Strategic Leadership Practices and Organisational Effectiveness – A Conceptual Framework

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Abstract—Contemporary business world has undergone drastic changes in all aspects of business affairs. Corporates have transformed their resources to attain sustainable competitive advantage in highly saturated and technically compact markets. To get success in such an endeavor presence of effective leadership in the organization is compulsory. The concept of leadership has gained a large amount of attention in recent years due to the realization by stakeholders that behind every achievement there is always a visionary leader who intercepts the future and lays down creative plans to make competition irrelevant. The study aims at investigating the relationship between various leadership approaches to the phenomenon of Organizational Effectiveness. The study design included examining the contribution of these factors to Organizational Effectiveness. The proposed study has the following objectives: To judge the influence of Leadership styles of higher and middle level managers on Organizational Effectiveness. This study tries to find out the reason that leads to build trust among individuals and groups throughout the Organization, up- and- down hierarchy, to create an open problem solving climate throughout the Organization – where problems are confronted and differences clarified, both within groups and between groups.

Keywords— Leadership, Organizational Effectiveness, organizational effectiveness, leadership style.

I. INTRODUCTION

In prevailing highly complex business scenario organizations have create multiplier effect through effective utilization of resources. One of the most important asset of organisation is human resource which if rightly utilized becomes the most sustainable resource of competitive advantage. Visionary leaders are part of human resource. Suitable and competent leaders are one of the biggest boon to the organization. Top performance increasingly demands excellence in all areas, including leadership, productivity, and adaptation to change, process improvement, and capability enhancement (knowledge, skills, abilities, and competencies).

Most organizational theorists agree that effective leadership is one of the most important contributors to overall organizational success. What leadership is and what leaders do to ensure team and organizational success is less well understood. A common definition of leadership is "a process of social influence by which an individual enlists the aid and support of others in the accomplishment of a task or mission" (Chemers, 1997). Some key points inherent in this definition is that the task or mission cannot be accomplished by a single person acting alone. Second, that leadership is a social and interpersonal process. Finally, that leadership acts in the service of some task or mission that is external to the group. All in all, this definition doesn't tell us much more than that leadership is about leading people. A useful metaphor for understanding organizational and leadership effectiveness flows from the construct of intelligence. Psychologists regard intelligence as the ability to function effectively in the world. Intelligent people are those who have a store of knowledge and skills gained from experience that allow them to manage efficiently the tasks of daily life. Leadership is the "executive" of organizational intelligence. Leaders must establish and encourage norms, roles, and rules for efficient application to known tasks, but must also be sensitive and responsive to change by employing sensitivity, problem solving, and decision making strategies that allow for adaptation.

According to research, there are some directions to improve organizational effectiveness. Typical organizational effectiveness projects include: Process mapping and measurement; Process improvement; Expert facilitation of internal interventions; Productivity improvement; Monitoring and evaluation; Measuring and assessing climate and culture; Improving communication processes; Team building and team effectiveness improvement; Cohering management teams and Rationalizing the complexities of organizational structure these all are one way or another way dependent the style leader adopts in pursuing these goals. As Leaders, we know that we have responsibilities to balance: the achieving of set tasks, the development of a group of people, the meeting of the needs of individuals.

That is what a leader has to do. Exactly how a Leader goes about these responsibilities is often called the leadership style. There is not one standard, correct style for all leaders in all circumstances at all times. Any group or individual behaves differently. Tasks are different. Each leader has to recognize those differences and adapt according to the situation. Working in this way is sometimes called situational leadership. This means using the most appropriate style to suit the people and circumstances at particular time. People's
behaviour depends a great deal on their knowledge, experience and how they see themselves, both generally and in relation to a task. There are four standard possibilities which can be identified: 1 people who are unable to do a task and who are unwilling to have a go 2 people who are able to do a task, but who are unwilling to have a go 3 people who are able to do a task, but are willing to have a go 4 people who are able to do a task, and who are willing to get on with it. It is necessary for the leader to prepare for any particular task that's about to be introduced or undertaken, by knowing exactly what the situation is likely to be. The task might be something as simple as introducing a new game or practical skill, or as complex as planning an expedition or major project. We should note that: ability can be improved by giving experience and knowledge, and skills; willingness can be improved by giving encouragement and motivation. If we can describe the situation property, then we can work out the most appropriate style of leadership:

1. Telling (directive) - the leader gives specific step-by-step instructions, and keeps close supervision while those instructions are followed out.

2. Selling (persuading) - the leader continues to give specific instructions and to keep supervision, but also explains reasons, invites suggestions, and supports progress.

3. Sharing (consulting) - the leader actively encourages members to give suggestions and try them out, and shares many responsibilities with them.

4. Delegating - the leader passes responsibility for problem-solving and decision-making to members, even if keeping a monitoring watching brief. As a group or individual grows in knowledge, experience, and confidence, they adapt their own behavior. The leader must recognize this, and adapt the leadership style.

Alternatively, sometimes a group or individual may appear to go backwards, perhaps as a result of stress or a change of task or environment. Again, the leader should always be sensitive, and adapt to the new situation. The same principles apply whether we are leading a group of young people or a team of other adults. There is no single style which is consistently ideal. Of course, if everything else remained static we should always be trying to share and delegate as much as possible. However situations do change and the leadership style must be adapted to be appropriate.

II. LEADERSHIP APPROACHES- A HISTORICAL PERSPECTIVE

According to Morley (1990), he has developed some principles of organization in doing total development work: Select cohesive teams, based on sentiments of mutual liking and respect for each other’s expertise. Organize controlled convergence to solutions that everyone understands and everyone accepts. Organize vigilant information processing and encourage actively open-minded thinking. Avoid the facile, premature consensus. Maintain the best balance between individual and group work. Let individuals do the things that individuals do best—for example, the initial generation of new concepts. The organization and leadership on the multifunctional product development team help to develop the successful practice of Morley’s 10 principles. If these and the principles are practiced, then any of the three product-focused modes can be successful-heavyweight product manager or project execution team. Organized Effectiveness and Leadership Enterprises are a maze of explicit and implicit structures that make up organization culture. Good performance and organizational effectiveness can only occur when employees know the culture of their workplace. Both organizational effectiveness and leadership skills are required.

Organizational effectiveness skills include the behaviors, attitudes, and knowledge an employee needs to achieve success on the job both as an individual and as a member of an enterprise. Each employee uses these skills to adapt to organizational expectations, rules and regulations including expected job performance levels. They provide guidelines for establishing appropriate and effective interrelationships. Organizational effectiveness skills are the building blocks for leadership. Without them, leadership can be misplaced or even be counterproductive. At its most elementary level, leadership means that a person can influence others to act in a certain way. The employee may need at times to influence his work group and to provide a vision of what the organization as a whole or the specific task at hand requires. Leadership skills are necessary at every level of the enterprise from chief executive to the line worker. Organization and other education and training institutions will need to incorporate the teaching of these basic workplace skills in their curriculum to ensure that future labor market entrants are properly equipped for the world of work. Likewise enterprises need to teach these skills to their existing employees. Enterprises in the industrialized countries, particularly the larger ones, are undertaking such training. This research study of ten managers and twenty workers showed that they have expanded the scope and mission of training from merely upgrading the technical skills of their professional managers to ensuring that all their employees as well as key customers and suppliers understand the company's quality vision and develop the skills and competencies needed for success appropriate. Transactional leadership theory views the leader-subordinate relationship as a series of transactions or exchanges through the leader’s use of Contingent Rewards by exchanging punishment and rewards for follower compliance and effort in order to achieve overall organizational performance. Bass extended Burn’s definition of transactional leadership to describe the supervisory-subordinate relationship through the use of Contingent Rewards, Management-by-Exception, or laissez-faire leadership. Bass (2005) characterizes transactional leadership as the use of Contingent Rewards, Passive Management-by-Exception, and Active Management-by-Exception. Contingent Rewards involves “leaders [who] engage in a constructive path-goal transaction of reward for
They clarify expectations, exchange promises and resources, arrange mutually satisfactory agreements, negotiate for resources, exchange assistance for effort, and provide commendations for successful follower performance” (Bass and Avolio, 2004, p. 3). Active Management by-Exception involves “leaders [who] monitor followers’ performance and take corrective action if deviations from standards occur.

The Leadership Challenge Model: Effective leadership helps our nation through times of peril. It makes a business organization successful. It enables a not-for profit organization to fulfill its mission. The effective leadership of parents enables children to grow strong and healthy and become productive adults. Modern business leadership has tough and compelling situation around due to the advent of converging globalized revolutionary phenomenon. Leaders have to proactive in all respects to withstand the demands of the business environment. The absence of leadership is equally dramatic in its effects. Without leadership, organizations move too slowly, stagnate, and lose their way. Much of the literature about organizations stresses decision-making and implies that if decision making is timely, complete, and correct, then things will go well. Yet a decision by itself changes nothing. After a decision is made, an organization faces the problem of implementation—how to get things done in a timely and effective way. Following model gives the brief description of the challenges which leader has to accomplish to attain sustainability:

<table>
<thead>
<tr>
<th>TABLE I</th>
<th>THE LEADERSHIP CHALLENGE MODEL</th>
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<tbody>
<tr>
<td><strong>The Five Practices of Exemplary Leadership</strong></td>
<td>Ten Commitments</td>
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<tr>
<td><strong>Lead the Way</strong></td>
<td>✓ Clarify values by finding your voice and affirming shared ideals.</td>
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<tr>
<td>✓ Set the example by aligning actions with shared values.</td>
<td></td>
</tr>
<tr>
<td><strong>Envision a Shared Vision</strong></td>
<td>✓ Clarify values by finding your voice and affirming shared ideals.</td>
</tr>
<tr>
<td>✓ Set the example by aligning actions with shared values.</td>
<td></td>
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<tr>
<td><strong>Challenge the Process</strong></td>
<td>✓ Search for opportunities by seizing the initiative and by looking outward for innovative ways to improve.</td>
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<td>✓ Experiment and take risks by constantly generating small wins and learning from experience.</td>
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<tr>
<td><strong>Enable Others to Act</strong></td>
<td>✓ Foster collaboration by building trust and facilitating relationships.</td>
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<td>✓ Strengthen others by increasing self-termination and developing competence.</td>
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<tr>
<td><strong>Encourage the Heart</strong></td>
<td>✓ Recognize contributions by showing appreciation for individual excellence.</td>
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<tr>
<td>✓ Celebrate the values and victories by creating a spirit of community.</td>
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III. UTILITY OF LEADERSHIP APPROACHES IN ORGANISATIONAL TRANSFORMATION

“Change or die” is the mantra of modern world business organizations. To survive and be competitive in the market, organizations have to critically analyze the resources and other relevant aspects. The change related to work, process, structure etc. often faces resistance in the organization. Employees need to be prepared for any sort of critical change but, the question is who could be the most suitable and effective change agent in such complex and compelling scenario. Success secrets of organizations reveal that the effective transformation or change is always guided and backed by visionary and potent leaders. Leadership occupies central position in any sort of change induced or intended to induce in the organisation. The change triangle has been modified in light of the literature so that the position and importance of leadership becomes vivid.

![Change Model](image)

Source: Aligning the Key Change Dimensions by Orlikowski and Hofman 1997: 18

**Fig. 1 Change Triangle**

Whether it is change, technology or other aspects of organization all are directed and guided by the potent leaders. These are the persons who know the latent demands of the market and they undertake the privilege to synchronize the organizational resources to achieve long lasting transformative growth. Transformative leader knows his and his subordinates distinctive competencies which make them fit for a particular cause in the organization.

IV. CONCLUSION

The study achieved its objectives by establishing the relationship between Leadership styles and organizational effectiveness. The focus of this study may be limited but it has shed new light on the concept of organizational related context. As India has emerged from an agrarian society to a technological oriented country. On the basis of the results, it is evident that higher-level managers are more effective than middle-level managers. Higher-level managers are authoritarian and task-oriented as compared to middle-level managers, who are democratic, i.e., they have participative, task-oriented and nurturant contingent and task-performance. It was found that only the age has a highly significant inter-correlation with the efficiency of the subordinates. As the age increase, the middle-level leaders become more mature and assume a father like approach. They become more patient as compared to younger managers. In statistical terms, the education and the experience have no significant correlation with the measures of organizational effectiveness. On an analysis of the views of the lower and middle level managers, it was found that lack of recognition, nature of the job and lack of adequate rewards were the major causes for the dissatisfaction. In respect of the intrinsic factors, the satisfied and the dissatisfied managers observed a similar trend in terms of the nature of their jobs, the freedom to do things in their own ways, the feeling of having accomplished something worthwhile in their jobs, etc. But there seems to be some variation in respect of the perceptions of the satisfied managers and the dissatisfied managers on the freedom in
choosing the mode of carrying out their jobs. Managers at the middle-level are found to be of the nurturant type, i.e., they feel more concerned about their subordinates and treat them like their younger brother but the task gets the top priority. Moreover, they are nurturant provided the subordinates work hard. Therefore, nurturant contingent on task-performance style of leadership is dominant at this level. The job provides them satisfaction in esteem and autonomy needs. Nurturant contingent on task-performance style and esteem need satisfaction are found to be the significant predictor of organizational effectiveness. The individual-centered variables, including the age, education and the length of experience, did not correlate with one’s leadership style and with organizational effectiveness.

REFERENCES