

# **Shaping Leaders, Shaping Habits: Leadership Styles And Their Effect On Habit Formation In Employees**

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## **I. Introduction**

Since its emergence in the first half of the 20th century, leadership has fascinated management scholars. It is not only important in deciding the productivity of an organisation but also plays a crucial role in periods of organisational change, i.e. when an organisation alters any major component of itself. Leadership is now considered to be a crucial factor in deciding the success of an organisation. Leadership research has diverged into two approaches – a leader-centric approach, focusing on the leader themselves, and a leadership-centric approach, which highlights science and process. The leadership-centric approach focuses on setting methodological boundaries, aiming to facilitate the development of leadership as a science and a distinct discipline. The leader-centric approach, on the other hand, focuses on an individual and the major role they play in shaping the future of organisation (Betta, 2017). This model of research focuses on the personality of the leader and the skills that are exercised in congruence with the underlying personality (Duleciwz & Higgs, 2004). The leader-centric research approach helps us view leadership as a social phenomenon : where a leader is a single individual and leadership is defined as the product of human interactions occurring between people in their own environments. As patterns of behaviour created through social leadership are reinforced they become habits. By borrowing from John Dewey, we can understand leadership as a mechanism of habits in social life. Habits play an important role in workplace behaviour in the form of both employee and organisational habits. Through the behaviours they encourage and reinforce leaders can affect the formation of both positive and negative work habits. Different types of leaders are, with new research, being categorised into distinct leadership styles. These styles differ in leadership attitude, participation and personality and also greatly vary in the habits they form. To understand leadership in this context, an understanding of the functioning of habits is necessary.

Habits are behavioural associations that develop due to repeated actions. These are behaviours that take place subconsciously after they become automatic, reducing cognitive load and making decisions more intuitive. Habits play a crucial role in our daily lives - dictating the hundreds of tiny decisions we make every day. However, habits also decide organisational culture by dictating how leaders and employees make decisions. This paper discusses how habits are formed, changed and overwritten while emphasizing organisational habits and their importance in the workplace. Further sections also discuss how the leadership styles can affect the formation of negative and positive employee habits in different contexts.

### **What is a habit?**

Humans are known as creatures of habit; the word habit is commonly used when referring to human behaviour. Bad habits, good habits, organisational habits; phrases such as good eating habits, “a habit I just can't shake” and many more. However, very few people know the true nature of habits and the extent to which they affect our lives and the way we act. Habits can be understood as context-behaviour associations in memory that develop as people repeatedly experience rewards for a given action in each context (Wood & Runger, 2016). That is when certain behaviours performed in pursuit of certain rewards become associated with certain environments in our memory. Another key aspect of habits is the automaticity of the behaviours. As the same behaviour triggered by the same cue is performed repeatedly it becomes more and more automatic, and less conscious thought is involved in performing that behaviour. Once habit responses are triggered, people can act on that response without having decided to do so. However, habits are not synonymous with automaticity.

By their very nature, the building automaticity of habit is deeply intertwined with the dual processing model. The dual processing model proposed by Tversky and Kahneman (2011) consists of an implicit, unconscious system of thinking (System 1) and a slower, logical, conscious system of thinking (System 2). Habits rely on System 1 and its quick, intuitive path of decision-making. As time passes and the action becomes more regular the behaviour may rely on the intuitive thinking system rather than the rational thinking system. Daniel Kahneman, in his book “Thinking Fast and Slow”, explains how our brain assesses the cognitive load of a certain task and whether it requires conscious thought or can be done through habitual action. These assessments are carried out automatically by System 1 and they decide if a certain task needs to be done slowly

and logically i.e. using System 2. A calibration of the mind's cognitive ease is a part of this quick assessment, which decides how "easy or strained" one is feeling. "Easy" signals that we have no reason to mobilise extra effort or redirect attention while "strained" might lead to the involvement of System 2. When one feels strained, they may be more vigilant and make more alert, conscious decisions and when one feels at ease, they may trust their intuition and follow habitual responses. Once habitual responses are activated, one might act without making a conscious decision to do so. In a way, we might not completely be in control of our habitual behaviour. Intentions and goals play a role in habitual behaviour only when the habits are weak but once the habits are strengthened the influence of intentions is significantly lesser (Danner et al., 2008). Additionally, habits, goals, and intentions interact to decide the daily variations in behaviour. For example, on days when participants' intentions to engage in physical activity were weaker than usual, they fell back on their exercise habits and worked out only to the extent that exercise was habitual (Rebar et al., 2014). Initially, our intentions or goals may play an important role in keeping a desirable action or habit consistently regular but as the actions become more automated, the habits persist without the initial push of motivation that may have played a role in its initial development.

Another aspect that contributes to the consolidation of the automaticity of a habitual action is that a well-repeated, automated habitual behaviour tends to cause the elimination of alternatives in that specific context (Danner et al., 2007). Stimuli that have been rewarded or gratified in the past gain attentional priority over other, non-rewarded stimuli. When acting out of habit, deliberation reduces, and focus is narrowed even when some explicit decision-making is required. Essentially people who have strong habits process information in a way that reduces the likelihood that they will consider acting otherwise (Wood & Runger, 2015).

### **Habit formation**

The circular repetition of a habitual action leads to the formation of a loop or cycle of behaviour. Duhigg (2012) dissected this habitual loop of behaviour into three steps: (1) Cue; (2) Action and (3) Reward. A cue is a trigger or a contextual clue that sets off a certain action. It can be a kind of environment or a situation or context that triggers a certain behaviour and causes the brain to resort to pre-established automatic behaviours. The routine can be physical emotional or mental. It is done to achieve or to obtain a certain reward. The reward is what initially helps create a habit and make it automatic, by reminding our brain that this is something that may be worth remembering and redoing in the future. However, a behavioural loop only becomes automatic when an individual develops a yearning or craving for the reward even in its absence. That is, when a trigger and reward become directly associated in one's memory our habitual reactions are performed to obtain the reward. In a way, the trigger not only sets off an action but also an anticipation for the later reward. Once a craving for a reward is created it can be hard to break out of a bad habit - which is why people may act out of habit even if it conflicts with their intentions. These aspects come together to form a cycle of habitual action, but it is the craving that keeps it sustained.

Habitual behaviour plays a crucial role in addiction. When a smoker sees a cue - a pack of cigarettes for instance - they will follow the same, repeated routine i.e. to start smoking. This routine provides them with their reward - a hit of nicotine which leads to the release of dopamine in our system (Benowitz et al., 2009). If this habit loop is consistently repeated and, consolidated by the same cue and the same reward countless times, it leads to a craving for the reward that is set off by the cue even before the routine is performed. Just the sight of cigarettes is enough for the brain to start craving a nicotine rush. When it doesn't arrive immediately, the craving grows until the smoker reaches, unthinkingly, for a cigarette (Duhigg, 2012). Particularly strong habits create addiction-like responses such that "wanting evolves into obsessive craving" that forces our brains into autopilot - where we simply follow our pre-established loop (Robinson et al., 1993).

### **Habit change**

Theories of habit change may differ and vary in their details, but they all recognize the gradual shift of goal-directed behaviour to habitual behaviour through repeated learning (Cushman, 2018). However, frequency might not be the only factor that causes habit formation; consistency of environment is also crucial for the automaticity of the behaviour. When the environment changes, the cue may change which may disrupt an individual's habitual behaviour. The change of context forces a person to make decisions on how to act (Carden, 2018). The assumption is that changes in context encourage individuals to consider social beliefs and evaluations before they decide how to act. Many planned programs are used to invite this change in context. Known as behaviour change interventions, these programs are defined as "coordinated sets of activities designed to change specified behaviour patterns" (Michie et al., 2015). According to the habit discontinuity effect, behaviour change interventions are more effective during life course changes that disrupt habit cues, such as moving schools or towns, changing jobs, and having a child. The hypothesis states that when there is a context change that leads to a disruption of habits, it opens a window that increases the deliberation and conscious thought involved in, otherwise automatic, decisions (Pavlova, 2008). Habits can be disrupted by

environmental changes naturally, but these changes can also be brought by conscious decisions to alter environments, to either break an old habit or increase the ease of the formation of a new habit.

Unwanted habits can often be the villains in behaviour change initiatives. Difficulties in behaviour change may not necessarily reflect people's continuing desire to perform the old behaviour or a failure of willpower (Wood & Runger, 2015) but rather be due to the challenge that old habits tend to be automatically activated in the face of the same, ingrained cues or context (Walker et al., 2014). When new habits are learned, old habits do not automatically disappear, and the old memory traces might also remain. This is what may lead to habit slips. Habit slips are errors in habit performance that take place when an intended action and an opposing habit may have commonalities in their context or environment (Norman, 1981). That is, when people slip up and perform unwanted habits despite having different or opposite intentions. It is this very reason why habits can be so hard to break or replace - once ingrained the contextual clue still very much has the potential to set off an automatic action, regardless of what one's intentions or the extent of one's self-control. Intentions can conflict with our habitual behaviour. For example, conscious intentions battle with habitual behaviour when individuals make efforts to change bad habits. Bad habits may oppose our intentions or goals but continue to be executed effortlessly because of their ingrained automaticity, (Ouellete & Wood, 1998) even without the formation of any conscious intent to perform the habit.

It is this ingrained automaticity that makes bad habits hard to shake. Therefore, habits cannot be eradicated, only changed. We might continue reacting to the same cue to obtain the same reward, no matter how much it conflicts with our goals or intentions. However, habits can be modified - if we keep the same cue and reward, a new reward can be inserted (Duhigg, 2012). Duhigg hypothesises that a belief that change is possible is an integral part of habit change and it heavily depends on groups or communities that provide support. This alongside John Dewey's research on habits in a social context, allows us to view habits not only as individualistic but also as social phenomena. Habit, as Dewey puts it, shows the individual 'using and incorporating the environment in which the latter has it say as surely as the former' (1922: 15). Social institutions, and rituals impact our habits and the dispositions they create (Pederson, 2018).

Just like in individuals, big changes are the best time to make major habit changes, in organisations, crises are important times to form organisational habits. Good leaders seize crises to remake toxic or unproductive habits. In large crises, making changes can be easier than in times of normal functioning. They can be such valuable opportunities that a wise leader can prolong a sense of emergency or fabricate a sense of crisis to make organisational change easier to facilitate (Duhigg, 2012).

### **Organisational habits and their importance**

Habits in an organisational context can often take an entirely different importance or light. Organisational habits or employee habits hold the ability to dictate the success of an organisation. Habits, with their ability to lead to hundreds of tiny decisions automatically, leave employees with more mental resources to focus on complex decision-making, creative endeavours and problem-solving, which can help increase efficiency and productivity. Counterproductive employee habits can hurt the organisation's productivity by harming employee relations, interfering with job performance and undermining employee well-being. (Renn et al., 2021). Employee habits, alongside goal-motivated behaviour, dictate the formation of desired workplace behaviour and are therefore extremely important for a productive organisation. Goal-directed behaviour can in the short term be extremely valuable in ensuring increased productivity but if these goal-directed behaviours are not made to evolve into work habits, employees may inevitably revert to old, more reinforced patterns of behaviour.

In this way, turning goal-motivated work into employee habits can be a concrete method of bringing significant change to employee work behaviour. For example, Ivancevich (1977) found that organisations with formal group settings, participation and assigned objectives perform better than groups with a "do your best" attitude in practices such as service complaints, cost and safety as well as work and supervisor satisfaction. However, 9 months later, they observed a pronounced dissipation of performance and satisfaction improvement. Therefore, they suggested that reinforcement training or refresher courses might be needed regularly to ensure that positive work habits are maintained. This training would serve the purpose of sustaining desirable employee behaviour and converting goal-directed behaviour into more automatic, ingrained organisational performance standards. These results suggest that even with a concrete goal setting and clear objectives, any increased productivity or improvement in employee performance will remain short-term unless these goals are converted into productive employee work habits.

Bad or disadvantageous employee habits not only impact the performance of a single employee or department but can also potentially affect the organisation. These habits can set off a chain reaction of errors that eventually disadvantage the organisation. For example, a leader may be taught to make quick, rapid decisions in time-sensitive situations. They may be rewarded for their swift and intuitive thinking which reinforces this pattern of behaviour, leading to the formation of a habit (Davi & Spelman, 2018). However

complex, important decisions may require more rational, in-depth thought. If the leader makes such decisions following their habit of quick decisions it may not lead to the optimal result, ultimately being disadvantageous to the organisation (Martin, 2009).

Leaders are often also told to separate their emotions from their decision-making. They may, in the short term, benefit from making neutral, unemotional decisions since emotional decisions may be viewed as inferior or biased and are therefore often rejected. They are told to “keep their emotions out of it” or “not get emotional”. This constantly reinforced set of powerful messages can lead to the formation of a leadership habit of suppressing emotions when making corporate decisions. Contrary to corporate thinking, emotions are important pieces of data that can help leaders build effective relationships, make informed decisions and aid negotiations (Caruso & Salovey 2004; Leary et al., 2013; Goleman 1998). Decisions made without emotional considerations therefore distance leaders from valuable information. In this way initially beneficial goal-directed behaviour can eventually lead to negative habits.

To neutralise habits like this, leaders need to try and identify the negative habit loop and bring change to it by changing the reaction. Instead of making intuitive decisions, the leader could learn to take a step back, breathe and carefully consider the course of action. Instead of suppressing their emotions, the leader could learn to consider their emotions and learn from this. This could eventually lead to more efficient, successful decision-making (Davi & Spelman, 2018). To summarise, reinforced negative employee habits can be extremely disadvantageous to an organisation unless corrected.

Outside singular employee habits, some habits of an organisation can predict its level of performance or success. Often a few habits within an organisation can completely change behavioural patterns and reform how an organisation acts altogether. These habits are known as keystone habits and are often viewed as valuable devices of organisational behavioural change. Duhigg (2012) defined keystone habits as “habits that mattered more than others in transforming organisations and lives”. These are the habits that influence how people work, eat, live and communicate. Keystone habits, instead of focusing on small, individual behaviours, prioritise identifying key behaviours and using them as “levers”. The establishment of the right keystone habits tends to guide people into ‘rip currents’ leading to a cascade of psychological changes that help introduce new behaviours and bring changes and reforms to many aspects of one’s habits and routines (Carden & Wood, 2018). When one tries to bring a conscious change to one’s habits it can lead to changes in personality and identity (Wilson, 2011) and physical changes such as weight loss (Carels et al., 2013). These are the habits that with their formation help shift, dislodge and remake other patterns of behaviour. Exercise is a very common personal keystone habit with many testimonies of its ability to transform one’s life. People speak of its ability to change other habits in one’s life such as sleeping and eating habits. Similarly, keystone habits in organisations can bring changes to various aspects of the patterns of organisational behaviour. Some examples of keystone habits in organisations are a strong belief in a system of communication or prioritising safety. Keystone habits often aim to embed institutional habit loops into the daily working of the employees and in that way convert goal-directed behaviour into automatic habits. An important tool for organisational change, keystone habits can also help transform or dictate organisational culture and ingrained values.

Often the establishment of a keystone habit is dependent on the objectives and goals of a leader and their vision for the organisation's future. A leader therefore plays an extremely important role in establishing both specific and keystone organisational habits. Whether it be deciding the organisational culture or setting up employee habits, leaders can decide how the organisation functions. Marked differences in priorities may result in vastly different keystone habits and consequently different organisational cultures. Some leaders may emphasize the importance of communication and therefore focus on a strong communication structure and open sharing of knowledge. Others may emphasize a hierarchical structure and prioritise clear, accurate job descriptions. These differences, alongside personality traits, manifest in a range of behavioural patterns known as leadership styles.

### **Leadership styles**

In their study of leadership and its role in change, organisations and scholars have attempted to categorise the phenomenon of leadership into measurable styles that have distinctive characteristics (Kets De Vries, 1993; Goffee and Jones, 2000; Higgs, 2003; Conger and Toegel, 2002). In the research investigating effective leadership, a pattern is beginning to emerge: effective leadership is decided by relatively small skills or areas of competence. How these skills and competencies are exercised is not prescribed but is the function of the underlying personality of the leader (Hogan, 2002; Hogan & Hogan, 2001). The exercise of leadership is increasingly being attributed to the personality of a leader (Collingwood, 2001). These personality traits and qualities have been classified into more clearly defined “leadership styles”.

#### *Kurt Lewin's leadership styles*

Kurt Lewin, in his 1983 study, observed three distinct leadership styles with different characteristics and attitudes.

**Authoritarian:** A leadership style which is characterised by absolute control and limited input from group members or subordinates. The leader sets goals and deadlines in a way in which they play a significant role in directing the work of the employees. This is a leader-centric approach.

**Democratic:** Also known as participative leadership, emphasizes taking input and opinions from group members. A slightly less leadership-centric approach in which the leader still focuses on providing direction and guidance but there is increased focus on involving and allowing input from other employees.

**Delegative:** A leadership style in which the leader is hands-off and allows the group members to make decisions by themselves. This is characterised by a lack of guidance from the leaders and complete freedom for the subordinates.

Different leadership styles usually result in the formation of different organisational habits. Leaders play an extremely important role in establishing organisational culture as well as communicating employee expectations. Research has shown that the type of leadership exercised can be extremely important in deciding how ready for change an organisation's employees are. Cunningham and colleagues (2002), in fact, in their longitudinal study of professional and non-professional hospital staff, found that the active involvement of employees in change, decision-making, and the resolution of work-related problems helped increase their readiness for organisational change. The style of leadership exercised could have a deciding effect on an organisation's productivity and versatility. Each of these leadership styles has its strengths and limitations and an appropriate context and situation.

The goal-oriented or authoritarian style is a leader-focused style of management that emphasises the importance of the role of the leader. In this style, most final decisions are made by the leader alone, with little to no input from the rest of the group. The leader in this style provides clear expectations for what they want done, how they want it done and by when. There is a clear division between the leaders and the rest of the group members. When abused this style can come off as bossy, controlling and toxic. However, it can be well suited to time-sensitive decisions and deadlines in which the work needs to be done quickly and well or where the leader is the most knowledgeable of the group. This leadership style can lead to the formation of both productive and negative workplace habits. If in such a style the leader does not ask for the creative input or opinions of the group members, it may become habitual for members to hold themselves back from offering their perspectives. This may inevitably backfire, making all the decisions too unilateral. Furthermore, if this behaviour is consistently reinforced, group members may hesitate to correct the mistakes of their leader. This can ultimately foster resentment towards the leader and be harmful to the organisation's workplace culture. However, it can also foster good habits. In this style, there tends to be absolute trust in the leader and their ability to do their job. This trust can lead to an efficient, productive workplace. It can also ensure that all complex, important decisions are made by the right person. In this way, the authoritarian style can be both beneficial and harmful for an organisation.

The democratic or involving leadership style is almost the opposite of the authoritarian style both in its focus and the kind of habits it fosters. It emphasises participation and input from all group members while allowing the leader to adopt a guidance-oriented role. In this style, creative input is encouraged from all the members, allowing them to be more engaged and personally involved in their work. This can lead to better ideas and more creative solutions to problems. In this style, members are more likely to care about the results which can lead to better productivity. Research on leadership styles has also shown that democratic leadership leads to higher productivity among group members. Cunningham and colleagues (2002) observed that employees who perceived that they received more social support within the organisation showed lesser work exhaustion. This style can therefore also lead to the formation of positive work habits as employees are more likely to feel they are respected and their opinions matter, so they are more likely to speak up. This could include giving ideas as well as correcting their leader. If it is reinforced that the group members have the freedom to share their perspectives it could eventually lead to the development of extremely productive communication habits for the organisation. If the leader consistently asks the members for their input, it may help them develop stronger relationships and build trust. However, it could also lead to the position of the leader being undermined. If the members are used to always considering the entire group's opinions, quick decisions may be harder to make, and the leader may not be able to fully exercise their authority. Many people being fully involved in a project can also lead to communication failures and failed projects. Overall, this leadership style has been seen to be extremely effective in situations where group members are skilled and eager to learn. It is best suited for situations in which the leader wants the members to be involved, to not only develop the best solution for a problem but also to provide them with a high sense of job satisfaction. It is also very useful during large organisational change initiatives as it allows employees to be more involved with the changes in their jobs. Therefore, while democratic leadership has proven to be extremely productive in most situations, it may not be suited for organisations or situations.

Some lesser-known leadership styles that may influence employee habits are delegative and bureaucratic leadership. In bureaucratic leadership, the leader or manager places extreme emphasis on procedure or policy and ensures that everything is done “by the book”. In this leadership style, due to the strict obedience to one regime or procedure- it is easy for negative habits to form which may be harmful to the organisations. Even if the policy or procedure is outdated, the employees are conditioned to continue working according to it, which could limit the potential of both the employees and the organisation. Another leadership style which could lead to harmful workplace habits is delegative leadership. In this style, leaders offer little to no guidance and leave most of the decision-making up to the members. This style may be suited for situations where the members are all individually talented and competent, but it may lead to work habits forming that discourage teamwork, communication and work harmony. In Kurt Lewin's original 1939 study, which used school children as a sample, the delegative leader group performed the worst in the task assigned to them, showing poorly defined roles and a lack of motivation. These leadership styles serve as examples of how certain leadership styles can lead to the formation of more negative than positive work habits.

#### *Bass's (1985) leadership styles*

Another type of classification of leadership styles distinguishes between different leaders based on the way they manage the distribution of knowledge between their subordinates. Leaders play an extremely important role, on all levels of organisation, in the conversion of knowledge into a competitive advantage. Leaders have to make a conscious effort in the management of knowledge, which deals with three aspects: creating, sharing and exploiting knowledge (Bryant, 2003). Transformational leadership theory and transactional leadership theory provide a foundation for understanding how leaders impact the cultivation of knowledge (Bass, 1985; Conger & Kanungo, 1998; House, 1977; House & Aditya, 1997).

Transformational leaders: are active leaders that have 4 main, distinguishing characteristics: charisma, inspiration, intellectual stimulation and individualised consideration (Bass, 1985; Conger, 1999). Transformational leaders are leaders who can elicit selfless, hard work from their employees. They condition their employees to rise above their self-interests and put in extra effort to achieve the organisational goals and objectives (Bass, 1985). Transformational leaders are the kind of leaders who push their subordinates to go above and beyond what is expected of them and achieve unexpected and remarkable results.

Bass (1985) contrasts transformational leaders with transactional leaders. Transactional leaders are leaders who set clear, often short-term goals with their employees and give rewards and punishments to encourage performance, turning a leader-subordinate relationship, essentially, into an economic transaction - hence its name. Transactional leadership encourages specific exchanges and a close connection between goals and rewards. While transformative leadership focuses on encouraging employees to go beyond their set expectations, transactional leadership tends to focus too sharply on set goals, restricting employee growth. Transformational leadership helps increase productivity in many ways. It allows employees more freedom with their thoughts and ideas. It creates an atmosphere conducive to knowledge creation, sharing and exploitation. In transactional leadership, workers are not motivated to give anything beyond what is specifically mentioned in their contract. This can be especially troubling for knowledge workers for whom it is difficult to specify complex job descriptions in advance (Bryant, 2003).

Transformational and transactional leadership have vastly different effects at the individual level and the group level. At the individual level, transformational leadership provides workers with the motivation, the support and the intellectual stimulation to be innovative. It fosters creativity and encourages workers to share ideas and inputs. This can lead to the formation of employee habits that allow the company to grow and evolve if reinforced consistently. However, there is a dark side to transformational leadership. There can be a lack of focus on essential tasks due to constant motivation and excitement for what is not necessary, there is potential for burnout in both the leaders and the subordinates as they push themselves to do more than what is expected of them, and it may often rely too heavily on the personalities of the employees and leaders involved.

Transactional leaders, at the individual level, tend to focus too heavily on detailed goals, SOPs, rules and policies. Creativity is often stifled, and there is a lesser flow of ideas (Conger & Kanungo, 1998). Ideas beyond given goals are not rewarded, and therefore not cultivated. Individual knowledge is not exploited. At the group level knowledge is primarily shared, but it can also be created and exploited. Transformational leadership is essential in facilitating the process of bringing together individuals' ideas, innovations and opinions to make a more integrated, cohesive whole. A transformational leadership style encourages workers to share knowledge. Transactional leadership at the group level tends to reward structure and conformity to rules. Innovation is restricted and ideas that don't fit into the group's overall goal but could help improve the firm's performance, for example, may be shot down.

At the organisational level, knowledge becomes more of a systemic phenomenon. The focus on the organisational level is to institutionalise and integrate knowledge created and shared at the individual and group levels (Crossan et al., 1999). Leadership at the organisational level includes all the members of the top

management team (TMT) and other high-level managers. Despite transformational leadership productivity, research has shown that transactional leadership may be more effective at this level. The TMT focuses more on higher organisational goals and organisational systems of knowledge, as well as rewards. At the organisational level, inspiring personal support and interactions are less important than creating and consolidating rule and knowledge systems that routinise actions, reactions and procedures. A transactional leadership style is associated with higher levels of knowledge exploitation at the organisational level (Bryant, 2003). Transformational leaders can inspire and intellectually stimulate. However, they tend to be weaker in structures and implementation of systems. Transformational leaders may therefore require staff that can supplement their weaknesses. In this way, a mixture of transformational and transactional leadership at different levels of an organisation may be the best option to increase productivity.

## **II. Discussion**

In their attempt to categorise the qualities of leaders into different categories, management scholars have helped provide insight into leadership and the role it plays in organisations. The literature thus far reviewed shows the different effects a leadership style can have on employee productivity and performance and consequently the formation of employee and organisational habits. Leadership styles can play a large role in deciding organisational culture and reinforcing patterns of behaviour. The habits different leadership styles can lead to are heavily dependent on the habit loop they form and reinforce.

The previous sections have demonstrated how different leadership styles can lead to the formation of both positive and negative work habits depending on the context. Authoritarian leadership may lead to short-term compliance but hinders the formation of positive long-term habits due to a lack of engagement. Democratic leadership can form good employee habits by encouraging teamwork and collaboration but may not be suited for time-sensitive situations. Transformational leadership helps employees grow and evolve while transactional leadership can aid in creating systems of knowledge and procedure in an organisation. Understanding this relationship between leadership and employee habits can be extremely important in aiding productive work. Employee habits are integral to ensure productive work even in the absence of a clear goal, but negative employee habits can subconsciously harm an employee's or an organisation's productivity. Suppose leaders understand how the culture they create around their subordinates can impact the productivity and success of an organisation. In that case, they can choose to be more conscious of how they lead. An understanding of the working of habits is essential for that very reason.

As outlined in the earlier sections, habits are formed through constant and consistent repetition. The habit loop of cue, action, and reward is made automatic by the yearning that an individual may develop to receive the reward. The cue acts as a situational trigger, a contextual clue that may set off a certain behaviour it is associated with in one's brain. The action can be mental, physical or emotional and it is performed in pursuit of the reward. The reward assists the brain in deciding whether the behaviour should be performed again. Consistent repetition makes the loop automatic. A completely automatic habit may be performed even if it clashes with intention and goals. Therefore, habits can be extremely hard to break - with an easier habit change convention being the change of the action performed in the same habit loop. Bad habits can therefore be changed by rewriting an unfavourable habit as a favourable behaviour as a response to the same trigger in pursuit of the same reward.

Changing one important habit can become pivotal to an individual's self-improvement. Keystone habits, such as exercise or health, can help bring out greater transformation in many of an individual's habits. Habit change can also be easier to initiate during times of crisis and large-scale change, which may be accompanied by the erasure of habitual cues. A new environment, with the potential of new cues, allows an individual to form new habits. These kinds of opportunities are especially valuable for organisations: as rewriting organisational culture and employee habits can be easier during change initiatives such as new launches, rebranding and mergers. Both individual employee habits and organisational habits can define the success of any organisation. For that reason, the habits that leaders, consciously or subconsciously reinforce, can greatly affect an organisation.

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