characteristics of servant leadership including listening, empathy, awareness, commitment to the growth of people, conceptualization, foresight, and persuasion. This characteristic was shown by the team member's point of view that the leaders always give them a chance to grow with internships in other companies or active in organizations outside the business. The leader also shows the characteristic by helping team members with tasks and always can cover them if they have any emergency situation.

The second is Adaptive leadership style. The leader uses this style based on the flexibility of the changing event and situation. Compared to (Allio, 2013), the leader uses many styles to lead the team based on the phase. The leader uses the transformational style when Teman Survei has to rebrand from AtapKita. Transactional style is used when the team has reached progress every semester, the leader makes team bonding events by eating together in a restaurant. Servant style is used when the team is in hectic timing to chase the progress and needs more human resources to do the task, the leader comes to cover the needed resources. In the exhibition event Teman Survei has a lot of targets to reach the customer testing and feedback. The leader changed the

ISSN (Online): 2961-9602

target from students to property owners because the visitors mostly are property owners. The target change was so fast and the leader used the situational style to control the team target.

According to (AlKhajeh, 2018) that Leadership styles have a significant effect on business results. The leadership approach influences the business's spirit, which in turn affects the business's performance. The effect from Servant styles and Adaptive styles have a different effect but some effects have a similar effect for both styles. These things happen because servant style is also used in adaptive styles that use various leadership styles in their use. This effect is what the Teman Survei team feels under the leadership of their leader. The effect can be described in



the form of diagrams to see the points of similarity and differences in seeing the effect that is caused.

Through this effect that affects the team performance, the leader must improve the leadership style that can cover this effect. Losing control of the team is the similar effect from the two leadership styles that creates a from the other effect and its be the biggest effect that decreases the team performance. Compared to (Müller, Spang, & Ozcan, 2009)

FIGURE 1. Diagram Venn of Effect from the 2 Leadership

The leadership styles of a business have a significant impact on the productivity of its team members a very visible effect from the team in the form of a decrease in team performance due to a lack of control which causes the team to feel indifferent and sometimes this business is not in control of its running. Compared to company value that integrity, quality, and collaboration, the value that have company

CONCLUSION

These effects can be said that it has become a problem because the leader has lost his control on the team. Therefore it is necessary to improve the leadership styles by changing the leadership style so that in the future there will be an increase in team performance. Compared to company value that Integrity, Quality, and Collaboration, the value that have company creators have faded and this needs to be enhanced by changing leadership styles. Compared to (AlKhajeh, 2018) that Leadership Styles and Team Performance have an effect that can be said to be mutually sustainable because some workers must be treated differently based on work capacity and capability.

Full-Range Leadership that include the Transformational and Transactional styles will be the next implementation leadership styles in team (Martin, 2017). Due to consideration of researchers and the results of discussions with the team, this leadership style can be tried in subsequent implementations. The company value that Integrity, Quality, and Collaboration also support these leadership style because these style fulfill that the development of team members that include the value of quality, then from good quality are put together in a team that forms the value of collaboration, and good work results create integrity in results

This style can fulfill the ambition to increase the team performance compared to (Sucato, 2020) that the team performance is a result of competent team members that have the same goal

and can hold others accountable. The leadership also can achieve the goal of good team performance based on (Davison, 1994) that team can accomplish its goal determines how effective its performance will be.

This leadership style change is an implementation planning leadership in Teman Survei company. This leadership is expected to help in improving team performance and impact on team discipline and business improvement in the future.

After discussion about the planning to increase the team performance using the Transformational and Transactional Style, the Full-Range style will be suited to be the next implemented leadership style in the company. Based on (Martin, 2017). Full-range style is a combination between the Transformational and Transactional style. The implemented planning



has been summarized in one flow of Full-Range style implement planning.

FIGURE 2. Full-Range Style Implemented Planning Flow

This flow included the strategy will implement in the future of Teman Survei company phase. The strategy can change during the situation or phase that team faces. It can be more flexible but stay within the existing references to the full range theory both transformational style and transactional style.

ACKNOWLEDGMENT

First the author want to express his gratitude to Emilia Fitriana Dewi as his supervisor, who helped him to write this research. Second the author want to say thank you to his family, who always support him both in material support to moral support. third the author want to say thank you to all his friends who have take a part to to exchange ideas and always provide advice, criticism, and suggestions in the course of writing this research. Last but not least, the author would like to say thank the committee organizing the ICEISS 2023 program and everyone in it for giving me the opportunity to join the event.

REFERENCES

Adu, P. (2019). A step-by-step guide to qualitative data coding. Oxford: Routledfe.

Allio, R. J. (2013). Leaders and leadership: Many theories, but what advice is reliable? *Strategy & Leadership*, 4-14.

ISSN (Online): <u>2961-9602</u>

- Annur, C. M. (2022, April 13). *Hebat, Jumlah Startup Indonesia Terbanyak ke-5 di Dunia*. Diambil kembali dari Databoks: https://databoks.katadata.co.id/datapublish/2022/04/13/hebat-jumlah-startup-indonesia-terbanyak-ke-5-di-dunia
- Bednár, R., & Tarišková, N. (2017). Indicators of Startup Failure. Stume Journals, 238-249.
- Coulson-Thomas, C. (2016). Corporate Leadership and Startup Entrepreneurship. Effective Executive, 7-18.
- Cresswel, J. W. (2007). Qualitative inquiry & research design: choosing among five approaches. Nebraska: SAGE Publications.
- Cutcliffe, J. R., & Mckenna, H. P. (2001). Establishing the credibility of qualitative research findings: the plot thickens. *Journal of Advanced Nursing*, 374-380.
- Eisner, E. W. (2017). The Enlightened Eye: Qualitative Inquiry and the Enhancement of Educational Practice, Reissued with a New Prologue and Foreword. New York City: Teachers College Press.
- Fossey, E., Harvey, C., McDermott, F., & Davidson, L. (2002). Understanding and Evaluating Qualitative Research. *Australian and New Zealand Journal of Psychiatry* 2002, 717-732.
- Gandolfi, F., & Stone, S. (2016). Clarifying Leadership: High-impact Leaders in a Time of Leadership Crisis. *Review of International Comparative Management*, 212-224.
- Gandolfi, F., & Stone, S. (2017). The Emergence of Leadership Styles: A Clarified Categorization. *Review of International Comparative Management*, 18-30.
- Gavrea, C., ILIEŞ, L., & Stegerean, R. (2011). Determinants Of Organizational Performance: The Case Of Romania. *Management & Marketing*, 285-300.
- Greenleaf, R. K. (1970). The Servant as Leader. Servant Leadership, 1-338.
- Khajeh, E. H. (2018). Impact of Leadership Styles on Job Satisfaction. *Journal of Human Resources Management Research*, 1-8.
- Kouzes, J. M., & Posner, B. Z. (2016). The five fundamentals of becoming an exemplary leader.
- Linneberg, M. S., & Korsgaard, S. (2019). Coding qualitative data: a synthesis guiding the novice. *Qualitative Research Journal*, 259-270.
- Martin, W. (2017). Leadership: Outdated Theories and Emerging Non-Traditional Leadership. ProQuest.
- McDermott, A., Kidney, R., & Flood, P. (2011). Understanding leader development: learning from leaders. *Leadership & Organization Development Journal*, 358-378.
- Miller, D. L. (2000). Determining Validity in Qualitative Inquiry. Theory into Practice, 124-130.
- Müller, R., Spang, K., & Ozcan, S. (2009). Cultural differences in decision making in project teams. *International Journal of Managing Projects in Business*, 70-93.
- Muslim, A. (2022, July 13). 70% Start-up di Indonesia Didirikan Kaum Muda. Diambil kembali dari Investor Daily: https://investor.id/it-and-telecommunication/299648/70-startup-di-indonesia-didirikan-kaum-muda
- Nanjundeswaraswamy, & Swamy. (2014). Leadership Styles. Advance in Management, 57-62.
- Ravazadeh, N., & Ravazadeh, A. (2013). The effect of transformational leadership on staff empowerment. *International Journal of Business and Social Science*.
- Rossman, G. B., & Wilson, B. L. (1985). Numbers and Words: Combining Quantitative and Qualitative Methods in a Single Large-Scale Study. *Evaluation Review*.
- Sosa-Fey, J. (2022, February 23). *Transformational leadership: A cross -cultural study of the moderating effects of culture on perceived leader behaviors*. Diambil kembali dari Proquest: https://www.proquest.com/openview/1410c9f3d2894ed794289e227a599785/1?pq-origsite=gscholar&cbl=18750&diss=y
- Spears, L. C. (25-30). Character and Servant Leadership: Ten Characteristics of Effective, Caring Leaders. *The Journal of Virtues & Leadership*, 2010.
- Stake, R. E. (1995). The Art of Case Study Research. Chicago: SAGE Publications.
- Sudrajad, Y. (2022, October 28). Analisa Gaya Kepemimpinan Otokratis, Demokratis Dan Laissez Faire Dalam Birokrasi Pemerintahan. Diambil kembali dari Direktorat Jenderal Kekayaan Negara: https://www.djkn.kemenkeu.go.id/kanwil-balinusra/baca-artikel/15571/Analisa-Gaya-Kepemimpinan-Otokratis-Demokratis-Dan-Laissez-Faire-Dalam-Birokrasi-Pemerintahan.html
- Suwannachin, K. (2003). The Relationship Among Leadership Styles, Work-Related Cultural Values, And Organizational Outcomes In Higher Educational Institutions In Thailand. *Umi ProQuest*.
- TWI. (t.thn.). What are Technology Readiness Levels (TRL)? TWI. Diambil kembali dari TWI Global: https://www.twi-global.com/technical-knowledge/faqs/technology-readiness-levels
- Winston, B. E., & Patterson, K. (2006). An Integrative Definition of Leadership. *International Journal of Leadership Studies (IJLS)*), 6-66.
- Yukl, G. (2008). How leaders influence organizational effectiveness. The Leadership Quarterly, 708-722.