Implementation of Situational Leadership Model in Improving Company Performance

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Article Info

Article history:

Received July 15, 2025 Revised July 20, 2025 Accepted July 25, 2025

Keywords:

Leadership Situational Business Organization Leadership Styles Team Effectiveness

ABSTRACT

This research aimed to examine how the implementation of situational leadership models can improve work effectiveness in organizations. This research uses a descriptive qualitative approach with a library research method, which relies on various reference sources such as scientific journals, academic books, and previous research articles. The focus of the analysis is directed at understanding the leadership style applied by leaders in responding to the dynamics of employee readiness, as well as its impact on achieving organizational goals. The results showed that leaders who are able to adjust their leadership style according to the readiness level of their subordinates tend to be more successful in building productive work teams, increasing motivation, and creating a supportive work environment. The situational leadership model is also proven to be able to increase loyalty and collaboration within the team, and encourage sustainable human resource development. Thus, the implementation of situational leadership is the right strategy in optimizing workforce potential and supporting the achievement of organizational performance more effectively.

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1. INTRODUCTION

In a company, human resources play a very vital role. Labor has great potential in driving various company operational activities (Basuki, 2023). Therefore, this potential needs to be optimally utilized by leaders in order to produce maximum performance. To achieve this, companies are required to be able to form and develop human resources who

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are dedicated and have high performance in order to achieve organizational goals. The success or failure of an organization is greatly influenced by its leaders. The leader is the spearhead for an organization or company in order to carry out every activity in the company or organization in achieving a goal that the organization or company wants to achieve (Nyoman and Wayan, 2021).

In this context, the leadership style applied by a leader becomes a key element in determining the direction and success of the organization. Leaders who are able to adapt their leadership approach to the conditions, characteristics, and readiness levels of their subordinates will be more effective in fostering a solid and productive work team. Therefore, leadership is no longer only seen as the ability to organize and direct, but as an art to read the situation and respond adaptively. One model that is relevant in dealing with the complexity of human resource dynamics is situational leadership. This model emphasizes the importance of flexibility in leadership style, so that leaders can create a supportive work environment, increase motivation, and encourage the achievement of organizational goals more effectively and sustainably.

In this case, leaders are required not only to have managerial skills, but also a leadership style that is able to adapt to the dynamics and characteristics of the human resources they lead. Situational leadership emphasizes the importance of flexibility in directing and fostering employees according to their level of readiness and maturity.

The situational leadership model focuses on the leader to adjust his leadership style through a combination of task behavior and relationship behavior (Hairah, and asy'ari, 2024). According to Paul Hersey and Ken Blanchard, the relationship between leaders and subordinates develops through four stages that are adjusted to the level of maturity or readiness of subordinates, namely telling, selling, participating, and delegating.



Figure 1. Situational Leadership Style

The situational leadership model developed by Hersey and Blanchard is a very relevant approach in the context of modern organizational dynamics. This approach emphasizes the importance of a leader's ability to adjust his leadership style to the level of readiness or maturity of his subordinates, both in terms of competence and commitment. Hersey and Blanchard classify four main leadership styles that are flexible, namely telling, selling, participating, and delegating.

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1. Telling (Giving Instructions)

This style is applied when subordinates are at a low readiness level. In this stage, employees tend not to have the ability or confidence to carry out tasks independently. Leaders need to provide clear directions, specific instructions, and close supervision. The main focus lies on high task behavior and low relationship behavior.

2. Selling (Explaining and Persuading)

This style is used when employees begin to show developing abilities but still need motivation and guidance. In this situation, the leader not only gives instructions but also explains the reasons behind the decision, as well as providing encouragement for subordinates to be more confident. Both task and relationship behaviors are equally high, as the leader acts as both an instructor and motivator.

3. Participating (Involving)

This style is suitable for employees who already have adequate abilities but still lack commitment or motivation. Leaders listen more, encourage participation in decision-making, and build more equal working relationships. Task behavior is low, but relationship behavior is high, as the focus is more on emotional support and increased involvement.

4. Delegating

This style is applied to employees who have reached a high level of readiness, both in competence and commitment. They are able to work independently, take responsibility, and no longer need intensive direction from superiors. In this stage, the leader gives full trust to complete the work independently, with equally low task and relationship behaviors. The leader's focus shifts to general supervision and evaluation of results.

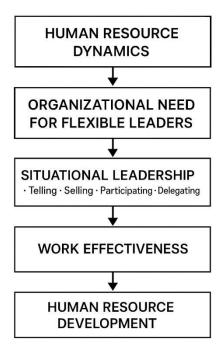
This approach suggests that there is no one leadership style that is most ideal for all situations. The success of the leader lies in his ability to diagnose the situation and flexibly adapt his leadership style to the needs of the individuals or teams he leads. Rhamadhoni, et al. (2024) argue that by applying situational leadership, leaders are not only able to improve individual performance, but also create a work environment that is adaptive, dynamic, and supports the sustainable development of human resources.

Each of these styles has a strategic role in maximizing employee potential based on different conditions and needs. Therefore, the implementation of situational leadership is important as a strategy to encourage productivity, loyalty, and work team effectiveness in achieving company goals optimally.

This research will discuss the application of situational leadership models to improve work effectiveness in organizations, with a focus on understanding each leadership style in accordance with the level of readiness of subordinates. Based on this, this research has a research flow, as follows:

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Figure 2. Research Flowchart



2. METHOD

This research uses a descriptive qualitative approach with a library research method. This approach was chosen because it is considered capable of providing an indepth and holistic understanding of the implementation of the situational leadership model in the context of business organizations. Quoting from Gede, et al. (2024), qualitative descriptive research does not focus on hypothesis testing or quantitative data collection, but rather on exploring the meaning, interpretation, and relevance of theory in real situations through literature review.

The main focus of this research is on the four main situational leadership styles developed by Hersey and Blanchard, namely telling, selling, participating, and delegating. The four styles are analyzed in the context of how a leader can adjust his approach based on the level of readiness, competence, and motivation of subordinates in carrying out their duties.

Data sources in this study were obtained from various relevant references, such as national and international scientific journals, academic books that discuss leadership theory, previous research articles, dissertations, organizational reports, as well as publications from institutions that focus on corporate development. By utilizing credible and up-to-date literature, this research aims to present a comprehensive conceptual understanding of the dynamics of situational leadership application.

The analysis technique used in this research is content analysis, which is conducted systematically on the contents of the various literatures reviewed. The analysis steps include: (1) identification of main themes and concepts, (2) classification of information based on leadership style categories, (3) interpretation of patterns and relationships between concepts, and (4) drawing conclusions based on literature synthesis. Through this technique, researchers can reveal how situational leadership theory is not only normative, but also applicable in various organizational contexts, including companies that have structural characteristics.

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With this method, the research is expected to contribute to the development of theoretical and practical insights regarding the importance of leadership style flexibility in improving work effectiveness and human resource management in the corporate sector. In addition, this approach is also expected to propose a framework of understanding that can be used as a reference in further research or the development of relevant leadership training programs.

3. RESULTS AND DISCUSSION

3.1. Application of Situational Leadership in a Corporate Environment

In a dynamic corporate environment, the application of situational leadership is one of the important strategies in managing human resources effectively. This leadership model emphasizes that no one leadership style is suitable for all situations; leaders are required to be able to adjust their leadership style based on the level of readiness, ability, and motivation of the employees they lead. The application of situational leadership encourages leaders to combine task direction and emotional support proportionally, depending on the conditions of subordinates.

The application of situational leadership in the company begins with recognizing the level of readiness or maturity of each employee, which includes the ability to complete tasks and the willingness or motivation to take responsibility. After that, the leader adjusts the leadership style based on these conditions. The telling style is used for employees who are new or have not mastered the task, while selling is applied when employees begin to understand the task but still need encouragement and direction. The participating style is suitable for employees who already have the ability but still need emotional support, while delegating is given to employees who have shown high independence and responsibility.

The implementation of this model not only helps to increase employee work effectiveness, but also builds a more harmonious working relationship between leaders and subordinates. When leaders are able to adjust their leadership style appropriately, employees will feel valued, understood, and supported according to their needs. This results in increased loyalty, motivation, and work productivity.

In addition, situational leadership can also be a means of long-term human resource development. By providing an appropriate approach, leaders indirectly nurture employees to develop from a low readiness stage to a high readiness stage. For example, employees who are initially only able to work under instructions can slowly increase their independence through the process of coaching and emotional support. This process creates a work climate that is conducive to learning and competency improvement.

In practice, the successful application of situational leadership is also influenced by the leader's ability to make keen observations of the characteristics of each individual. Leaders are required to have interpersonal sensitivity and good communication skills in order to recognize the needs, potential, and obstacles of each employee. Periodic evaluation of the development of subordinates is also necessary so that adjustments to leadership styles can be made dynamically and in a timely manner.

For example, in the production division of a manufacturing company, new employees who are not familiar with the machines and operational procedures will need a telling style so that they can carry out their tasks correctly and safely. However, with time and experience, the leader can shift to a selling or participating style to provide room for participation and build employee confidence. Ultimately, the delegating style is applied when employees have become a reliable workforce capable of making decisions independently.

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3.2. Application of Situational Leadership Style at PT Pramono Irindo Jaya

Research on situational leadership has been researched by Yohanes Calvin Gunawan in 2016. Based on the results of this study, the Head of Production is too dominant in the S2 (selling) leadership style where based on the level of readiness of his subordinates, the leadership style that should be applied more by the Head of Production is the S4 (delegating) leadership style. The application of the S2 (selling) leadership style for the level of readiness of subordinates at R4 (very high) shows ineffective situational leadership, so that subordinates cannot develop optimally because leaders discuss more with subordinates, rather than giving them the trust to overcome these problems independently. The S2 (selling) leadership style is shown to subordinates who still need direction and input because they are still relatively inexperienced, in contrast to the two subordinates of the Head of Production who have a very high level of readiness and already have 20 years of work experience. The following presents the results of research on situational leadership styles at PT Pramono Irindo Jaya.

1. Telling Style

The telling style is found in situations where the leader gives specific directions and closely supervises the tasks of subordinates. However, in the context of PT Pramono Irindo Jaya, this style is not applied predominantly because the two main subordinates have a very high level of work readiness. Direct direction is only given when there are technical problems, and supervision is done more through written reports than direct supervision.

2. Selling Style

Selling style is the most dominant leadership style applied by the Head of Production. This style is characterized by high task and relationship behavior. Leaders provide work direction while building two-way communication, providing motivation, and being active in discussions. Although both subordinates have high readiness, the selling style is still used as a form of participatory approach. However, theoretically, this style is less suitable for the readiness of R4 level subordinates because there is too much intervention from superiors.

3. Participating style

The participating style is found, especially in the form of leader involvement in responding to subordinate complaints and building positive interpersonal relationships. Leaders actively listen to input and solve problems with subordinates. However, the urge to take risks directly is not seen to be dominant due to the nature of production that emphasizes minimal errors (error-free production).

4. Delegating Style

The delegating style arises in certain contexts, mainly because subordinates have more than 20 years of work experience and master tasks independently. The Head of Production provides flexibility in decision-making, delegates responsibilities, and gives subordinates the trust to carry out tasks without strict supervision. However, this style is not fully dominant as the Head of Production still tends to apply selling more broadly.

Table 1. Situational Leadership Model in the Company

Employee Readiness Level	Example of Company Situation	Leadership Style	Applied Approach
R1 – Low	New employee doesn't know how to operate a machine	Telling	Direct instructions, close
R2 – Low to Moderate	Employee is learning to make products but feels hesitant	Selling	supervision Training while providing motivation
R3 – Moderate to High R4 – High	Employee understands tasks but is afraid to make decisions Experienced employee handling customers	Participating Delegating	Discussions, involvement in decision-making
			responsibility delegation, light monitoring

3.3. Challenges of Situational Leadership Implementation

Situational leadership does provide flexibility and effectiveness in human resource management, but its application is not free from challenges. One of the main challenges is the difficulty in accurately identifying the level of readiness or maturity of each employee. Not all leaders have enough sensitivity or analytical skills to assess the extent of subordinates' abilities and motivation, thus risking applying inappropriate leadership styles. In addition, leaders are also required to have high flexibility in changing leadership styles according to dynamic conditions, which is often difficult to do if leaders are accustomed to using one particular approach.

Another challenge is the lack of training and understanding of the situational leadership model itself. Many organizations have not provided enough training for managers or supervisors to apply this leadership style appropriately. In some cases, leaders focus too much on achieving short-term targets and neglect leadership approaches that are oriented towards the development of subordinates. In addition, in a complex work environment, differences in character, background, and expectations among employees can make it difficult to apply one effective approach equally. Therefore, the successful implementation of situational leadership is highly dependent on the readiness of the leader in understanding team dynamics as well as organizational support in building a leadership culture that is adaptive and responsive to change.

In addition to internal challenges related to the ability and readiness of leaders, the implementation of situational leadership also faces external obstacles, such as organizational structures that are too bureaucratic or rigid. Such structures often limit the space for leaders to implement flexible leadership styles, as they are bound by rules, fixed procedures, and strict hierarchies. As a result, leaders tend to choose a conservative leadership style and are reluctant to take an approach that is tailored to the individual characteristics of subordinates.

In addition, resistance from subordinates is also an obstacle. Not all employees are ready to accept changes in leadership approaches, especially if they have become

accustomed to one particular pattern of interaction. For example, employees who are used to being directed directly may feel confused or uncomfortable when suddenly given the freedom to make decisions through a delegating style. Vice versa, employees who have high autonomy may feel constrained if the leader returns to using the telling approach. This mismatch of expectations can lead to conflict, decreased motivation, and even resistance to leadership itself.

In addition, the challenge of implementing situational leadership is also related to the leader's time constraints and workload. In a fast-paced and stressful work environment, leaders often do not have enough time to conduct an in-depth analysis of the characteristics of each team member. In fact, one of the keys to successful situational leadership is a comprehensive understanding of the psychological conditions, competencies, and needs of individuals in the team. If this aspect is ignored, then the leadership style applied is potentially not on target. Effective implementation of situational leadership requires a well-thought-out strategy, especially in the face of various challenges stemming from internal organizational dynamics and external factors. The following is a table of challenges and strategies in optimizing the application of situational leadership.

Table 2. Challenges and Strategies in Optimizing the Implementation of Situational Leadership

Challenges	Strategies
Difficulty in identifying employee readiness levels	Training for leaders to analyze employee competence and motivation
Inflexible leadership style; difficulty switching approaches	Enhancing self-awareness and training in adaptive leadership styles
Lack of understanding of situational leadership models	Workshops and technical guidance on situational leadership theory and practice
Overemphasis on targets rather than employee development	Balancing performance goals with a focus on human resource development
Diverse characters and expectations among team members	Strengthening interpersonal communication and fostering an inclusive work culture

3.4. Positive Impact of Situational Leadership Implementation on the Company

The implementation of situational leadership in a corporate environment has various significant positive impacts on improving business performance and stability (Wijaya, 2018). One of the main impacts is increased work productivity. When leaders are able to adjust leadership styles to the level of readiness and ability of employees, work can be done more effectively and efficiently. New employees get clear direction through the telling style, while advanced employees are given trust through the delegating style, so that each can work according to their best capacity.

In addition, the application of the right leadership style can reduce the rate of operational errors. Employees who are intensively guided and emotionally supported are more careful and thorough in completing their tasks. The work environment also becomes more adaptive and responsive to change. Flexible leaders are able to adjust their approach when there are job rotations, personnel changes, or changes in market demand.

Another positive impact is increased employee satisfaction and loyalty. When leaders pay attention to the needs and psychological state of each individual, employees feel valued and cared for, which in turn fosters a sense of belonging to the workplace. This

approach also promotes employee development and independence. As their abilities improve, leaders can gradually shift responsibility to employees, building them into a more competent and confident workforce.

Communication between leaders and subordinates also becomes more effective because this model relies on two-way dialog, especially in the selling and participating styles. Working relationships based on mutual trust and openness strengthen team cohesion and reduce internal conflict. In the long run, all of this directly contributes to improving the competitiveness of the COMPANY. Enterprises with solid, productive and adaptive work teams are better equipped to compete in a dynamic marketplace.

Table 3: Positive Impact of Situational Leadership Style Implementation

Evaluated Aspect	Before Implementation	After Implementation
Work Productivity	Employees work suboptimally due to lack of clear guidance	Productivity increases thanks to guidance tailored to employees' needs
Operational Errors	Frequent errors occur due to limited understanding and supervision	Errors decrease as leaders provide appropriate guidance
Employee Satisfaction	Employees feel undervalued and excluded	Satisfaction improves due to supportive and participative leadership
Employee Independence	Employees depend heavily on instructions, lacking initiative	Employees become more independent and confident in completing tasks
Communication Effectiveness	One-way and limited communication	Two-way communication improves, leading to healthier work relationships

4. CONCLUSION

Based on the above discussion, it can be concluded that the implementation of situational leadership in companies offers a flexible and effective approach to managing human resources based on the employees' level of readiness and maturity. This model encourages leaders to adjust their leadership style—whether telling, selling, participating, or delegating—according to the conditions and needs of their subordinates. A study at PT Pramono Irindo Jaya showed that an overly dominant selling style was less effective when applied to employees with high readiness and should have been replaced with the delegating style to better develop their potential.

Situational leadership is a model that emphasizes the importance of flexibility and the adaptive ability of leaders in aligning their leadership style with the readiness, competence, and motivation of their subordinates. This model has proven to be relevant in managing the complex dynamics of human resources, as it allows leaders to optimize individual potential in a targeted manner.

Through the four main styles—telling, selling, participating, and delegating leader can build more effective working relationships, enhance motivation, and encourage more productive performance. However, applying this model is not without challenges, such as difficulties in assessing employee readiness, limited understanding of the theory, and

resistance to changing leadership styles. To overcome these challenges, strategies are needed, including training, strengthening an adaptive organizational culture, and a commitment to balancing performance targets with human resource development. Therefore, situational leadership can serve as a strategic and sustainable approach to achieving overall company effectiveness

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