

SITUATIONAL LEADERSHIP DYNAMICS: ITS INFLUENCE ON HUMAN RESOURCE DEVELOPMENT IN THE ENTREPRENEURIAL CONTEXT

Budi Sunarso^{1*}

¹Universitas Islam Negeri (UIN) Salatiga

E-mail : sunarsobudi77@gmail.com¹

ABSTRACT

Entrepreneurship has been acknowledged as one of the primary drivers of economic growth in various countries worldwide. In the era of globalization and increasing competition, entrepreneurship becomes crucial in strengthening a nation's competitiveness. This study aims to examine the dynamics of situational leadership and its influence on human resource development in the context of entrepreneurship. The research method employed in this study is a qualitative literature review using data obtained from Google Scholar for the period from 2009 to 2023. The study findings indicate that situational leadership dynamics have a significant impact on human resource development (HRD) in the context of entrepreneurship. This concept emphasizes the importance of leadership adaptation to various rapidly changing and complex situations. By recognizing individual needs and team dynamics, leaders can facilitate learning, growth, and innovation within the organization.

Keywords: Situational Leadership, Human Resource, Entrepreneurship

DINAMIKA KEPEMIMPINAN SITUASIONAL: PENGARUHNYA TERHADAP PENGEMBANGAN SUMBER DAYA MANUSIA DALAM KONTEKS KEWIRAUSAHAAN

ABSTRAK

Kewirausahaan telah diakui sebagai salah satu motor utama pertumbuhan ekonomi di berbagai negara di seluruh dunia. Dalam era globalisasi dan persaingan yang semakin ketat, kewirausahaan menjadi kunci dalam memperkuat daya saing suatu bangsa. Penelitian ini bertujuan untuk menelaah dinamika kepemimpinan situasional dan pengaruhnya terhadap pengembangan SDM dalam konteks kewirausahaan. Metode penelitian yang digunakan dalam penelitian ini adalah tinjauan pustaka kualitatif dengan menggunakan data yang diperoleh dari Google Scholar untuk rentang tahun 2009 hingga 2023. Hasil studi menunjukkan bahwa dinamika kepemimpinan situasional memiliki dampak yang signifikan terhadap pengembangan sumber daya manusia (SDM) dalam konteks kewirausahaan. Konsep ini menekankan pentingnya adaptasi kepemimpinan terhadap berbagai situasi yang kompleks dan berubah dengan cepat. Dengan mengenali kebutuhan individu dan dinamika tim, pemimpin dapat memfasilitasi pembelajaran, pertumbuhan, dan inovasi dalam organisasi.

Kata kunci: Kepemimpinan Situasional, Sumber Daya Manusia, Kewirausahaan

INTRODUCTION

Entrepreneurship has been recognized as one of the key catalysts for economic development in numerous countries around the world. Especially in the context of globalization marked by increasingly fierce competition, the role of entrepreneurship becomes central in efforts to enhance a country's competitive ability. In this context, entrepreneurship signifies a paradigm that goes beyond mere business activities; it also encompasses innovation, adaptation, and the ability to seize opportunities amidst challenges (Omol, 2023). Entrepreneurship is not just an economic activity but a philosophy that drives sustainable development and continuous change in the economic and social structure of a nation.

Leadership plays a vital role in coordinating, inspiring, and motivating individuals to explore and optimize their capabilities in the realm of entrepreneurship. However, it's important to consider an appropriate leadership approach that aligns with the existing dynamics and demands. Successful leadership approaches in entrepreneurship encompass not only traditional management skills but also require visionary leaders who can quickly adapt to environmental changes and facilitate collaboration and innovation among team members (Leitch & Volery, 2017). Effective entrepreneurial leaders are known for their ability to foster an inclusive work culture, appreciate diversity, and provide space for experimentation and failure as part of the learning and growth process.

The situational leadership theory proposed by Hersey and Blanchard (1969) highlights that successful leadership styles will vary according to the situation faced and the readiness or competence level of team members (Papworth et al., 2009). This concept holds significant relevance in the context of entrepreneurship, where challenges and situations are often dynamic and rapidly changing. In an entrepreneurial environment fraught with uncertainty, leaders must have the ability to adjust their leadership styles according to team needs and changes in the business environment. This emphasizes the importance of leaders having flexibility in their

approaches, identifying and effectively responding to each emerging situation. Furthermore, this concept underscores the importance of building strong communication skills and fostering close interpersonal relationships between leaders and team members, enabling effective collaboration and the achievement of common goals.

Human Resources (HR) are identified as a crucial element in the context of entrepreneurial business (Omotoye et al., 2022). HR development focuses not only on enhancing technical skills and knowledge but also on leadership dimensions that enable individuals to tackle the complex and diverse challenges often encountered in entrepreneurial environments. In this context, HR development involves a continuous process that extends beyond formal training and education to expand individuals' capacity to rapidly and accurately respond to environmental changes. Additionally, leadership aspects are crucial as they influence how individuals lead themselves and how they lead and motivate others to achieve common goals (Akpapere et al., 2019). Investment in HR development not only enhances organizational productivity and performance but also strengthens the entrepreneurial competitiveness and resilience in facing increasingly complex and dynamic challenges.

Although the critical roles of situational leadership and HR development have been acknowledged, there remains an urgent need for deeper research in the entrepreneurial context. This research endeavor is expected to provide a more comprehensive understanding of how situational leadership specifically influences HR development processes in entrepreneurial environments characterized by unique complexity and dynamics. This in-depth research is expected to offer insights into various factors affecting the interaction between leadership styles and HR development in the entrepreneurial context, including but not limited to cultural, social, and economic factors. Thus, this research is expected to provide a more detailed and contextual understanding of leadership dynamics and HR development in entrepreneurship, which in turn can provide a strong foundation for the development of

effective strategies and practices to enhance entrepreneurial business performance and resilience.

LITERATURE REVIEW

Situational Leadership

Situational leadership is an approach that emphasizes the importance of adjusting leadership styles to the characteristics and demands of each situation faced (Aslam et al., 2022). In situational leadership, leaders understand that there is no one leadership style that fits all situations. Rather, a leader's success depends on their ability to adapt their approach according to the readiness and needs of their followers. This leadership model, developed by Hersey and Blanchard, identifies four primary leadership styles: directive, coaching, participative, and delegative. Leaders employing situational leadership will use a combination of these styles based on the level of ability, motivation, and readiness of their subordinates in executing specific tasks (Hakim et al., 2021). This approach provides flexibility for leaders to adapt themselves to the changing dynamics in the workplace, enabling them to more effectively influence and motivate their teams to achieve common goals. Thus, situational leadership emphasizes a deep understanding of the context and unique needs of each situation, as well as the leader's ability to adjust their leadership style for the success of the team and the organization as a whole.

Human Resources (HR)

Human Resources (HR) refers to all aspects related to the workforce or employees within an organization (Tusriyanto et al., 2023). HR not only encompasses the number of employees in the organization but also includes the skills, knowledge, expertise, experience, attitudes, and competencies possessed by these individuals (Susantinah et al., 2023). Additionally, HR includes management aspects related to employee management, such as recruitment, selection, training, career development, performance evaluation, compensation, and conflict management (Gadzali, Ausat, et al., 2023; Wahyoedi et al., 2023). In the organizational context, HR is considered the most important asset and is a major factor in determining the success and

competitiveness of a company. Effective HR management enables organizations to maximize employee potential, improve organizational performance, create a productive and harmonious work environment, and address various challenges and changes in the dynamic business environment (Diawati, Gadzali, et al., 2023; Sutrisno, Ausat, et al., 2023). Thus, HR is a crucial element in organizational management strategies to achieve their goals effectively and sustainably.

Entrepreneurship

Entrepreneurship is the process or activity involving the identification, creation, and management of a venture or business with the aim of creating added value, creating new opportunities, and introducing innovation to the market (Satriadi et al., 2022). Entrepreneurship not only involves establishing new businesses but can also involve developing and managing existing businesses in innovative ways. It entails a proactive, creative, and daring attitude to take risks in facing the challenges and opportunities that arise in the market (Gadzali, Harahap, et al., 2023). Entrepreneurship also involves the ability to identify unmet market needs, develop new solutions, and turn ideas into valuable products or services. Additionally, entrepreneurship involves aspects such as business planning, risk management, marketing, finance, and human resource management (Diawati, Ausat, et al., 2023; Sutrisno, Kuraesin, et al., 2023). Thus, entrepreneurship plays a crucial role in driving economic growth, creating jobs, and enhancing the overall well-being of society.

RESEARCH METHODOLOGY

The research method used in this study is qualitative literature review using data obtained from Google Scholar for the period from 2009 to 2023. This research will conduct in-depth analysis of relevant literature found through the Google Scholar platform. A qualitative approach will be used to collect, identify, and evaluate various articles, journals, and scientific papers related to the dynamics of situational leadership and human resource development in the context of entrepreneurship. The obtained data will be organized, analyzed,

and synthesized to gain a comprehensive understanding of the research topic. This qualitative approach allows researchers to explore diverse perspectives, patterns, and themes emerging from relevant literature, as well as to better understand the context and complexity of the research topic. By using Google Scholar as the primary data source, this research will ensure accessibility to the latest and relevant scientific literature needed to support a comprehensive understanding of the dynamics of situational leadership and human resource development in the context of entrepreneurship.

RESULTS AND DISCUSSION

In the realm of entrepreneurship, confronted with various challenges and rapid dynamics of change, situational leadership stands out as a critical factor influencing the growth and development of human resources (Widyatmoko et al., 2020). This concept hinges on an understanding that there is no one-size-fits-all leadership style suitable for all situations; instead, leaders are expected to be able to adapt their approach to the ever-changing context. Thus, the ability to understand and respond to situations appropriately becomes a key skill that every leader must possess in the dynamic entrepreneurial context.

Within the continuously evolving landscape of complex business environments, the influence of situational leadership dynamics on HR development in the realm of entrepreneurship underscores its deepening relevance. Amid rapid advancements and unforeseen changes, it's crucial for leaders to gain a deep understanding of the needs, strengths, and weaknesses of individuals under their leadership. In this perspective, the ability to recognize and respond to diverse situations requiring varied leadership approaches becomes essential, demanding high flexibility in crafting leadership strategies (Yukl & Mahsud, 2010). Therefore, effective leaders in the entrepreneurial world must be able to manage this complexity by combining elements of interpersonal skills, situational awareness, and a

profound understanding of organizational and individual needs.

One primary aspect focused on in the situational leadership paradigm is a leader's ability to accurately assess the skill levels and independence levels of their team members (Rodić & Marić, 2021). Proficiency in this identification serves as a vital foundation for leadership effectiveness, considering the ability to discern whether team members require structured guidance and intensive support or whether they are more capable of taking initiative and acting independently. Hence, leaders who can execute this role effectively can adjust their approach according to individual needs and team dynamics. Thus, the ability to provide appropriate guidance and support becomes key in fostering and maintaining the optimal productivity and development of each team member.

In the context of entrepreneurship dynamics, which often require rapid adaptation and innovation, the role of situational leadership stands out as a facilitator of continuous learning and growth. A leader's ability to create an environment that supports planned experimentation and risk-taking becomes crucial in fostering a spirit of learning and continuous skill development. In such situations, a leader's role extends beyond merely giving directions but lies more in creating opportunities for teams to experiment, learn from failures, and acquire new knowledge. Effective leaders will also encourage collaboration and idea exchange among team members, fostering an organizational culture that promotes innovation and proactive action (Hashim et al., 2022). Thus, awareness of the need for situational and adaptive leadership becomes increasingly important in facing the ever-changing dynamics of the business environment.

Nevertheless, despite acknowledging the challenges of implementing situational leadership dynamics in the entrepreneurial context, various considerations need to be taken into account. One major challenge is a leader's ability to maintain consistency in applying the appropriate approach to the existing situation while also maintaining alignment with the

organization's vision and values (Khan et al., 2020). Moreover, building a deep understanding of individual needs and team dynamics requires significant time and effort, which can be a serious impediment, especially in rapidly changing environments. Therefore, successful leaders must have the ability to wisely navigate this complexity, integrating situational adaptation with the organization's long-term goals, and managing resources and time efficiently to achieve sustainable success.

Overall, the role of situational leadership dynamics demonstrates a significant impact on human resource development in the entrepreneurial context. By aligning adaptive and responsive approaches to situational dynamics with the need for rapid innovation and adaptation, leaders can position themselves as crucial pioneers in shaping a dynamic, growth-oriented organizational culture. Recognition of the complexity of the ever-changing business environment underscores the importance of leaders who can navigate these challenges wisely, leveraging the principles of situational leadership to inspire and motivate team members and design appropriate organizational policies. Thus, a profound understanding of the role of situational leadership becomes key for leaders in facing the realities of dynamics and complexity in the modern entrepreneurial context.

CONCLUSION

The dynamics of situational leadership have a significant impact on human resource development (HRD) in the context of entrepreneurship. This concept emphasizes the importance of leadership adaptation to various complex and rapidly changing situations. By recognizing individual needs and team dynamics, leaders can facilitate learning, growth, and innovation within the organization. Implementing situational leadership dynamics enables leaders to provide appropriate guidance and support individual development optimally. By creating an environment that supports experimentation and idea exchange, leaders can strengthen a culture of innovation and collaboration within the organization. However, challenges remain in implementing this approach, including consistency in applying the appropriate approach to situations and the effort

required to develop a deep understanding of individual needs and team dynamics. Suggestions based on this research include:

1. **Leadership Skills Development:** Organizations need to train their leaders in developing situational leadership skills. Such training can help leaders understand the concept and effectively apply it in daily practice.
2. **Fostering a Supportive Organizational Culture:** It is important for leaders to build an organizational culture that supports experimentation, learning, and innovation. This can be achieved through rewarding controlled risk-taking and emphasizing collaboration and idea exchange.
3. **Mentoring and Individual Coaching:** Leaders need to understand the needs of individuals in their teams and provide appropriate support and guidance. This may involve mentoring and coaching approaches that enable skill development and sustainable career growth.
4. **Evaluation and Adjustment:** Organizations need to regularly evaluate the effectiveness of situational leadership dynamics in their context and make adjustments as needed. This ensures that the leadership approach remains relevant and effective in addressing changes in the business environment.

By implementing these suggestions, organizations can enhance their human resource development and strengthen their position in facing challenges and opportunities in the dynamic entrepreneurial world.

REFERENCES

- Akparep, J. Y., Jengre, E., & Mogre, A. A. (2019). The Influence of Leadership Style on Organizational Performance at TumaKavi Development Association, Tamale, Northern Region of Ghana. *Open Journal of Leadership*, 08(01), 1–22. <https://doi.org/10.4236/ojl.2019.81001>
- Aslam, S., Saleem, A., Kumar, T., & Parveen, K. (2022). New Normal: Emergence of Situational Leadership During COVID-19 and Its Impact on Work Motivation and Job Satisfaction. *Frontiers in Psychology*, 13, 1–5.

- <https://doi.org/10.3389/fpsyg.2022.919941>
- Diawati, P., Ausat, A. M. A., & Augustin, J. (2023). Creativity: How to Develop an Entrepreneurial Attitude of Creativity. *Journal on Education*, 5(4), 11116–11122. <https://jonedu.org/index.php/joe/article/view/2036>
- Diawati, P., Gadzali, S. S., Mahardhani, A. J., Irawan, B., & Ausat, A. M. A. (2023). Analysing the Dynamics of Human Innovation in Administration. *Jurnal Ekonomi*, 12(02), 537–540. <https://ejournal.seaninstitute.or.id/index.php/Ekonomi/article/view/1652>
- Gadzali, S. S., Ausat, A. M. A., Mahardhani, A. J., Sulton, S., & Sunarto, S. (2023). Analysis of Human Capital Development Aspects. *Proceedings of the International Conference on Economic, Management, Business and Accounting, ICEMBA 2022, 17 December 2022, Tanjungpinang, Riau Islands, Indonesia*, 1–6. <https://doi.org/10.4108/eai.17-12-2022.2333189>
- Gadzali, S. S., Harahap, M. A. K., Tarigan, I. M., Nasution, A. A., & Ausat, A. M. A. (2023). Women's Entrepreneurship: An Examination of Government Support and the Role of Knowledge Skills. *Community Development Journal: Jurnal Pengabdian Masyarakat*, 4(1), 713–717. <https://doi.org/10.31004/cdj.v4i1.12464>
- Hakim, A. L., Faizah, E. N., & Mas'adah, N. (2021). ANALYSIS OF LEADERSHIP STYLE BY USING THE MODEL OF HERSEY AND BLANCHARD. *Journal of Leadership in Organizations*, 3(2), 138–148. <https://doi.org/10.22146/jlo.64390>
- Hashim, A., Othman, B., Mohammad, A. J., & Agala, S. R. (2022). Investigating the role of leadership and organisational culture in fostering innovation. *International Journal of Health Sciences*, 2316–2334. <https://doi.org/10.53730/ijhs.v6nS5.9145>
- Khan, H., Rehmat, M., Butt, T. H., Farooqi, S., & Asim, J. (2020). Impact of transformational leadership on work performance, burnout and social loafing: a mediation model. *Future Business Journal*, 6(1), 1–13. <https://doi.org/10.1186/s43093-020-00043-8>
- Leitch, C. M., & Volery, T. (2017). Entrepreneurial leadership: Insights and directions. *International Small Business Journal: Researching Entrepreneurship*, 35(2), 147–156. <https://doi.org/10.1177/0266242616681397>
- Omol, E. J. (2023). Organizational digital transformation: from evolution to future trends. *Digital Transformation and Society*, 1–17. <https://doi.org/10.1108/DTS-08-2023-0061>
- Omotoye, O. O., Abdulazeez, A. O., & Olusesi, L. D. (2022). Human Resource Management in Entrepreneurial Business: A Literature Review. *RUDN Journal of Public Administration*, 9(1), 73–82. <https://doi.org/10.22363/2312-8313-2022-9-1-73-82>
- Papworth, M. A., Milne, D., & Boak, G. (2009). An exploratory content analysis of situational leadership. *Journal of Management Development*, 28(7), 593–606. <https://doi.org/10.1108/02621710910972706>
- Rodić, M., & Marić, S. (2021). Leadership style and employee readiness: Basic factors of leadership efficiency. *Strategic Management*, 26(1), 53–65. <https://doi.org/10.5937/StraMan2101053R>
- Satriadi, S., Almaududi Ausat, A. M., Heryadi, D. Y., Widjaja, W., & Sari, A. R. (2022). Determinants of Entrepreneurial Intention: A Study on Indonesian Students. *BISNIS & BIROKRASI: Jurnal Ilmu Administrasi Dan Organisasi*, 29(3), 151–165. <https://doi.org/10.20476/jbb.v29i3.1323>
- Susantinah, N., Krishernawan, I., & Murthada. (2023). Human Resource Management (HRM) Strategy in Improving Organisational Innovation. *Journal of Contemporary Administration and*

- Management (ADMAN)*, 1(3), 201–207.
<https://doi.org/10.61100/adman.v1i3.80>
- Sutrisno, Ausat, A. M. A., Permana, B., & Harahap, M. A. K. (2023). Do Information Technology and Human Resources Create Business Performance: A Review. *International Journal of Professional Business Review*, 8(8), e02206.
<https://doi.org/10.26668/businessreview/2023.v8i8.2206>
- Sutrisno, S., Kuraesin, A. D., Siminto, S., Irawansyah, I., & Ausat, A. M. A. (2023). The Role of Information Technology in Driving Innovation and Entrepreneurial Business Growth. *Jurnal Minfo Polgan*, 12(2), 586–597.
<https://doi.org/https://doi.org/10.33395/jmp.v12i2.12463>
- Tusriyanto, Sulaeman, Moh. M., & Nurcholidah, L. (2023). Optimising Organisational Performance Through Human Resource Management Strategy and Technology Integration to Enhance Innovation. *Technology and Society Perspectives (TACIT)*, 1(3), 139–147.
<https://doi.org/https://doi.org/10.61100/tacit.v1i3.81>
- Wahyoedi, S., Suherlan, S., Rijal, S., Azzaakiyyah, H. K., & Ausat, A. M. A. (2023). Implementation of Information Technology in Human Resource Management. *Al-Buhuts*, 19(1), 300–318.
<https://doi.org/https://doi.org/10.30603/ab.v19i1.3407>
- Widyatmoko, W. F., Pabbajah, M., & Widyanti, R. N. (2020). The character of leadership in human resources development: a critical review. *International Journal of Management, Innovation & Entrepreneurial Research*, 6(2), 01–09.
<https://doi.org/10.18510/ijmier.2020.621>
- Yukl, G., & Mahsud, R. (2010). Why flexible and adaptive leadership is essential. *Consulting Psychology Journal: Practice and Research*, 62(2), 81–93.
<https://doi.org/10.1037/a0019835>