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Leadership and risk: a review of the literature

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Abstract

Purpose – Even though every decision a leader makes carries an element of risk, no review on the topic of leadership and risk has appeared in highly-ranked management journals in the past 20 years. This is in contrast to the discipline of psychology in which leadership and risk receives considerable attention, particularly in the field of heroism studies. In the context of the established body of research on the topic of leadership and risk in the discipline of psychology, this review therefore explores the research on leadership and risk in highly-ranked management studies' journals.

Design/methodology/approach – The review was conducted in five stages. During phase 1, journal rankings were used as basis to determine which highly-ranked journals to include in the review. Phase 2 focused on identifying all relevant articles in the journals included in our review. We searched for articles published from 2000 to 2021 with the words "risk" or "danger" and "leader" or "leadership" in their abstracts. In phase 3, the author analysed the abstracts of the articles in depth to determine whether the keywords were included on the basis of an explicit scholarly reflection or research on leadership and risk. Phase 4 focused on analysing articles' treatment of leadership and risk, and assigning key words and key phrases. Finally, during phase 5 key words and key phrases were clustered together thematically.

Findings – This study analysis yielded six thematic clusters. The first two clusters – on risk appetite of followers and leaders – are closely related. In total, 12 journal articles explored these themes. The remaining thematic clusters contain four and seven articles each. These clusters are risk, creativity and innovation; risk and failure; risk in dangerous contexts; and risk and gender. Nine of the selected articles did not fit in any of the thematic clusters.

Originality/value – The review reveals a significant lack of research on leadership and risk in highly-ranked management studies' journals. The author found that the topic of leadership and risk is approached in a binary fashion: successful leaders are viewed as using risk to drive innovation and unsuccessful leaders fail because of risk. The author argues that the heroic bias in leadership research could be partly blamed for this binarism. In practical terms, the author highlights that the growing importance of chief risk officers – leaders appointed to deal with company risk – indicates a clear need for research on leadership and risk in general management studies' journals.

Keywords Leadership, Heroism, Risk

Paper type Literature review

1. Introduction: leadership and risk in psychology

No review of the topic of leadership and risk has appeared in highly-ranked management studies' journals in the past 20 years. This is in contrast to the discipline of psychology, in which leadership and risk receives considerable attention, particularly in the field of heroism studies. In this article, we seek to address this gap in management studies literature by collecting, analysing and systematising research in management studies on the topic of leadership and risk.

Our secondary objective is to explore how research published in highly-ranked management studies' journals related to the existing body of knowledge in psychology. In

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psychology, the topic of the relationship between leadership and risk receives significant attention, specifically in the field of heroism research. The work of Allison and Goethals, notably *Heroes: What They Do and Why We Need Them* (Allison and Goethals, 2011), and more recently, *The Heroic Leadership Imperative: How Leaders Inspire and Mobilize Change* (Allison and Goethals, 2020), has been foundational in this regard. According to their analysis, the generally accepted definition of heroism has the matter of risk at its core: "taking extraordinary action in service of the greater good with personal risk of significant sacrifice" (Allison *et al.*, 2016; also see Midlarsky *et al.*, 2005; Pestana and Codina, 2019; Allison and Green, 2020).

In an earlier article, adopting this definition as its basis, Franco *et al.* (2011, p. 99) argue that mere presence of risk does not imply heroism, as courage and prosocial behaviour, as distinct from altruism, need to be present. They distinguish between civil heroism and social heroism (Franco *et al.*, 2011, p. 100). Civil heroism involves physical risk – similar to heroism in the martial sphere – but without any "script" to fall back on. "Death, serious injury or pain" are possible outcomes of civil heroism. Social heroism does not involve the threat of immediate physical risk, but does involve other forms of personal risk such as "serious financial consequences, loss of social status, possible long-term health problems and social ostracism". The goal of social heroism is to uphold or protect a social norm. This distinction retains its currency as confirmed by, for example, recent research on social heroism by Smyth (2018).

Margana *et al.* (2019) argue, from a different perspective, that the mere presence of prosocial behaviour also does not automatically imply heroism. Whereas altruism, for example, signals reliability and support, heroism signals "the intention to take risks for another" (2019, p. 127). Even though risk on its own does not denote heroism, they argue that risk and the possibility of negative consequences for the individual taking an action is essential for heroism. McCabe *et al.* (2015) highlight that the negative consequence can also include some form of sacrifice (see also Schlenker *et al.*, 2008).

From the perspective of bystanders or the beneficiaries of heroic action, Kraft-Todd and Rand (2019) investigate the relative importance of cost to the heroic actor and the benefit to the recipient of the heroic action. They show that rarer and costlier acts are judged to be more heroic. They also show that the rarity and costliness of perceived heroic acts are more important than how beneficial these acts prove to be for recipients. From the perspective of heroic individuals themselves, Klein (2020) shows that these individuals experience their actions as less heroic than bystanders do. Moreover, he finds that "being a hero is a distinctly less positive experience than observing one" (2020, p. 1,077).

In their research on the characteristics of individuals who satisfy the definition of a hero, Kohen *et al.* (2019) identify four commonalities. Heroic individuals, firstly, exhibit "expansive empathy", namely the willingness to help people beyond the in-group at the cost of personal risk (2019, p. 619). They also, secondly, practise the "heroic imagination", which means that before taking on the role of a hero, they have imagined how they will act in situations where heroic acts are needed (2019, p. 624). Thirdly, heroic individuals have some sort of relevant training that makes it more likely for them to face the risk implied by heroic behaviour (2019, p. 626). Lastly, heroic individuals have a history of helping others at some personal cost, i.e. they are "habitual helpers" (2019, p. 627).

The topic of heroism has also been researched in experimental settings. Van Tongeren *et al.* (2018) showed how priming respondents with images of heroes has a positive effect on their prosocial behaviour. Igou *et al.* (2018) show how regret and the concomitant "self-enhancement needs" can spur heroic actions.

In this review, we investigate the extent to which the relationship between leadership and risk has received attention in highly-ranked management studies' journals, and whether the treatment of the topic is commensurate with the relatively well-defined body of research in the field of psychology.

2. Method

In this review article, we focus on leadership research produced in discipline of management studies. We designed a method for identifying and analysing relevant articles that made provision for the fact that leadership and risk are researched from various perspectives in management studies. To this end, we conducted our review in five phases.

During *phase 1,* we identified the journals to be included in our review. As a basis, we used the Australian Business Deans Council's Journal Quality List. We focused on the journals rated A*, the highest rating, in the field of research marked "Management" (field 1,503). This produced a raw list of 55 journals. We added two journals with a lower ranking but evincing an explicit focus on leadership scholarship, namely *Leadership* and *Leadership and Organizational Development Journal.* We then excluded all journals that, according to their journal titles, served a discipline other than management studies as their primary discipline – 17 journals were removed from the list. We also removed two journals to which we could not get access. This produced a final list of 39 journals. Table 1 provides an overview of the raw list of journals as well as the journals that were removed from this raw list.

Phase 2 focused on identifying all relevant articles in the journals included in our review. We searched for articles published from 2000 to 2021 with the words "risk" or "danger" and "leader" or "leadership" in their abstract. We also included "in press" articles. In cases where the journal's search engine did not enable searching abstracts, we searched the full text and manually identified article abstracts in which these words appeared. This manual search followed a standard method: we analysed the abstracts of the first 10 articles in the results list. If the keywords did not appear in any abstracts, we concluded the manual search. If the keywords appeared in at least one article's abstract, we proceed to the next five articles. We used this process until the keywords no longer appeared in any of the abstracts of the articles in the list of results.

In three cases we broadened the method in terms of which we searched for articles relevant to our study, namely *The Leadership Quarterly*, *Leadership* and *Leadership and Organizational Development.* Because these are the only journals included in our journal list with an explicit focus on leadership, we also allowed for the inclusion of risk or danger in either the abstract or keywords. This raw list contained 85 articles.

In *phase 3,* we analysed the abstracts of the articles included in more depth to determine whether the keywords were included because of an explicit scholarly reflection or research on leadership and risk. We excluded all articles without any explicit reflection on leadership and risk. The final list contained 41 articles.

Table 1 provides an overview of the results of phases 1 to 3.

Phase 4 focused on analysing articles' treatment of leadership and risk, and assigning key words and key phrases. Finally, during *phase 5,* key words and key phrases were clustered together thematically. Table 2 provides an overview of the number of articles associated with each thematic cluster. The section below will discuss each of the thematic clusters.

3. Leadership and risk in management studies research

Our analysis yielded six thematic clusters. The first two clusters – on followers' and leaders' risk appetite – are closely related. Taken together, 12 articles explore these themes. The remaining four thematic clusters contain between four and seven articles each; these clusters are risk, creativity and innovation; risk and failure; risk in dangerous contexts; and risk and gender. Nine articles did not fit in any of the thematic clusters. In this section, we discuss the way in which each of the thematic clusters address the topic of risk. An overview of the foci associated with each of the thematic clusters can be found in Table 3.

Thematic cluster 1 covers topics related to followers' risk appetite. This refers to the extent, antecedents and effects of followers' appetite for risk-taking in the context of the

Journal name	Raw # of articles	Final # of articles	Comments
Academy of Management Annals			Excluded due to no access
Academy of Management Journal	4	3	
Academy of Management Learning and Education	3	1	
Academy of Management Review	1	1	
Administrative Science Quarterly	1	0	
Advances in Experimental Social Psychology			Excluded due to disciplinary focus
American Journal of Public Health			Excluded due to disciplinary focus
American Journal of Sociology			Excluded due to disciplinary focus
American Psychologist			Excluded due to disciplinary focus
American Sociological Review			Excluded due to disciplinary focus
Annual Review of Organizational Psychology and Organizational Behavior			Excluded due to no access
Annual Review of Psychology			Excluded due to disciplinary focus
Annual Review of Sociology			Excluded due to disciplinary focus
British Journal of Industrial Relations	2	0	
Decision Sciences	1	1	
Entrepreneurship Theory and Practice	1	0	
European Journal of Operational Research	7	0	
Gender and Society			Excluded due to disciplinary focus
Human Relations	4	1	
Human Resource Management (US)	5	2	
Industrial and Labor Relations Review	0	0	
Industrial Relations: A journal of economy and society	0	0	
Journal of Applied Psychology			Excluded due to disciplinary focus
Journal of Business Venturing	1	1	
Journal of Conflict Resolution			Excluded due to disciplinary focus
Journal of Experimental Psychology: General			Excluded due to disciplinary focus
Journal of International Business Studies	1	0	
Journal of Management	1	1	
Journal of Management Studies	2	2	
Journal of Operations Management	1	0	
Journal of Organizational Behavior	5	4	
Journal of Personality and Social Psychology			Excluded due to disciplinary focus
Journal of Product Innovation Management	0	0	
Journal of Vocational Behavior	2	0	
Journal of World Business	2	1	
Leadership	12	2	

(*continued*)

Table 1.
The results of phases 1 to 3

Journal name	Raw # of articles	Final # of articles	Comments
Leadership and Organizational Development Journal	10	6	
Management Science	0	0	
Manufacturing and Service Operations Management	1	0	
Operations Research	0	0	
Organisation Science	3	1	
Organization Studies	1	1	
Organizational Behavior and Human Decision Processes	1	1	
Organizational Research Methods	0	0	
Personality and Social Psychology Bulletin			Excluded due to disciplinary focus
Personality and Social Psychology Review			Excluded due to disciplinary focus
Personnel Psychology	1	1	
Production and Operations Management	1	0	
Psychological Bulletin			Excluded due to disciplinary focus
Psychological Review			Excluded due to disciplinary focus
Psychological Science			Excluded due to disciplinary focus
Regional Studies			Excluded due to disciplinary focus
Research Policy	0	0	
Sociology			Excluded due to disciplinary focus
Strategic Management Journal	1	1	
The Leadership Quarterly	10	10	
Urban Studies			Excluded due to disciplinary focus

Table 1.

	Thematic Cluster	# of articles
1	Followers' risk appetite	6
2	Leaders' risk appetite	6
3	Risk, creativity and innovation	4
4	Risk and failure	5
5	Risk in dangerous contexts	7
6	Risk and gender	4
7	Other	9

Table 2.
Thematic clusters and number of articles

workplace. Schilpzand *et al.* (2018), for example, investigated how empowering leadership affects follower risk-taking behaviour. In their study, they draw a distinction between followers' proactive risk-taking behaviours and voice behaviours. They define risk-taking behaviours as "an employee's willingness to 'go out on a limb' with an idea they perceive as good in an effort to complete their work or reach their goals in an improved manner" (2018, p. 2,371). They view voice behaviour as an instrument "to improve work-related situations"

Thematic Cluster	Authors	Relevant foci
1. Followers' risk appetite	Holtz *et al.* (2020)	Leader trustworthiness evaluations and employees risk-taking
	Schilpzand *et al.* (2018)	Empowering leadership and employee risk-taking
	Li *et al.* (2016)	Self-sacrificial leadership and follower risk aversion
	Pierce and Aguinis (2009)	Risk and employee romantic relationships
	Detert and Burris (2007)	Subordinate voice
	Flynn and Staw (2004)	Charismatic leadership and follower risk tendencies
2. Leaders' risk appetite	Hanna *et al.* (2019)	Leader risk taking and subordinate trust
	O'Reilly *et al.* (2018)	CEO narcissism and risk through lawsuits
	Chng and Wang (2016)	Leader strategic risk-taking in organisational decline and growth
	Kotlyar *et al.* (2014)	Status labels and risk appetite
	Shim and Steers (2012)	Leaders, organisational risk appetite and national culture
	Augustsson *et al.* (2010)	Risk and trust
3. Risk, creativity and innovation	Liu *et al.* (2021)	Discrepant risk orientations and creativity
	Lanaj *et al.* (2018)	Divergent risk preferences and team creativity and performance
	Alexander and Van Knippenberg (2014)	Risk, radical innovation and goal shifting
	Borgelt and Falk (2007)	Tension between risk management and innovation
4. Risk and failure	Szatmari *et al.* (2021)	Leader status and failure
	De Haan *et al.* (2019)	Coaching effectiveness as leader risk mitigation
	Boyle and Shapira (2012)	Liability of leading
	Sinha *et al.* (2012)	Celebrity CEOs and failure
	Giessner and Van Knippenberg (2008)	Prototypical leaders and failure
5. Risk in dangerous contexts	Avolio *et al.* (2022)	Leader–follower congruence and extreme contexts
	Tomkins *et al.* (2020)	Leadership in the context of policing
	Bøggild and Laustsen (2016)	External threats, follower exploitation and dominant leaders
	Fisher and Robbins (2015)	Dangerous contexts
	Nielsen *et al.* (2013)	Risk perception in safety critical organisations
	Hannah *et al.* (2009)	Leadership and extreme contexts
	Wansink *et al.* (2008)	Military heroism and extreme contexts
6. Risk and gender	Yang *et al.* (2019)	Gender and firm risk
	Van Esch *et al.* (2018)	Gender, risk perception and hiring male and female leaders
	Ryan *et al.* (2016)	Glass cliff
	Haslam and Ryan (2008)	Glass cliff
7. Other	Khademi *et al.* (2020)	Power priming methodologies
	Riddell (2017)	decision making and risk in young adults and adolescents
	Chen *et al.* (2015)	Supply chain risk
	Hüffmeier *et al.* (2014)	Bargaining strategies and risk
	Robertson and Barling (2013)	Climate change as external risk
	Kulas *et al.* (2013)	Collaboration
	Nelson and Dyck (2005)	Leadership and forbearance
	Venkataraman (2004)	Risk capital
	Denis *et al.* (2000)	Leaders and complex organisations

Table 3.
Thematic clusters, authors and foci

(2018, p. 2,371). The research team found that leaders who seek to empower employees on a daily basis motivate such employees to proactively set goals every day, which in turn leads to enhanced employee risk taking.

In a related but partial finding, Flynn and Staw (2004) concluded that leader charisma may have an impact on followers' "generalised risk tendencies", but they recommend further research on this topic. The notion of follower voice is researched in connection with risk taking in the research done by Detert and Burris (2007). They framed follower voice as a potentially risky activity and find that managerial openness is consistently related to voice. The relationship between managerial openness and change-oriented voice is mediated by followers' perceptions of psychological safety.

From a different perspective and in the context of China, Li *et al.* (2016) identified followers' risk appetite as a mediating factor. Their focus was on subordinates' proactive behaviour, framed as "taking charge". They found that follower risk aversion mediates the positive link between self-sacrificial leadership and followers taking charge. Holz *et al.* (2020) again found that follower risk-taking propensities are a by-product of their certainty about their trustworthiness evaluations of their superiors.

The research in *thematic cluster 2* investigates, broadly, the interaction between leaders' risk appetite and the organisation. In an experimental setting, Chng and Wang (2016), for example, found that leaders with greater task attention respond better to incentive compensation. In practice this means that they are more likely to engage in strategic risk-taking behaviour. But this is only true when the organisation's performance is in decline. Shim and Steers (2012) investigated the impact of leaders' risk appetite on company culture. They compared the cases of the companies Hyundai and Toyota and found a close connection between national culture and the role of individual leaders, but concluded that leadership has a stronger effect on the organisation than national culture does.

Thematic cluster 3 contains research that views risk as an antecedent for creativity and innovation. Two articles in this cluster focus on how divergent risk preferences in teams can lead to higher levels of creativity. Lanaj *et al.* (2018) found that divergent risk preferences during project-planning phases lead to more aspirational behaviour and better team performance. In two field studies, Liu *et al.* (2021) similarly found an increase in follower creativity when followers' and leaders' risk orientations diverged. They framed follower creativity as a risky enterprise, as creativity is associated with uncertainty and the possibility of failure. Practically, creative employees "must balance the potential benefits of a successful idea against the potential costs of a failed idea", which could lead to "disturbances in job responsibilities, status dynamics, or job security" (Liu *et al.*, 2021, p. 144). In their research, Alexander and Van Knippenberg (2014) explored how to mitigate the risks associated with radical innovation. They propose using state goal orientation theory to "dynamically shift shared goal orientations", which should mitigate the risk of failure. They propose the use of "ambidextrous leadership" to enable dynamic goal shifting. In their study, ambidextrous leadership is defined as leadership that "balances opposing demands by alternating between behaviours that are conducive to satisfying one of the demands (Alexander and Van Knippenberg, 2014, p. 433).

In *thematic cluster 4,* the relationship between risk and actual failure is explored, with an emphasis on the role of the individual leader. After analysing leader behaviour in the Tournament of Champions in the game *Jeopardy!*, Boyle and Shapira (2012) found that leaders are willing to take on potentially disastrous risks if it means they will retain their leadership position. This behaviour led the researchers to coin the term "the liability of leading" – leading comes with the heightened risk of losing one's leadership position.

Also focussing on the downsides of leading, Szatmari *et al.* (2021) investigated the well-known "Matthew Effect". This effect, originally described by Thomas Merton in the 1960s, seems to suggest that a person's status affects how others view the quality of that person's

work, as well as the person with a high-status' access to resources. These researchers found that high-status project leaders indeed gained access to more resources and better support from colleagues. However, in some cases, the status of high-status project leaders amplified project risk. The high status ascribed to project leaders can make it difficult for other team members to assess the quality of the high-status leaders accurately, as colleagues view high-status leaders as less likely to fail. Moreover, they are more likely to support these leaders' projects even after it becomes clear that their projects face serious challenges. Szatmari and his colleagues also found that high-status project leaders are typically overloaded with responsibilities and information, which increases the risk of failure.

Giessner and Van Knippenberg (2008) examined the effect of leader prototypicality on how leader failure is perceived by group members. They find that leaders whose identity is closely associated with the group's identity are given more leeway to fail than non-prototypical leaders. This could be because prototypical leaders engender more trust, as they are perceived "as having the group's interest at heart" (Giessner and Van Knippenberg, 2008, p. 30). However, there is a caveat. This double standard only holds for situations in which the leader fails to achieve a "maximal goal". If a leader fails to reach a "minimal goal", they are automatically judged negatively.

In *thematic cluster 5,* the focus shifts to risk and external threats. Hannah *et al.* (2009) developed a typology of the contexts in which such potentially disastrous risks can be expected. They refer to these contexts as extreme contexts. An extreme context is a context within which an event with extensive physical, psychological or material consequences will exceed the organisation's capacity to deal with it. Extreme contexts can be subdivided into four sub-contexts, namely trauma organisations such as hospital emergency rooms, critical action organisations such as military combat units and high-reliability organisations such as normal police or fire organisations, and naïve organisations.

In their study of the profiles of combat-decorated veterans of Second World War, Wansink *et al.* (2008) focus on leader behaviours when disastrous risks materialise. The researchers asked 526 US Second World War veterans who were engaged in heavy and frequent combat to complete a questionnaire. Each respondent was asked to rate themselves in terms of sets of military leadership items, risk-taker items and cohesion items. The researchers also asked respondents to rate their eagerness to join the military on a nine-point scale. The researchers found that respondents who won medals for heroism were more likely to rate themselves as strong leaders than those who did not receive medals. The respondents who won medals also rated themselves higher when it came to being self-disciplined and resourceful, and having self-worth.

The link between gender and leadership is the focus of the research grouped together in *thematic cluster 6*. Both Haslam and Ryan (2008) and Ryan *et al.* (2016) focused on the concept of the "glass cliff" – the phenomenon that women are more likely to be appointed in precarious leadership positions than men. In their review article, Ryan *et al.* (2016) summarise research on the glass cliff, explore the processes that underlie maintenance of the glass cliff and identify factors that could moderate the phenomenon. Despite the scholarly debate on the phenomenon having become more nuanced since the early 2000s, Ryan *et al.* (2016) found that research confirms four elements of the phenomenon of the glass cliff: women are less likely than men to hold positions of authority, they are less likely to be promoted, they are less likely to be rewarded when they are in their roles, and they are less likely to have the same "networks and support structures" as men (2016, p. 447). The researchers also highlight the term the "glass cushion", namely men's access to "cushy leadership positions", as a closely related phenomenon (2016, p. 453). In the earlier article (Haslam and Ryan, 2008), the researchers found evidence of the glass cliff in three experimental settings.

In a related study, Van Esch *et al.* (2018) used a sample of 253 individuals to investigate differences in the way that male and female leaders are hired. They found that, for senior

leadership positions, the highly qualified women in their sample were viewed as less risky than highly qualified men. However, they also found that moderately qualified women were perceived as more risky than moderately qualified men.

4. Discussion and conclusion

In this review article, we collected, analysed and systematised research on leadership and risk published in highly-ranked management studies' journals. By doing so, we addressed the lack of systematic reflection on the topic that characterises current management studies research. Our secondary aim is to explore how this research relates to the established body research in psychology, especially in the context of heroism research.

We found, first, an absence of a demarcated body of research in highly-ranked management journals on the topic of leadership and risk. This is in stark contrast to the treatment of the topic in psychology, where the field of heroism research devotes relatively systematic attention to the topic from various perspectives. We did not find any consistent or coherent collection of studies or theorists that are regarded as foundational when it comes to the issue of leadership and risk in management studies.

The thematic cluster that comes the closest to resembling systematic reflection on the topic is that of leadership in extreme or dangerous contexts. Yet in this case, interest in the topic does not seem to have picked up since the agenda-setting work of Hannah *et al.* (2009). This is at least true of the journals included in our sample.

Our second finding is the binary treatment of leadership and risk. As we have discussed, one grouping of articles associates risk strongly with the decidedly positive concept of innovation. In most of these articles, risk is understood as a precursor to innovation. Good leaders, at least by implication, are the leaders who sidestep the potential failure associated with innovation. A second grouping of articles associates risk – especially the risk taken on by leaders – with failure. The implication of this particular dimension of the research seems to be that leaders who misjudge risk and fail cease to be regarded as good leaders.

We refer to this state affairs as the binary treatment of risk, as there seems to be little to no acknowledgement in the literature of the possibility that good leaders could misjudge risk and fail, but continue to be regarded as good leaders. The options seem more restricted: good leaders use risk to enable innovation, and bad leaders misjudge risk and fail. Interestingly, and in distinction to psychology, no "standard" definition of risk seems to exist in leadership studies. In psychology, risk is typically conceived as either physical, such as death, serious injury and pain or social, such as serious financial losses, the loss of social status, social exclusion and even health problems (Franco *et al.*, 2011).

One reason for both the paucity of focussed research on leadership and risk and the binary treatment of risk could – somewhat ironically – be ascribed to what some researchers call the "heroic bias" in leadership research. Here it is important to note that the heroic bias in leadership research differs from how a leader is conceived of in psychology, as discussed in the introductory section. In psychology a hero – or, more precisely, an individual who takes heroic action – is defined as somebody who does something for others at great personal risk (Allison *et al.*, 2016). In distinction to the heroic bias in leadership studies, this does not necessarily mean that a hero is an extraordinary individual with special skills or an inspirational personality.

Tourish describes the bias in leadership studies as the "excessive leader agency", which is particularly evident in transformational leadership theory (Tourish, 2013, pp. 20–39). This means that leadership scholarship is biased towards ascribing positive changes to heroic leaders but hesitant to ascribe negative changes to at least partly good leaders.

This bias and the concomitant binarism are reflected in the way that the morality of a transformational leader is described. In their well-known study, Bass and Steidlmeier (1999)

typify leaders who at times act in their own interest at the expense of other as "pseudo-transformational leaders". The logic here is clear: such individuals should be viewed as fallen rather than fallible leaders. In this context, Fourie and Höhne (2019) propose incorporating the notion of transformation into the concept of leader, i.e. not only understanding leaders as subjects that drive organisational transformation, but objects of personal transformation.

On a practical level, the continued rise in importance of the position of a chief risk officer (CRO) makes the paucity of research on leadership and risk even more surprising. This role saw a rapid growth in importance after the financial crisis of the 2000s. CROs are typically in charge of enterprise risk management processes and operate as a member of the C-suite. This means that CROs are leaders who need to make decisions on how resources are allocated to identify, monitor and manage organisational risks. Even though the majority of CROs work in finance, insurance and real estate, this position has also been established in mining, manufacturing, transportation, communications, energy, sanitary services industries as well as in the public sector (Karanja and Rosso, 2017, p. 114).

The rise of the CRO points towards the need for focused research on leadership and risk in general management studies' journals. One can imagine that the increased risks associated with climate change and geopolitical tensions globally will lead to an even more urgent and broad-ranging need for research on this topic.

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