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HOW LEADERS USE ORGANIZATIONAL LEADERSHIP EFFECTIVELY

Abstract. . *Leadership is the fundamental skill for any organization to grow and scale up in the long run. Employees are the asset for and to manage them, we need strong leadership team to guide and groom the human resources as per the organizational requirements. Leaders set small targets based on the bigger goal and their team uses those small targets to achieve the organizational goals. The objective of the article is to analyse the effectiveness of leadership in any organization and would study how leaders use organizational leadership to help companies achieve great heights. The purpose here is to highlight challenges an organization can face in the absence of organizational leadership and how a company might lose its aims and objectives under a poor leadership team.*
Keywords: *enterprise personnel strategic management, personnel competences, personnel competencies assessment methods, expert assessment, rank model.*

Introduction

Organization leadership is a huge subject in modern human resources and that has been studied in the past few decades. Our hypothesis here is that leaders use organizational leadership effectively to achieve organizational goals. Leaders use their organizational skills to groom the resources and make them aligned with the company's goals and objectives. Human resource and their psychology at workplace has been an important part of an organization known to shape its growth path in the long run. Usually, expenditure incurred in managing the human resources has been considered under expenses section of the income statement and has been shown as a cost to the companies. But with time this has changed and now human resource are considered to be an asset in the organization. Leadership plays a pivotal role in the company's long term growth and development (Awadh, A.M. and Alyahya, M.S., 2013).

The growth of human resource management standards has led to a change in the traditional way of skills for management and companies are experimenting with different models of leading people. The value of human resource has been given more weight and HRA method has been used to add to the asset value of the companies and reducing losses due to expenses shown for human resource management. The international way of leading people methods have different across the world and a comprehensive study has been done in this paper to understand the approach adopted by the countries across the globe for human resource management. Organizational leadership would surely help in that (Friedman, A., Carmeli, A., & Dutton, J. E., 2018).

Literature Review

The evolution of people management skills by studying human psychology has brought a major change in the ways the skills for leading people have been done as shown in Figure 1. HRA measures are now being used in organizations for skills for reporting. Following the path of international standards, a more complex fair value approach is being studied by countries across the

globe to change their method of leading people. Now the intangible assets are also considered for skills for leading people and reporting. The measurement of HRA for further analysis in leading people is now important and human resource measurement is an important part of this subject.
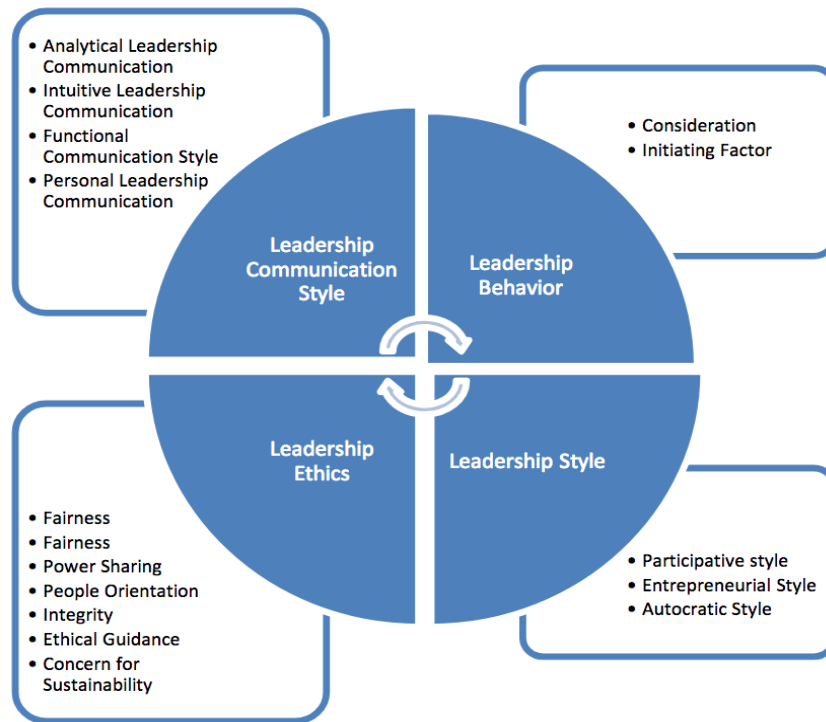

Figure 1. Effective Leadership
Source: https://ejbmr.org/index.php/ejbmr/article/view/13

The managerial reporting and decision making is also impacted by the human resource and any future growth and expansion plan of the companies is highly dependent on that. This makes the human resource an important long term asset for any organization and needs to be accounted accordingly. This will generate the insight of going for lesser layoffs and pay cuts in future and focusing on preserving the human resource. Human resources would no longer be considered as an expense or the loss making proposition for companies. Investment in human resource would come under investing in asset for companies. And hence organizational leadership is paramount for any company to succeed in the long run (Antonioni, D., & Park, H., 2001).

Leaders use organizational leadership skills to train and guide the resources, aiming at the company's goals and objectives. Human resource management and leading people and their measurement model is an important part of discussion in the paper. The cost of human resource consists of acquisition and learning cost. The acquisition cost would include expenses incurred while hiring and selection of resources and learning cost would include the expenses incurred while training the resources as per their roles and responsibilities for which they have been selected. But these costs would then be compared with the values, the human resource would generate in the short and long run. And the present value would be calculated by discounting the profits expected to be gained in the long run. The discounting factor could be chosen by considering the market standards (Baack, D.W., Harris, E.G. and Baack, D., 2012).

Human resource valuation models have been studied and it is an important part of this research where the future value of human resource is forecasted as per their current values. The expected future psychology is studied to the present value in that case to derive a final valuation for the human resource. It is pertinent to mention that without a strong leadership team, the human resources in an organization would lose their direction leading to slow growth of the company.

Leaders grow and with them their team and the company grows (Goby, V.P., Nickerson, C. and David, E., 2015).

Organizational leadership needs to be studied and experimented further in the human resource development science and this skill needs to be used in future to strategise the growth of companies better. It was found that the short and medium term strategy of the companies would include the improvement of services for increasing the customer satisfaction. The long term vision of the companies needs to be aligned with the medium and short term strategy opted for the companies (Bose, I., 2018).

Organizational aims and objectives would include the medium and short term objectives along with its long term vision. Alternative strategies used through medium and short term planning would further strengthen the long term vision of the companies and would gain the trust of shareholders in the long run. The companies aim to perform better and become bigger using alternative strategies as per the requirements. The organizational aims and objectives planning would allow the companies to clarify its vision and accordingly define its aims and objectives to choose the long, medium and short term strategy. Leadership is a huge subject which could help in unveiling the science of human resource management better (Carr, A., 2004).

Methods

Leaders use organizational leadership to help the organization grow in the desired direction. They lead the path to success in the long run. The advances in international method of leading people by understanding their psychology have resulted in the change of the traditional methods of leading people, especially for human resource management. The HRA method is being studied further to account for different human resource metrics as shown in Figure 2. The view of human resource management has changed completely over the period of time and now human resource is considered as an asset for the growth of the companies in the long run. The system approach has been used here to study the gaps in the leadership.

Figure 2. The Leadership Gap
Source: https://helpjuice.com/blog/corporate-leadership-training

The international skills for leading people standard has contributed a lot to this kind of change and now different countries are experimenting with their leading people models to see human resource from a fresh pair of eyes. The fair value of leading people has been popular following the GAAP of USA and that will make the use of HRA a potential option to consider the skills for leading people in future. The skills for development environment are changing and it will have further impact on the human resource measurement and will definitely change the outlook of psychological skills for reporting with that respect. The stability factor is something which is very important here in organizational leadership (George, D., & Mallery, P., 2003).

Leadership skills are the backbone of human resource management and organizational leadership makes this task of human resource management easy and sustainable. The literature

available for the workplace culture is very helpful in determining its impact on the employees' performance. Employee performance is monitored all round the year with continuous improvement plans. Organizations use a year round evaluation of the team performance to find gaps and ensure the timely correction of those gaps to make sure that the team performance is aligned with the strategic objectives of the companies (Allyn & Bacon. Hall, Tracy and others, 2007).

Leaders work on grooming the human resources and use organizational leadership as a tool to help the company grow and scale. The quarterly monitoring of team performance allows the timely initiation of changes where necessary and helps the organization in staying on track in terms of its annual skills for planning. The team performance measure tool further organizes the process of measurement and helps the easy monitoring of the team performance. The initiation of changes well in time helps the companies in managing its planning and performance better in order to bring the companies on a continuous path of growth and expansion. Company's growth and expansion is a tale of leadership which can be confirmed in the research and experiments as well.

Organizational leadership skill has proven itself in the growth of not just the company, but also their employees in the long run. As per the researchers, team performance measurement is highly organized and based on the current performance and psychology of the team members and companies and set objectives of the future, the team performance measurement tool can forecast the sales target of all the teams in the organization. The value of the team performance to measure future team performance is analyzed to create a forecasting model for the organization in order to align the team performance with the strategic objectives of the companies. Future team performance along with the current team performance is well aligned with the companies' aims and objective with the performance measurement tools which helps in creating the performance forecasting models as well. The research revealed that the agreed objectives form the base of the team performance in organizations studying and utilising human psychology (Hameed, A., and Waheed, A., 2011).

Organizational leadership skills are being used by the leaders effectively as a tool to success of the company and their resources. Any problem in performance is analyzed and found in the quarterly performance assessment and the changes are suggested to account for the gaps in order to meet the strategic objectives of the organization. The team performance is very important in meeting the strategy of the organization. The companies keep a close track on the measurement of team performance and makes sure that the performance is monitored year round with continuous feedback and replanting wherever and whenever required.

The problematic performance is measured against the set targets and based on the gaps changes are suggested and the mentoring is done throughout to ensure the closing of the gaps. We can build the financial assets of the company again but human resource development is even more crucial than that and needs a significant amount of time to develop and nurture. Leaders use organizational skills effectively to build the human resource asset of the company and nurture it using the same tool in the long run (Haque, M.F., Islam, and Md, .Haque, M.A., 2014).

Results

Organizational leadership is the key to success for any company in the long run. The well established fact is that the human resources are the asset for any company and hence their management is very crucial. The sustainability factor is an important piece while studying the human resource psychology. The research made in this area confirms that for companies to sustain in the long run, it is very important to value its human resource. The human resource management becomes more important with the growth of the companies and the human resource needs to be considered as the asset for the skills for leading people (Forest, J., Mageau, G. A., Sarrazin, C., & Morin, E. M., 2011).

Global standards have been picking up slowly to accommodate this in their part of future research and modelling to study the impact of human resource on skills for leading people and companies' valuations. The valuation of companies would increase if human resource is put under the asset category in the organization instead of being kept as the expenses in the income statement.

Organizational leadership has been experimented on multiple human resources and their growth has been tracked to measure the effectiveness of this skill (Gunaraja, T.M., 2014).

International companies have taken this human resource management and its implications very seriously and are studying different models to accommodate the HRA and work towards making their valuation model more accurate as shown in Figure 3. In order to capture the full value of an organization, human resource cannot be ignored and needs to be accounted clearly in the valuation of companies. The need is to change the mindset to change the management policy and prioritise the human resources considering their value as an asset to the companies instead of just being considered as a cost to the companies (Jabeen, F. and Isakovic, A.A., 2018).

Figure 3. How to improve leadership performance and effectiveness
Source: https://www.ckju.net/en/dossier/leadership-performance-and-effectiveness-what-it-how-it-works-and-how-improve-it

Led by USA, other countries like India, China, Greece, Europe, UK, Australia and Canada has been researching on human resource management models using human psychology. They are trying to understand the long term benefits of changing their traditional leading people method by including human resource in their organization. The HRA metrics would increase the valuation of their companies and would take them towards sustainability in the long run. Human psychology is one of the most important aspects of human resource management in any organization. To get the work done and to increase productivity along with the efficiency of employees, it is very important for the employees to be motivated. And to keep them motivated it is very important to understand their expectations from the organization. To influence them, it would be crucial to understand their thought process, and understanding their psychology would help in understanding their thought process (Jabnoun, N. and Sedrani, K., 2005).

Moreover, not all employees are similar and everyone has expertise in a different field which needs to be found out before the allocation of work. Targeting the right potential for each task is very important to keep the efficiency of the workplace higher. And for that again understanding human psychology would help as it would help the management in figuring out the strong area of expertise for each employee. Organizational leadership is one of the most key factors to success of any organization in the long run. It has been proven every now and then in multiple research and experiments (Fu, W. and Deshpande, S.P., 2014).

Discussion

The research says that the leaders use organizational leadership effectively to train the human resources in the right direction. The strategic objective of organizations is to establish itself as one of the people loving units. The companies aim to align its resources to maximize the customer experience and provide value added services. The business model focuses on acquiring more and more customers and market share in the retail industry to maximize its profit based on volume of sales. Human resource, being the key asset of a company needs a lot of attention and strategic management to help the company prosper in the right direction.

To align with this strategic objective, companies have set team performance objectives. The team performance is measured against the volume of sales generated by the companies. The team

performance and incentives are linked with that and accordingly the appraisal is decided for the team and for the individuals. The companies have linked all its team performance metrics. Organizational leadership is sometimes ignored and not taken seriously and human resource attrition rate is high in that case making the pace of growth slower for a company. Further, it was found that the current performance in organizations is measured against the set targets based on the companies' goals and objectives (Halepota, 2005).

The performance target within teams are then easily defined based on the gaps in the current performance and that helps the companies in aligning its targets year round to match its strategic objectives. The companies ensure that the performance targets within teams and even individual performance targets are spread across the year to avoid any load and pressure at one time. This way of setting targets and performance measurements helps the companies in balancing the targets along with the work life balance of its employees. The performance target within teams is compared with the current performance while setting the targets to make sure there is not a huge difference. Leaders use their leadership management skills and organizational leadership tool as a use case to groom and train the human resources. Researchers revealed that team performance plans are decided based on the strategic objectives set for the companies (Klijn, M., & Tomic, W., 2010).
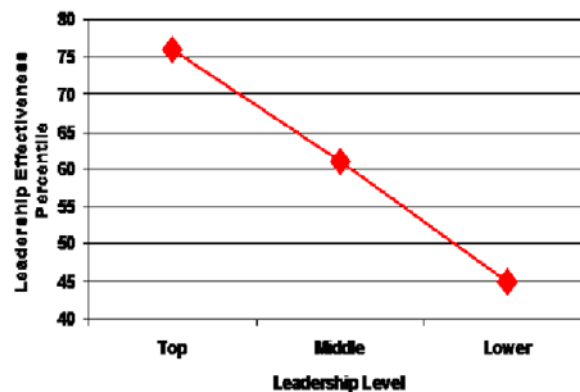

Figure 4. Leadership Effectiveness by level
Source: https://zengerfolkman.wordpress.com/2010/09/15/the-leadership-ceiling-how-leaders-can-build-up-or-bring-down-an-organization/

As we go up in the hierarchy the leadership effectiveness increases as shown in Figure 4. Organizational leadership skills need to be considered effectively and human resource management is mainly dependent on that. The plan is created using the organizational leadership tool. The plan is then evaluated and checked for its practicality. The team performance plan is then validated with the current performance of the team to see if there are huge gaps which needs to be taken care of and addressed. The team performance plan and strategic objective is analyzed to see if any change is required in the team planning and team structure to achieve the aim of fulfilling the strategic objective of the organization.

Leaders are born not created and leadership tools make the management better. Team performance planning forms an important part of annual planning for any organization and this is evaluated on a quarterly basis to ensure the alignment with the strategic objective of the companies. The Study found that the organizational strategy aims at aligning the companies' aims and objectives to the plan of growth and expansion. The companies have seen a phenomenal growth in its sales over the past few years and the future scope of development looks brighter. The companies aim to spread across the globe and establish itself as a leading retail chain.

The existing organization strategy takes care of this aim and objective of the companies, thus helping in creating a strong vision for the companies and its long term growth and expansion plans. The evaluation would remain positive for the companies' organizational strategy as it is in line with the companies' aims and objectives. Organizational leadership helps in achieving the set targets. Moreover, it was seen that the existing strategy of organizations is supportive in the

achievement of organizations aims and objectives. The existing strategy of monitoring the companies regularly for its key metrics performances and modify or suggest changes when ever required is a good plan to keep the companies' performance on track.

The annual planning of the companies' aims and objectives gives a baseline to define the organizational strategies to help the achievement of set standards declared by the companies. The organization has been clear in its vision and with that in mind the strategy is decided. The existing strategy is checked for its performance and practicality on a regular basis and any change suggested is implemented to keep the companies' performance on track. As per the research, based on human psychology, companies set team performance targets based on the companies' current performance and the future objectives set for the companies' next skills for year. Effective use of organizational leadership will help in achieving the better human resource management in an organization. The sales target is fed into the enterprise system which is monitored every quarter in the organization (Sharma, G., 2017).

Teams and individuals are assigned their respective sales target based on the organization level sales target set in the objective of the companies. The enterprise system updates the gaps in the target set and achieved to notify the differences to the team leads so that they can align their performance well in time. A continuous measurement of team performance happens all round the year to take care of the strategic objectives of the companies and this technique helps the organization in achieving the set targets. Further, it was found that Individual commitment is an important part in the success of any organization. Leaders use different tools to manage human resources and then achieve the set targets of the company.

Organizational leadership skill is popular now in all the developing and developed companies. The employees are awarded based on their individual team performances and are evaluated on the basis of their individual performance along with the team performance. This technique of measurement inculcates the sense of belongingness in the employees and they feel the need of working hard to take themselves and the organization forward. The companies measure the individual commitment along with the team performance to align the companies' performance with its strategic objectives. This helps in planning the long term growth of the organization and gaining the trust of the stakeholders with the good practices in the organization. Effective leadership skills are the key to success of human resource management (Ahmad, A. and Salam, S., 2015).

Conclusion

Effective organizational leadership is the way to success for any organization and leaders use that tool in the long run. Further, it was seen that the aims and objectives of the organization are clearly aligned with the companies' strategic objectives. The companies have designed its aims and objectives accordingly to fulfil its goals and the performance targets are said accordingly for the teams. The human resource has been trained based on the present strategy to achieve the target set for the organization as per its long term vision organizational strategy aims at aligning the companies' aims and objectives to the plan of growth and expansion.

The companies have seen a phenomenal growth in its sales over the past few years and the future scope of development looks brighter. The companies aim to spread across the globe and establish itself as a leading retail chain. The companies have designed its aims and objectives accordingly to fulfil its goals and the performance targets are said accordingly for the teams. As per the literature available, the organizational goal is simple and includes the long term vision of becoming a powerful leader in the retail industry. The companies have designed its aims and objectives accordingly to fulfil its goals and the performance targets are said accordingly for the teams (Ho, V. T., Kong, D. T. Lee, C-H., Dubreuild, P., & Foreste, J., 2018).

The human resource has been trained based on the present strategy to achieve the target set for the organization as per its long term vision. The sense of belongingness is admirable and the companies ensure to take care of all its employees. It would be entirely true to say that the present strategy is sufficient to achieve the organizational goals. The human resource has been trained based on the present strategy to achieve the target set for the organization as per its long term

vision. As per the research, the potential problem lies in the wide competition existing in the market. The companies have established itself as a huge brand but the competitors are equally strong and have good presence.

Research says that the potential strategic problems are taken care by the right strategy of the companies by establishing itself as a different brand for the customers. Further, the competition in the market makes this problem even more difficult by increasing the attrition rate of the customers. The companies could not simply give lucrative offers to the customers to retain them as the companies also has to look into the profit the organization is expecting and the shareholders' interest as well. The strategy defined by the companies to cater the competition in the market is strong enough to cater the potential problems arising out of it.

The further study could cover these factors and determine how much impact the culture is making alone. The strategic option has caught the interest of stakeholders by defining a clear path of growth for the long run. The companies' current strategy is to win the customers' trust and provide a quality service to increase the volume of sales. The strategic objective of the companies is in line with its aims and objective and that all sums up to the growth of companies by gaining more customers across the globe. The organization has been clear in its vision and with that in mind the strategy is decided. The existing strategy is checked for its performance and practicality on a regular basis and any change suggested is implemented to keep the companies' performance in check.

The different horizons explored with this methodology have helped the stakeholders in working better for the companies by realizing its true potential. The companies aim and objectives are also analyzed to check if the strategic options adopted by the companies are in line with its long term vision. The companies ensure that the monitoring exercise suggests the modifications in the strategy of required maintaining the interests of the companies' overall along with its stakeholders. The planning done by the organization is at all the levels. The companies believe that for a stable growth and development of the organization, the study of human psychology is important and hence should be studied in detail. However, the impact of the culture on employee performance is not solely dependent on this and there are many other factors influencing this. Organizational leadership is the way in future to manage human resource assets of the company (Tsarenko, Y., Leo, C., & Herman, H. M. T., 2018).

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