Analyzing The Optimal Leadership Style To Enhance Organizational Commitment In Student-Composed Startup: An Ethnographic Study of Asa Cerra

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Abstract

Employees' decisions and actions have a significant impact on organizational performance. How a company treats its employees can benefit or harm the organization. Research indicates that employees with high organizational commitment contribute to better business outcomes. Leaders and managers play a crucial role in fostering this commitment by ensuring employees understand their roles, receive the necessary support, and recognize how their work contributes to the organization's success. However, a one-size-fits-all leadership approach is ineffective; leadership styles must be tailored to the organization's needs. In startups like Asa Cerra, a student-based healthy food technology company, each team member's contribution is crucial for rapid innovation. Asa Cerra faces frequent delays and underperformance, suggesting a decline in team commitment, which is essential for success. This study aims to identify the optimal leadership style for Asa Cerra to enhance organizational commitment. Using an ethnographic research design, data were collected through participant observation, in-depth interviews, and auto-ethnography from key informants, including team leaders and members. The analysis revealed that Asa Cerra's current leadership employs pace-setting and affiliative styles. While these styles have benefits, they fail to meet the co-founders' aspirations for stronger organizational commitment. The study suggests that combining coaching and democratic leadership styles could better enhance commitment. These styles align well with team members' expectations and address the limitations of the current pace-setting and affiliative approaches. By adopting coaching and democratic leadership, Asa Cerra can improve team commitment, leading to better performance and innovation.

Keywords: Leadership Styles; Organizational Commitment; Student-Composed Start-Up; Ethnographic Study

A. INTRODUCTION

Effective management of human resources is crucial for organizations to achieve their goals (Northouse, 2019) successfully. Human resource management (HRM) is the backbone of any thriving organization, ensuring the right people are in the right roles and fostering their growth. A strong team, often called human capital, drives innovation, strategic development, and the achievement of common goals. Maintaining a high-quality workforce enhances performance and significantly contributes to an organization's success (Supratman, Entang, & Turikan, 2021). When the quality of human resources is upheld, organizations can optimize performance and sustainability (Adyaribowo et al., 2023). A lean core team is typical in startups, with representatives from essential functions such as executive, marketing, finance, and operations. Each team member plays a crucial role in production, supply chain management, technology adoption, promotion, sales growth, and financial stability. However, the most critical responsibility lies in maintaining a consistent vision and ensuring all members work effectively toward achieving that vision (Coulson-Thomas, 2016). Effective leadership is, therefore, pivotal for organizational success, influencing subordinates to perform optimally (Paramita, 2017).

Leadership style encompasses patterns of behavior designed to influence subordinates, maximizing their performance and, consequently, organizational performance and goals. It also motivates employees, which is expected to lead to high productivity. In technology-based startups, the role of a leader is particularly important. Leadership involves actively guiding team members toward achieving agreed-upon goals. Leadership is a central factor influencing a startup's success and significantly affects team commitment, shaping their dedication to achieving shared objectives. (Meyer & Allen, 1991) model is widely accepted for understanding organizational commitment. The model includes three components: affective, normative, and continuance commitment. According to (Andayani, 2019), organizational commitment is when an employee identifies with an organization

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and its goals and strives to maintain membership. High work involvement means identifying strongly with one's work. (Hanaysha, 2016) notes that organizational commitment is crucial as it encourages members to remain with the organization and maintain high productivity. Organizational commitment can be understood as the tendency of an employee to maintain membership or be actively involved in an organization. The concept of organizational commitment varies across cultures. Recent research indicates that effective leadership can improve job performance and assist in achieving specific goals (Wahyuni et al., 2020). This research highlights the strong connection between leadership style and organizational commitment. The leadership style within an organization can either encourage or hinder organizational commitment through its impact on individuals and teams.

To enhance organizational commitment, this research explores how to improve leadership styles, recognizing that effectiveness varies depending on the company and team being led. The research will help the company foster a more committed team by identifying leadership improvement areas. A highly committed team is essential for navigating the challenges of running a startup. A dedicated and motivated team will be Asa Cerra's greatest asset in overcoming these challenges, achieving long-term goals, and maintaining sustainability.

B. RESEARCH METHOD

This research evaluates the effectiveness and identifies suitable leadership styles for Asa Cerra using ethnography. Ethnography, a qualitative research method, immerses researchers in a group's culture to gain a deep understanding of behaviors and interactions (Pratama, 2022). It provides detailed, contextual data on leadership styles and their impact on employee behavior and outcomes (Ramdani et al., 2022). Unlike quantitative research, which seeks to establish cause and effect, ethnography explores motivations, viewpoints, and meanings, aiming to understand "why" rather than "what." Ethnography often involves small sample sizes and employs focus groups, interviews, and observation methods.

The research includes semi-structured interviews with all of Asa Cerra's founders to explore leadership styles that could enhance team motivation and organizational commitment. Autoethnography is employed, where researchers act as participants, storytellers, and analysts (McIlveen, 2008). This approach involves reflecting, analyzing, and adjusting throughout the research process. Personal narratives are continually contemplated and revised, each carefully organized and labeled to facilitate ongoing analysis (Creswell, 2009).

C. RESULTS AND ANALYSIS

Current Leadership Style Applied in Asa Cerra

The findings reveal that the current leadership style at Asa Cerra exemplifies a combination of pace-setting and affiliative approaches, each contributing unique strengths to the organization. This blend fosters high performance while maintaining a supportive and inclusive work environment, which is crucial for a thriving student-based startup. High standards and a goal-oriented focus characterize the pace-setting leadership style. Leaders set ambitious expectations, monitor performance closely, and drive the team to meet these objectives efficiently. This approach ensures that the team remains productive and driven towards achieving organizational goals, maintaining a high level of performance.

Conversely, affiliative leadership emphasizes creating a supportive and trusting work environment. By prioritizing team bonds and relationships, affiliative leaders foster a positive atmosphere where team members feel valued and understood. This support helps alleviate the stress and pressure associated with the high demands of pace-setting leadership, keeping team members engaged and motivated. The combination of these leadership styles provides a balanced approach to team management. It ensures that team members know their goals and the standards they need to meet while feeling supported in their efforts to achieve these objectives. However, challenges arise when the balance is not maintained. The directive nature of pace-setting leadership, which involves setting the direction and expecting team members to follow with minimal guidance, can limit opportunities for team members to contribute their ideas. This can conflict with the need for inclusivity and collaboration emphasized by the affiliative style.

Additionally, the affiliative approach's focus on accommodating team members' opinions can sometimes lead to a lack of decisive leadership and unclear vision, resulting in confusion among team members. This dual approach highlights the need for careful balance to avoid conflicts and ensure high performance and a supportive work environment.

Table 1. Current Leadership Style Analysis

Included Team	Semantic Relationship	Cover Term
Leaders focus on building team relationships and harmony	Attribute	

Included Team	Semantic Relationship	Cover Term
Leader promotes a positive and firm work environment.		Affiliative leadership style
Leaders maintain professional boundaries to ensure personal issues do not interfere with work tasks.		
Balancing professionalism with emotional support.		
Leaders maintain clear and specific task allocation.	Attribute	Pace Setting Leadership Style Analysis
Leaders expect the active involvement of team members in providing opinions.		
Leaders provide less guidance on how tasks should be completed.		
Leaders maintain giving feedback for necessary adjustments.		
Leaders set high expectations of performance.		
Monitoring performance to ensure maximized results.		
Goal-oriented leadership.		

Source: Research data, 2024

Expected Leadership Style

Pace-setting and affiliative styles predominantly characterize the current leadership within the organization. Pace-setting leaders set high-performance standards and expect excellence from their team members, often modeling these standards through their actions. This approach effectively drives rapid results and maintains high-quality outputs, particularly in a highly skilled and motivated team (Goleman, 1999). However, an over-reliance on this style can lead to burnout, stress, and decreased morale among employees, who may feel constant pressure to meet demanding expectations without adequate support (Drzewiecka & Roczniewska, 2018).

Feedback from team members reveals significant gaps in guidance, decisiveness, and clarity in communication. While the current leadership style is appreciated, it requires refinement to enhance team commitment. The findings indicate a clear preference among team members for leadership styles that emphasize personal development, participation, and vision.

The reliance on pace-setting and affiliative styles, while beneficial in some contexts, may not fully address the developmental needs and aspirations of the team. Transitioning to a more balanced approach that includes coaching and democratic leadership could improve employee commitment and overall performance. This transition involves fostering a culture of continuous learning, encouraging open communication, and aligning organizational goals with a compelling vision that inspires and motivates team members.

Table 2. Expected Leadership Style

Included Team	Semantic Relationship	Cover Term
Leaders build and provide emotional support.	Attribute	Democratic leadership style
Leaders recognize and appreciate individual contributions in a positive and harmonious work environment.		
The leader initiates tasks and sets clear guidelines in a participative manner.		
A leader ensures fair task allocation, matching responsibilities with team members' roles and strengths.		
Leaders ensure team members feel trusted, valued, and involved in decision-making.		
Leaders maintain clear communication.		
Leaders ensure tasks are assigned according to team members' skills and passions.	Attribute	Coaching Leadership Style
Leaders align tasks with the team members' strengths and discuss tastes.		
Leaders regularly provide personalized feedback to help team members develop professionally.		
Leaders regularly check in with the team members, offering help and encouragement.		
Leaders offer encouragement and constructive feedback to support and motivate team members.		

Source: Research data, 2024

(Hoshino, 2016) proposes a framework for examining the effect of leadership styles on organizational commitment. Their research finds that persuasive and participative leadership styles enhance affective and normative commitment, while authoritative styles maintain continuance commitment. This study highlights the

need for a combination of leadership styles to address different dimensions of organizational commitment effectively. (Mahindreen et al., 2019) investigate the impact of transformational and transactional leadership on organizational commitment within a Malaysian company. Their findings indicate that both leadership styles positively influence employee commitment, suggesting that a balanced approach incorporating elements of both styles can lead to higher organizational commitment.

Additionally, (Ekvall and Arvonen, 1994) discovered that effective leaders often blend various leadership styles, creating consistently rated clusters as more effective by subordinates. Their study emphasizes that no single style is universally effective across all contexts, suggesting that a mix of styles is necessary to meet diverse situational demands. (Thomas and Bendoly, 2009) further demonstrated that over-reliance on a single leadership style can diminish returns, underscoring the importance of a balanced approach. (Shao et al., 2016) examined the effectiveness of different leadership styles during various enterprise systems (ES) life cycle phases. They found that transformational leadership was most effective during the adoption phase, while transactional leadership was more suitable during the implementation phase.

These studies support the argument that a single leadership style is often insufficient to address an organization's complexities and diverse needs. Instead, a combination of coaching and democratic leadership styles, as proposed for Asa Cerra, can foster a more committed team and effectively address varying organizational demands.

D. CONCLUSION

The previous studies collectively support the argument that a single leadership style is often insufficient to address an organization's complexities and diverse needs. Instead, a combination of coaching and democratic leadership styles, as proposed for Asa Cerra, can better foster a committed team. The variability in results from numerous studies indicates that the optimal leadership style for enhancing organizational commitment is highly context-dependent. This suggests that no single leadership style can be universally applied across all organizations to achieve desired outcomes.

Instead, a leadership style should be tailored to each organization's needs and conditions. The evidence collectively highlights that adaptability in leadership style is crucial for addressing the unique challenges and requirements of different organizational environments. In conclusion, a one-size-fits-all approach to leadership is inadequate for fostering organizational commitment. A flexible and context-specific strategy, informed by thorough organizational assessments, is essential for optimizing leadership effectiveness and enhancing employee commitment.

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