



Leadership Theories in Transition From Tradition to Technology

Abeer Muqbel

Abstract: This paper offers a review of key leadership theories, providing commentary to keep pace with the evolving landscape of leadership over the years. Using a literature review methodology, this study compiles and compares theories, from classical to contemporary, including those related to automation, E-leadership, and their practical applications. The analysis reveals that these theories are constantly evolving and adapting to technological revolutions and the development of organizations and individuals to keep up with advancements and avoid falling behind. This paper contributes to this field by highlighting the enduring importance of staying current and leveraging advancements, and it recommends that leaders not neglect the role of artificial intelligence in various organizational environments.

Keywords: Classical leadership, Contemporary leadership, E-leadership, Leadership & AI



Muqbel, A. (2025), Leadership Theories in Transition from Tradition to Technology, *Journal of Balkan Economies and Management*, 2(1), 7-20.



Phd Candidate, Institute of Social Sciences, Business Administration, Istanbul University, Istanbul, Türkiye,
muqbelabeer9@gmail.com



<https://orcid.org/0009-0000-4667-0075>



<https://ror.org/03a5qrr21>



Balkan Studies Foundation
DOI: <https://doi.org/10.51331/bemA09>
Journal of Balkan Economies and Management, 1(2), 2025
journalbem.com



Received: 11.08.2025
Revision: 01.11.2025
Accepted: 23.11.2025



Introduction

Leadership is an abstract concept, but it is embodied in a person who possesses a set of personal qualities that translate into methods that influence those around them, either positively or negatively; it refers to the relationship that leaders have with their followers, which is essential for organizations due to its effect on employees' attitudes and behaviors (Ghaleb & Yaşlıoğlu, 2023).

It has a key role in building a positive environment that fosters good decision-making, problem-solving, and innovation, as it channels the organizations' vision, strategy, and objectives to employees and provides them with a role model for their behavior and practice as well as the motivation they need to achieve goals (Robbins & Judge, 2017). Previous studies showed that intrinsic motivation has a positive impact on employee performance (Ghaleb & Ordun, 2021), which makes leaders as a unique asset that can maximize organizations' profitability (Northouse, 2019).

Since leadership is a human concept, it is subject to development, change, and criticism in response to changes in the surrounding environment. Therefore, it was found that every era has had theories explaining the concept according to the demands of that time, and these theories evolve with those changes. That is why the concept of leadership, the characteristics, and the role of leaders have been studied for a long time ago leading to the evolution of leadership theories that were changing and developing with the passage of time and changes in the surrounding environment and work circumstances of each era (Schettler, 2003).

These changes and evolution of leadership theories reflect the scholars' views on leadership based on their period of time, as many of them perceive leadership as a characteristic or as a behavior, while others consider leadership from an information-processing or leader-follower relation point of view, which explains the emergence of classical and contemporary theories (Robbins & Judge, 2017). However, with the rapid development of technology, the term E-leadership emerged to represent a new concept of leadership, but such development didn't stop at this point, as the evolution of artificial intelligence presented a new competitor to leaders in their role.

To understand the development needed in leadership to cope with the rapid advancement of technology, this paper discusses several leadership theories from different periods to explain the concept of leadership and what drives development in leadership to meet the needs and expectations of each era. It begins by presenting classical leadership theories, then transitions to modern leadership theories, followed by the E-leadership concept, which highlights the opportunities and challenges that leaders may face due to the current extreme reliance on technology.

It works on answering a question: Within the rapid development of technology, do the theories of leadership still retain their guiding role, and does the leader still have the same active role as before?

Classical leadership theories

Classical leadership theories represented a traditional approach to studying leadership as a social and human phenomenon, encompassing the characteristics, actions, and contextual elements that characterize effective leadership (Buchanan & Huczynski, 2019). Concepts at that period of time have centered around leadership as either a natural trait or the behaviors that distinguish a leader as a personality from the perspective of the great leader and trait theory; meanwhile, in one hand the behavioral theories examined leaders' actions and on the other hand the contingency and situational theories introduced the perspective that leadership effectiveness depends on the context, suggesting that no single style fits all situations (Robbins & Judge, 2018). These fundamental theories established a framework for understanding leadership as a combination of individual characteristics, observable actions, and situation-specific tactics. Below is an explanation about them:

Great man & Traits theories: Although they both emphasize the traits of successful leaders, the Great Man and Trait Theories are very different. According to the great man theory, the leaders' success is attributed to his/her natural charm and talent which holds that leadership is an innate quality that is frequently present in exceptional people like well-known politicians and military commanders; on the other hand, the trait theory expands on this viewpoint by

looking at quantifiable and cultivable human qualities, it points out that leadership qualities change depending on the situation and may be developed via education and experience (Harris & Hartman, 2002).

Both of these theories faced some drawbacks; as they did not explain why some people with positive attributes do not succeed as leaders, and they ignores the impact of less well-known leaders and skill improvement. When taken as a whole, they offer fundamental understandings, yet they are insufficient to describe leadership dynamics in today's diverse settings (Northouse, 2019).

Behavioral Approach theories: These theories states that great leaders are made, not born, as they emphasize behavior over natural qualities. According to Robbins & Judge (2017), groups led by authoritarians and those led by democratic leaders perform differently. Although both groups perform similarly, democratic-led groups are more upbeat and work harder even when the leader is not there, whereas authoritarian-led groups are unhappy. This perspective led to an examination of effective leadership behaviors in organizational settings and the development of training programs to enhance management leadership styles leading to the Ohio and Michigan studies.

These studies identified two main, fundamental dimensions of leadership, which are task-orientated leaders who focuses the technical aspects of the work and give priority to getting the job done, and people-oriented leaders who focusses on well-being, motivation, and development of their team members (Stroh et al., 2002). This study focuses on explaining the basic elements of behavior, emphasizing that leaders' impact is derived from their roles and interactions with their followers, rather than just their individual acts (Yukl, 2013).

The behavioral theories of leadership are criticized for oversimplifying leadership by categorizing it into fixed styles, ignoring contextual factors such as organizational culture, and lacking clarity on how specific behaviors lead to successful outcomes. Furthermore, these theories often overlook the necessity for leaders to adapt their behaviors to changing circumstances. While they provide valuable insights, these limitations suggest a need for more integrative and contingency-based approaches to understanding leadership.

Situational and contingency theories: Contingency theories focus on the interaction that the leader performs in a specific environment, which may determine the leadership style most appropriate to a particular work situation, which means that there is no one specific style that can be used in all situations and leadership success depends on the surrounding environment and interacting with it like employees (Amanchukwu et al., 2015).

Hersey-Blanchard's situational leadership theory explains that effective leadership depends on the readiness level of the followers to do a specific task. It considers that someone is ready to do a task when he/she has the abilities, such as skills and knowledge, as well as willingness, such as confidence and motivation, to perform his/her tasks. Accordingly, the leader must adopt his/her leadership style to match the level of readiness of his/her followers, and determine the amount of technical, social, and emotional support that should be provided in light of the situation and the readiness level of the followers (Robbins & Judge, 2018).

Fiedler in his contingency theory explained that there is no standard model of leadership as the leader must shape his/her style with a specific situation. He divided followers as task oriented, representing people who focus on achieving the completion of tasks, and relationship oriented, representing people who focus on having positive relations with their coworkers. Accordingly, the leaders must evaluate the situation, nature of tasks, with the consideration of his/her level of authority and relations with the followers to distribute the tasks and lead the process (Maslanka, 2004).

The theories of situational and contingency leadership have drawn criticism for their intricacy and unclear practical implementation. The fact that these models frequently call for leaders to precisely evaluate a number of situational factors and modify their approach accordingly is one of their main drawbacks (Buchanan & Huczynski, 2019). This can be challenging and arbitrary in practical situations. Furthermore, these theories don't offer precise instructions on how to conduct these kinds of evaluations or successful transition between leadership philosophies (Stroh et al., 2002). Additionally, the models often ignore the dynamic structure of organizations and the influence of follower traits, which

reduces their predictive accuracy and generalizability in a variety of scenarios (Northouse, 2019).

As explained above it was noted that there was no standard classical leadership style that can be implemented, but each theory faced some criticism that leads to develop a new one. Moving to the contemporary period of time, the working environment was developed leading to new contexts that forced leaders to adopt and amend their leading styles, which led in presenting the contemporary leadership theories.

Contemporary leadership theories

Contemporary leadership theories expand beyond the classical theories that focus on traits and behaviors to emphasize relational, transformational, transactional, and ethical aspects of leadership. These theories recognize the complex, dynamic interactions between leaders and followers within various contexts. These contemporary theories reflect a shift toward more holistic, follower-centered, and ethical perspectives of leadership, highlighting the importance of context, relationships, and moral dimensions. Below is an explanation about them:

Transformational and transactional leadership theories: Transformational leadership theory focuses on inspiring and motivating followers to achieve great things and look past their own interests for the good of the group or company (Bass & Riggio, 2006). The leader creates a compelling vision for the future and serves as a role model, using enthusiasm and strong values to encourage innovation and personal growth in their team (Korejan & Shahbazi, 2016). This style aims to change or transform people's views and goals, helping them reach their full potential (Robbins & Judge, 2018).

On the other hand, transactional leadership theory is based on a clear exchange between the leader and follower, often described as a give-and-take relationship (Buchanan & Huczynski, 2019). The leader sets clear goals and expectations, and people are motivated by a system of rewards, such as bonuses or praise, for meeting those goals and punishments for failing (Jaqua & Jaqua, 2021). This

style is focused on maintaining the current order, ensuring tasks are completed efficiently, and achieving short-term, measurable results (Sarros & Santora, 2001).

A major criticism of transformational leadership is that it ignores specific operational management, an overemphasis on motivation and vision, which may result in followers having irrational expectations, and its tendency to overemphasize the function of the leader in motivation without considering the technical part of the task (CH Chan & Mak, 2014). On the other hand, transactional leadership is often criticized for limiting creativity and innovation because it strictly follows existing rules and rewards only compliance. While effective for routine tasks, it can discourage employees from looking for better methods or pursuing long-term development beyond the immediate reward (Sarros & Santora, 2001).

Leader member exchange theory (LMX): This theory explains that leaders form unique, two-way relationships with each team member, rather than treating everyone in the group the same. The core idea is that the quality of these individual relationships, or dyads, is what ultimately determines leadership effectiveness and work outcomes (Van Breukelen et al., 2006). It highlights the formation of an in-group and an out-group within a team, where the members in the in-group develop high-quality exchanges with the leader, characterized by mutual trust, respect, and loyalty, often going beyond their formal job duties, and receive more attention, support, challenging assignments, and have more input in decisions (Robbins & Judge, 2017). Conversely, out-group members have lower-quality, more formal, and transactional relationships based strictly on the employment contract, and receive fewer resources and less support from the leader (Anand et al., 2011).

This theory was criticized for dividing the team into a favored in-group and a neglected out-group promotes unfairness and can be seen as discriminatory. This division often leads to resentment, low morale, and poor performance among the out-group, hurting the whole team. A key flaw is that the theory doesn't offer a clear path for leaders to build high-quality relationships with everyone, or for out-group members to improve their status (Sheer, 2015).

Charismatic leadership theory: This theory represents a leadership style where a leader uses their powerful personality, charm, and strong communication skills to inspire and motivate followers. Instead of relying on formal rules or a high-ranking title, these leaders gain authority through their personal magnetism and the strong emotional connection they build with others (Tucker, 2017). They are often seen as visionary, confident, and deeply committed to a clear, compelling goal, which encourages immense loyalty, dedication, and enthusiasm from their team or audience (Robbins & Judge, 2018). Their ability to articulate a hopeful future and make followers believe they can achieve it is their core strength, often leading to significant change within an organization or society (Robbins & Judge, 2017).

This type of leadership is incredibly effective at driving change and boosting morale because the followers are motivated by their admiration and trust for the leader, often leading to high levels of engagement and performance (Buchanan & Huczynski, 2019). However, it was criticized for its full reliance on the leaders as the success of the group can become too reliant on the leader's presence, and if the leader's personal vision becomes flawed or unethical, their profound influence can be used to mislead followers (Tucker, 2017).

Ethical and authentic leadership theories: These theories are contemporary leadership approaches that emphasize the moral integrity and genuineness of leaders as central to effective leadership (CH Chan & Mak, 2014). They are comparable in that they both place a high value on establishing trust via moral behavior and open communication and they emphasize the leader's responsibility for fostering an ethical workplace culture and encouraging the involvement and well-being of followers (Yue et al., 2019), by encouraging an environment of transparency, equity, and integrity, both leadership philosophies support favorable organizational attitudes, which in turn boost worker dedication and drive (Robbins & Judge, 2017).

Nevertheless, these hypotheses are not without flaws. An excessively idealistic perspective on leadership that might not adequately take into consideration the difficulties and moral conundrums that leaders encounter in practical settings is one drawback (CH Chan & Mak, 2014). Furthermore, it could be hard to measure

the emphasis on moral integrity and authenticity objectively, which makes it hard to continually evaluate leadership performance (Avolio et al., 2009). Furthermore, a strong emphasis on authenticity runs the risk of making leaders inflexible, hesitant to modify their opinions even when doing so would help the organization succeed (Yue et al., 2019). Finally, cultural differences might also affect how people view what ethical and authentic leadership looks like, which could restrict these theories' generalizability in a variety of settings (Avolio et al., 2009).

According to the above explanation it was noted that the contemporary leadership theories expand the discussion of the leaders' characteristics and their role in motivating, inspiring and building relationships with their followers, but also these theories do not provide a standard model of leadership that can be implemented anytime and anywhere, as each one of them has its strengths and weaknesses.

At the current period of time, changes in the working environment have led to a significant reliance on technology. For example, the 2020 COVID-19 pandemic made it difficult for face-to-face communication between leaders and their followers, and the evolution of artificial intelligence provides one new source of instructions and directions next to the leaders. Accordingly, to cope with recent needs and requirements in the working environment a new leadership styles were needed.

Leadership in the technological era

The experts believed that the working environment was undergoing a fundamental transformation (due to new technologies, information overload, and shifting values and expectations); therefore, they found that the leadership growth strategies had not evolved sufficiently to accommodate this transition. They reported, in particular, that previous leadership techniques, which have been effective in the past, are increasingly misaligned with potential leadership challenges (Petrie, 2014). This void calls for a more fundamental structural shift in the methodology of leadership to deal with the modern transition.

This section discusses the two concepts of leadership in the current period of time, which can be referred to as the technological era. The first concept is E-leadership, and the second concept is leadership and artificial intelligence, as follows:

E-leadership: It represents “a process of social influence embedded in both proximal and distal Advanced Information Technology (AIT) mediated contexts that can change attitudes, emotions, thinking, behavior and performance” (Avolio et al., 2014). It is a modern leadership style that allows the leader to accomplish certain leadership aims through virtual teams that are distributed over space and time in a computer-mediated way; the primary means of contact between leaders and followers is the computer-supported electronic conduit. As well as many modern threats and tactics, this new model offers a load of different possibilities (Carreño, 2014).

Cook (2010), explained that leaders in a digital environment maintain the same essential duties as their face-to-face counterparts, including coordinating and empowering teams, tracking success, and cultivating team members. Yet, because technology allows employees to operate from anywhere, e-leaders face additional challenges. Specifically, these challenges involve remote monitoring, building team cohesion across diverse communities, motivating members, addressing complex questions, cultivating greater versatility to handle rapid technological developments, and improving technological abilities to effectively promote their leadership.

In addition to that, when team members are isolated by time and space, creating strong interpersonal bonds becomes challenging’ that’s why E-leaders have a critical role in establishing and maintaining robust relationships within virtual teams, because strong communication skills are required to build trust, which is a core essential aspect of the leader-follower dynamic; that’s why leaders must actively work to maintain closeness and ensure communications are not misinterpreted (Ghaleb & Yaşlıoğlu, 2023), which is quite difficult in an online environment, even with the availability of the tools and technology that facilitate online communication.

Although e-leadership existed before the 2020 COVID-19 pandemic, its use has accelerated dramatically as most aspects of life and work shifted online, which raises questions about its effectiveness as a permanent leadership model.

Leadership and artificial intelligence (AI): The omnipresence of Artificial Intelligence (AI) is fundamentally reshaping the leadership landscape, prompting complex questions about its ultimate role, such as whether a robot could ever be accepted as a leader for human beings, especially that it becomes an easy source for employees to get information and instructions and in some cases it becomes a source of motivation for some employees who refer to AI to talk and get nice motivating feedback.

Several recent studies investigated the impact of AI on leadership, such as Rožman et al. (2023), who found that, AI-supported leadership significantly enhances effective teamwork and staff training, especially when utilizing data-driven decision-making. Specifically, assigning routine tasks to AI frees up leader time for intricate problem-solving, thereby improving employee engagement. These tools are also credited with promoting more inclusive leadership practices, democratizing decision-making, and strengthening team cooperation, but these effects are situational and may not always return benefits across all leadership domains. Additionally, Twum et al. (2025) explained that AI has overtaken the leaders' role in facilitating the decision-making processes as it can integrate diverse viewpoints into decision-making processes, which questions the limitations that AI can reach and stresses on the need to identify the appropriate use and role of AI that can not replace the actual leader.

The evolution of technology challenged the actual role of leaders, which indicates that leaders at this time have extra responsibilities to develop themselves and compete with such technology to maintain their role, and definitely new leadership models are needed to fit in this new technological era.

Conclusion and recommendations

The journey of leadership theories shows a clear shift from focusing on the leader's innate traits and behaviors to emphasizing the relationship with followers and the influence of the surrounding context. From the classical great man theory to the contemporary transformational and transactional leadership

styles, each era has developed theories to meet its unique organizational needs. These theories confirm that leadership is not a fixed style but an evolving concept.

The rise of technology and AI represents the newest and most significant challenge to the traditional leader's role. Concepts like E-leadership show that modern leaders must now build trust, motivate, and ensure clear communication across vast distances using digital tools. This transition answers the paper's question: while the guiding role of leadership theories remains, the leader's active role is fundamentally changing.

Ultimately, the paper highlights that no single leadership theory is perfect, and leadership collective evolution proves that the best leadership is adaptive. In the technological era, leaders must embrace a combined approach, leveraging technology as a tool while doubling down on the essential human elements, such as empathy, vision, and ethical integrity, which AI cannot replicate, as the future of effective leadership lies in this balance.

Accordingly, it is recommended that organizations and leaders must invest heavily in developing human-centric skills, such as emotional intelligence, ethical decision-making, and deep interpersonal communication, that thrive alongside AI. Furthermore, they should prioritize training for E-leadership, ensuring leaders can effectively manage and inspire virtual and actual teams. This dual focus on human skills and technological literacy is essential to maintain the leader's relevance and harness the full potential of the workforce in the modern digital age.

There are other leadership theories explained in the literature, but this paper presented the most common ones.

REFERENCES

- Amanchukwu, R. N., Stanley, G. J., & Ololube, N. P. (2015). A review of leadership theories, principles and styles and their relevance to educational management. *Management*, 5(1), 6-14.
- Anand, S., Hu, J., Liden, R. C., & Vidyarthi, P. R. (2011). Leader-member exchange: Recent research findings and prospects for the future. *The Sage handbook of leadership*, 311-325.
- Avolio, B. J., Sosik, J. J., Kahai, S. S., & Baker, B. (2014). E-leadership: Re-examining transformations in leadership source and transmission. *The Leadership Quarterly*, 25(1), 105-131.
- Avolio, B. J., Walumbwa, F. O., & Weber, T. J. (2009). Leadership: Current theories, research, and future directions. *Annual review of psychology*, 60(1), 421-449.
- Bass, B. M., & Riggio, R. E. (2006). *Transformational Leadership* (2nd ed.). New York: Psychology Press.
- Buchanan, D. A., & Huczynski, A. A. (2019). *Organizational Behaviour* (10th ed.). Harlow: Pearson Education Limited.
- Carreño, I. d. (2014). Emergent leadership: E-leadership implications for virtual education. *Redes. com: revista de estudios para el desarrollo social de la Comunicación*, 10, 309-324.
- CH Chan, S., & Mak, W.-m. (2014). The impact of servant leadership and subordinates' organizational tenure on trust in leader and attitudes. *Personnel review*, 43(2), 272-287.
- Cook, S. G. (2010). E-Learning Requires Teaching E-Leadership Online. *Women in Higher Education*, 19(12), 7.
- Ghaleb, M., & Ordun, G. (2021). The Mediating Role of Motivation Between Brand Citizenship Behavior and Employee Performance: A Study of Supervisors' Perception. *Journal of Business Research - Turk*, 13(2), 1227-1241.
- Ghaleb, M., & Yaşlıoğlu, M. M. (2023). The Impact of performance Appraisal on employee trust in leadership: The Mediating Role of Employee Satisfaction. In F. Ince (Ed.), *Leadership Perspectives on Effective Intergenerational Communication and Management* (pp. 187-223). PA, USA: IGI Global.
- Harris, O. J., & Hartman, S. J. (2002). *Organizational Behavior* (2nd ed.). New York: Best Business Books, an imprint of The Haworth Press, Inc.
- Jaqua, E., & Jaqua, T. (2021). Transactional Leadership. *American Journal of Biomedical Science and Research*, 14(5), 399-400.
- Korejan, M. M., & Shahbazi, H. (2016). An analysis of the transformational leadership theory. *Journal of fundamental and applied sciences*, 8(3), 452-461.
- Maslanka, A. M. (2004). *Evolution of leadership theories*. Michigan: Master's thesis, Grand Valley State University.
- Northouse, P. G. (2019). *Leadership: Theory and practice* (8th ed.). Sage publications.
- Petrie, N. (2014). Vertical leadership development—part 1 developing leaders for a

- complex world. *Center for Creative Leadership*, 1-13.
- Robbins, S. P., & Judge, T. A. (2017). *Organizational Behavior* (17th ed.). Harlow: Pearson Education Limited.
- Robbins, S. P., & Judge, T. A. (2018). *Essentials of Organizational Behavior* (14th ed.). Harlow: Pearson Education Limited.
- Rožman, M., Tominc, P., & Milfelner, B. (2023). Maximizing employee engagement through artificial intelligent organizational culture in the context of leadership and training of employees: Testing linear and non-linear relationships. *Cogent Business & Management*, 10(2), 2248732.
- Sarros, J. C., & Santora, J. C. (2001). The transformational-transactional leadership model in practice. *Leadership & organization development journal*, 22(8), 383-394.
- Schettler, J. (2003). Exclusive Research that Will Change the Way You Think about Leadership. *Training*, 40(6), 70-75.
- Sheer, V. C. (2015). Exchange lost” in leader–member exchange theory and research: A critique and a reconceptualization. *Leadership*, 11(2), 213-229.
- Stroh, L. K., Northcraft, G. B., & Neale, M. A. (2002). *Organizational Behavior: A Management Challenge* (3rd ed.). London: Lawrence Erlbaum Associates, Inc.
- Tucker, R. C. (2017). The theory of charismatic leadership. *Leadership Perspectives*, 499-524.
- Twum, F. O., Osman, C., Boateng, P. A., & Owusu, J. (2025). Impact of AI on Decision-Making Processes within Collaborative Leadership Frameworks. *The international journal of science & technoledge*, 13(3), 7-17.
- Van Breukelen, W., Schyns, B., & Le Blanc, P. (2006). Leader-member exchange theory and research: Accomplishments and future challenges. *Leadership*, 2(3), 295-316.
- Yue, C. A., Men, L. R., & Ferguson, M. A. (2019). Bridging transformational leadership, transparent communication, and employee openness to change: The mediating role of trust. *Public relations review*, 45(3), 101779.
- Yukl, G. (2013). *Leadership in organizations* (8th ed.). New York: Pearson Education Limited.