EFFECTIVE LEADERSHIP AND ORGANIZATION'S MARKET SUCCESS

Ila Sharma, Rahul Dhiman and Vimal Srivastava

Effective Leadership and Organization's Market Success

Effective leadership and organizational performance are concepts that continue to receive widespread attention in the business world. This book explores the importance of strategic leadership and the value it adds to organizations.

It focuses on strategies to achieve market success and organizational performance as well as the challenges of leading in a fluctuating market. The book looks at recent trends in leadership development and the different styles of leadership. It dispels existing myths about leadership and offers an understanding of principles which will allow leaders to be more adaptable and effective and to steer businesses and organizations into a more stable future.

This book will be of interest to researchers and students working in the field of business, organizational communication, business management, human resource management and business studies.

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Preface

Leadership is a concept that continues to receive widespread attention. Undoubtedly, there are character traits that make people seem like 'natural leaders', but by studying leadership, it is possible to increase one's skills and effectiveness, and thereby one's success. Leadership is an inborn quality that anyone can use to attain success in all aspects of life. You just have to search within for that unique quality that makes you different from others. As a result, it gives you a chance to lead in every walk of your life.

From an organizational perspective, leadership is an important tool for the success of any organization in the competitive world. Moreover, leadership has been conceptualized as the tendency of an organization to develop new or improved products or services and its success in bringing those products or services to the market. Hence leadership is closely related to market success as well. Therefore, the aim of this title hovers around the role and importance of leadership in the present era. The book aims to cover the role and importance of strategic leadership as it provides flexibility to empower others to make strategic changes. This title also aims towards the actions which are responsible for determining strategic leadership. The title also aims towards the characteristics and the role of leaders in the success of an organization and towards employee satisfaction. It envisions the importance of leadership in the formulation and implementation of strategies which are part and parcel of the growth and success of any organization.

This book serves to consolidate the knowledge that has been acquired from being an academician and researcher. The book is organized into ten chapters.

Chapter 1 – "Introduction" – brings together the basics of leadership. The important dimensions of leadership in terms of leadership concepts, what makes a successful leader, leadership and organizational performance, and generic strategies for organizational growth are discussed in the first chapter. An attempt is also made to provide the background on leadership in the introductory note of this proposed title. Does this chapter also make a note of the never-ending discussion of whether leaders are born or made? Thereafter, we put forward the concluding remarks.

Chapter 2 – "The Laws of Leadership" – aims to operationally define the laws of leadership. This aim has been achieved by uncovering the eight

basic laws of leadership viz. dreams, rewards, credibility, communication, accountability, motivation, problem-solving and decision-making. In this chapter we discuss that laws can be learned and are the foundation of leadership and that laws can stand alone and carry consequences with them.

Chapter 3 – "Stages of Leadership" – presents how organizations are to adopt diverse approaches to leadership in response to these shifting strategic imperatives, leading to market success. The description, in turn, is synthesized into an examination of different stages of leadership, with associated observations about the relative merits of each stage given the new strategic imperatives. Developing leaders is an ongoing process and involves five stages. Hence, we also put forward five stages of leadership viz. position, permission, production, people development and pinnacle.

Chapter 4 – "Theories of Leadership" – establishes promising elements from the perspective of the broad literature on leadership and leadership development. In particular, the chapter presents an abstract guide and draws out those elements deserving of the future attention of organizational decision-makers and organizational theorists. This chapter also seeks to make sense of the range of alternative 'theories of leadership' and to point a way forward. The major theories which are being discussed in this chapter are the trait theory of leadership, situational theories, transactional and transformational theory of leadership.

Chapter 5 – "Skills of a Good Leader" –provides a variety of examples to explore the idea of the crucible in detail. From these examples, essential skills that, we believe, great leaders possess are derived. An attempt has been made to uncover imperative skills as per the existing leadership styles or theories discussed in the previous chapter. At the last, we discuss the importance of various skills to achieve market success. Various skills that will be under consideration are vision, courage, integrity, humility, strategic planning, focus and cooperation.

Chapter 6 – "Importance of Trust in Leadership" – signifies the importance of trust. A key component in a leader's ability to be effective within changing environments is the degree to which subordinates and other co-workers trust him/her. Therefore, it is vital to understand the role of trust in leadership. We argue in this chapter that it is the leaders who can bring a sense of trust among their people, irrespective of the goal. However, when trust in the leader breaks down, an outcome may be a disaster. Considering the role of trust in leadership, an attempt is made in this chapter to discuss 'trust' as a foundation of a relationship between the leader and his/her team.

Chapter 7 – "Leadership and Management" – emphasizes how leadership and management differ. This is because understanding these differences will make sure that employees know when and how to apply each set of traits in a given situation. In the concluding remarks, we suggest that this is not easy for an individual to have the skills to serve as both a motivating leader and a good manager, since both of them require different skill sets.

Chapter 8 – "Leadership and Organizational Success" – puts forward a widely accepted phenomenon that once a leader has built a motivated and skilled team, capacity must be coordinated and applied to achieve success. Therefore, this chapter will talk more about organizational success as an output of effective leadership. We also take into account the successful business stories of global leaders to support this widely accepted phenomenon of leadership and organizational success.

Chapter 9 – "Market Trends for Leadership Development – focuses on contemporary trends such as value-based leadership, the role of reward and innovation and engaging the millennial and leadership, and globalization of leadership. We also attempt to differentiate between a leader and leadership development in this chapter. The overall purpose is to bridge the practice and science of leadership development by showing the importance of building both human capital and social capital in organizations. A special emphasis has been put in this chapter to discuss leadership competencies and the current trends in training and developing a leader. The findings reveal that it is important to train and develop leaders to sustain themselves in the global competitive environment.

Chapter 10 – "Role of a Leader for Society" – brings together both leaders and society. This is because leaders not only help achieve market success but help in changing society as well. Therefore, in this chapter, we emphasize that visionary leaders have sought to use the modern state as the organization through which they could transform society. We also discuss the psychology of a leader in this chapter. This is followed by a discussion on how visionary leaders can contribute towards a better society.

This book consolidates selected research findings of significance and relevance to the practitioners from the authors' scholarly endeavours as educators and researchers in the field. The authors hope that the reader will find our book interesting and informative about the concept of leadership and market success. The major Unique Selling Points of the book are as follows:

- Recent trends in the market for leadership development
- State-of-the-art and detailed coverage of the laws of leadership
- Managerial skills of a leader
- Coverage of the various types of leadership and their importance for an organization
- Theoretical contributions in the existing body of leadership literature
- Role of leadership in an organization towards attaining market success
- Role of the leader towards making a better society

The entire manuscript addresses several arguments which are as follows:

- Which are the various leadership styles and skills?
- Why are we still evaluating, analyzing and arguing about leadership?
- How do leaders make an organization achieve market success?

- Whether leaders are born or they are made?
- How do leaders make a better society?
- How do leadership and management differ?

Hence the manuscript attempts to dispel some leadership myths and offer some advice to leaders about how to perform more effectively in their roles to achieve market success.

Rahul Dhiman

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This book has been far too long in the making. To be honest, I came across many ups and downs on both my personal and professional fronts when this volume was in the making; maybe I witnessed more downs than ups. There was a time when I thought of dropping this project even after signing the book contract. But the commitment made to one of the co-authors kept motivating me to move forward and complete this volume. In the course, I have accumulated many debts and obligations which are too numerous to list and that I can never adequately repay. In completing this volume, I received support from many people.

First, I would like to offer my special thanks and express my heartfelt gratitude to my co-author Ila Sharma for believing, displaying abundant energy, offering valuable insights and making me learn many things during this journey. Second, my thanks are also due to another co-author, Mr. Vimal Srivastava, for his support and guidance.

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Rahul Dhiman

1 What is leadership and market success?

1.1 Background

In the long run, an organization's capacity to achieve its goals is critical to its existence. An organization needs a leader for long-term survival. A leader is someone who determines the direction and follows it. The company always looks for employees who can lead. People are fascinated by the concept of leadership these days, and they want to enquire more about how to become good leaders. This is the premise of the current chapter. This chapter delves into the topic of leadership and discusses its characteristics. The impact of leadership on organizational performance and restructuring is discussed in the next section of the chapter. This chapter focuses on attributes of leadership and their efficacy in influencing and persuading hired personnel. Finally, this chapter offers some generic organization strategic ideas to help leaders overcome the issues they encounter.

Global communication became easier with the emergence and advancement of the internet. Further, it provided huge and continuous growth to the economic environment. A large transformation can be seen in the business which has caused a competitive war in the market (Atwater*et al*., 2021). This competition increases its range and intensity every year. It was understandable for all the business persons that employing new strategies has become one of the most mandatory parts so that the organization adapts to current and modern business trends (Korzynski *et al*., 2021). One of the other most important targets is to keep up with the rapid change in the market. Therefore, the role of leadership comes into play. To sustain and grow in the business, it is important to have effective leadership. Without effective leadership, it is not possible to attain all the targets of an organization (Rice and Reed, 2021; Denis*et al*., 2012; Rickkets, 2005). Leaders take charge and control the organization's operations. Leaders are also capable of setting attainable objectives and goals, and under their guidance, all employees work to achieve the set targets (Hunt, 2004). Apart from this, good leaders use effective strategies and motivate employees by initiating and following a positive culture in the organization (Daas, 2022).A leader also takes care of the benefits of their

employees along with many other factors (Fernandez and Shaw, 2020). Most leaders have a motive and a high level of commitment for a better tomorrow and also show genuine concern to improve the future through the development of knowledge (Alvesson, 2020).

It is also the responsibility of a leader to effectively use their talents and knowledge to move forward the business (Rice and Reed, 2021). A leader also strives hard to reduce the feeling of insecurities in the employees due to uncertainties, if any (Qin *et al.*, 2020). The success of any organization is caused due to the influential power of a leader (Daniëls *et al.*, 2019). The company can reach better heights with a leader who provides the right direction to the organization and who also motivates the employees.

The ability of a person to influence people by changing their perspectives, beliefs and attitudes is the power of leadership (Ospina *et al.*, 2020). For employees in an organization, a person with solid leadership quality becomes a good example of a role model. Employees will admire and trust the leader if the leader is capable of effectively achieving some great outputs (Rudolph *et al.*, 2020). It will also change the values, beliefs and behaviour of the employees towards their leader (Khan *et al.*, 2016).

Providing clear direction is the main characteristic of a leader. The other characteristic of a leader is to keep their employees committed to their work so that the objectives of the organization can be achieved (Mkheimer, 2018). It is also noticed that good leaders have a clear and bright vision for the organization, and for that reason, problems can be easily identified which are lying between the employees and aims (Guzmán *et al.*, 2020). As a result, important reforms can be done effectively and efficiently in the organization which will help the company make contemporary changes in the business world.

1.2 What is leadership?

Defining the concept of leadership definitely is not easy as we could not find one agreed definition in the literature. Various scholars have studied leadership and the majority of them specify leadership in different ways (Cortellazzo *et al.,* 2019; Rudolph *et al.*, 2020; McCauley *et al.*, 2021). We could understand leadership as 'a process of influencing in which an individual exerts intentional influence over others to structure activities and relationships in a group or organization' (Yukl, 2002). Such activities can be seen in Figure 1.1. Another definition of leadership is the behaviour of an individual when he is directing the activities of a group with a focus on a shared goal (Alheet, 2021).

In every organization, leadership plays a key role. However, without a leader, there is no existence of any organization. The aims and objectives of any organization depend mainly upon the people who are employed there to achieve the goals of the organization. Various researchers have defined leadership over the years (Rudolph *et al.*, 2020; Daniëls*et al.*, 2019;

Figure 1.1 Characteristics of leadership. Source: The authors

Denis *et al*., 2012; Hunt, 2004). In the early 1960s, leadership was defined as individual actions that affect others in a common direction. During this period, most leadership styles dealt with intra-organizational relations between subordinates and superiors, e.g., employee-oriented or job-oriented leadership, boss- or subordinate-centred leadership (Arici and King, 2021; Leithwood *et al*., 2020).

Effective leadership is important for efficient administration which can motivate the people in a way that they can focus on achieving the goals of the company (Mcdermott, 1995).Individual conduct is significantly influenced by the actions and traits of leaders (Mansoor, 2021). However, it is important in any organization to make workers encouraged so that they can work with enthusiasm and confidence. In any organization, leadership plays a very important role, so it becomes important to look at different views and suggestions provided by various researchers on leaders and leadership.

Innovations, as well as initiatives, are the important parameters of 'leadership'. Some of the qualities of leadership are adaptive, creative and responsiveness (Lemoine *et al*., 2019). Leadership never looks at the bottom line, but it looks at the horizon. The main aim of leadership is to motivate the employees to achieve the goals of the organization (Mcdermott *et al*.,1995).

Organized efforts are exhibited through leadership in guiding people in their activities and work. Leadership is considered the 'essential indispensable social essence'. The personal qualities of an individual are the basis of leadership, which are used for influencing and motivating people to work

happily by following all the rules and principles of that organization (Seidel *et al.*, 2019).

The ability to inspire people and to motivate them to perform their work and institutional duties is defined as leadership (Hartley, 2018). The directions and ways are always shown by leadership. Motivating others to perform several organized duties is the main objective of leadership so that employees can work freely towards achieving the objectives of the organization.

1.2.1 Strategic leadership

It is also vital to understand about strategic leadership. Various authors have attempted to define strategic leadership over the years (Samimi *et al.*, 2020; Hambrick and Wowak, 2021; Jaleha and Machuk, 2018). Strategic leadership is defined as the leader's ability to anticipate, envision, maintain flexibility, and empower others to create strategic change as necessary (Golensky *et al.*, 2020; Leithwood *et al.*, 2020; Seidel *et al.*, 2019). A strategic leader performs various tasks such as networking with external stakeholders, performing human resource and financial management related activities, motivating and influencing, managing information, overseeing operations and administration, managing social and ethical issues, and managing conflicting demands (Samimi*et al.*, 2020).

There are various facets of strategic leadership which encompass managing through others and work and can be seen in Figure 1.2. The capabilities for incorporation are demanded through strategic leadership which includes both the internal and the external business environment of the organization. Critical information procedures are managed and encompassed through strategic leadership (Mehta, 2016). Strategic leadership is determined through

Figure 1.2 Strategic leadership. Source: The authors

several recognizable actions which can provide effective strategy enactment and are presented as follows:

- Strategic direction should be determined
- Balanced organizational controls need to be established
- Effective management of the resource portfolio of the organization should be followed
- The organizational culture should be supported effectively
- Ethical practices involved in organizational controls must be highlighted

A set of behaviour which is enforced by the people is known as leadership (Eva *et al.*, 2019), this frames the goals of the organization and after that motivates and influences people to contribute towards the organizational goals. In decision-making, leaders play an important role in the success and effectiveness of an organization. To guide their subordinates, leaders must be supportive (Hao and Yazdanifard, 2015). A leader must treat every person equally in an organization without any discrimination. A leader should appreciate the appreciable work of a person. Within the organization, it is the responsibility of a leader to make a healthy atmosphere, both horizontally and vertically (Cheong *et al.*, 2019). It is the responsibility of the leader to ensure that every member of the organization participate in the strategic management process as it is related to the overall performance of that organization (Seidel *et al.*, 2019). For achieving the goals of the organization, it becomes the responsibility of a leader. The objectives set by the leader must be part of strategic goals of the organization. So to attain all the objectives, the leader should be honest and loyal to the organization. A clear mental approach and vision are needed in a leader for working on the capabilities of an organization.

The strategies are the basis for the complete performance of an organization. The strategy is assimilated with the leadership to enhance the capabilities of an organization. Flexible strategies must be adopted by the leaders in today's changing business environment to make sure the organization's responsiveness towards the change. The complete decision-making process is influenced by leadership, and in the field of 'strategic management process', decision-making is the core. From conceptual framework to strategic formulation, the whole procedure is facilitated through it and is continued till the evaluation (Fernandez *et al.*, 2020; Lemoine *et al.*, 2019). The dependency on 'strategy implementation' is based on 'efficient decision making' (Mohammed *et al.*, 2018). In an organization, leadership mainly affects the three main areas: vision, strategy and values. The culture of any organization is created by these three components. A leader should clearly show the vision of the organization to the whole members of an organization. It is the responsibility of the leader that everyone should know where they want to see themselves in future. For everyone's understanding, a leader should keep the vision clear and simple. In an organization, vision is considered the hub, and in relation

to the 'strategic management process', vision is the heart (Aibieyi, 2015). For achieving the vision, '"leadership' is the basis for the development of strategies. The meaning of strategy formulation is to provide a road map and this should be kept in mind that these roads should be clear as well as focused (Hartley, 2018).

The main concern of a leader is to ensure that the strategy is related to the vision. A leader should create the learning culture in an organization by giving a clear set of values (Schuetz, 2016). The behaviour of any organization must be demonstrated by the values and must keep the organization in the right direction. These values should be reflected by the strategies and vision of the company. It becomes easy for the leader to formulate and implement the strategies after understanding the values. Ensuring that people are together is the most important thing that a leader must take care of using 'strategic management' procedures. For ensuring responsiveness, it becomes important to involve everyone to lead towards the change (Sulimanya, 2017).

For the formulation and implementation of strategies, leadership is very important. Strategy formulation is of no use if it cannot be implemented properly. There are five stages involved in the whole procedure of strategy formulation and implementation, and leadership is considered the key element. Firstly, it is the responsibility of a leader to create a vision which must be integrated with the organization's values, easy to understand and supportive as well. Values tell us about the past and vision tells us about the future. A leader needs to make strategic differentiation between the vision and mission. Secondly, for defining long-term goals and objectives, leaders are again responsible for that. Thirdly, for achieving those goals and objectives, leaders are responsible for formulating the strategies according to their suitability (Cheong *et al.*, 2019). Fourthly, leaders must implement the strategies. Once, the researcher Sophocles stated that 'what you cannot enforce, do not command', which means that it is important to implement the strategies because strategies will be of no use if they cannot be implemented properly (Ibrahim and Daniel, 2019). For the proper implementation of strategies, leaders need to develop proper implementation capabilities as well as a culture for change. As the environment is dynamic, it is the responsibility of a leader to consider all the strategies temporary. So, for the 'strategic management process' leader must continuously focus on the improvements and changes. Effective leadership begins with the ultimate ability to believe in oneself. It incorporates maturity, principle and proficiency that transform into determination and direction (Golensky *et al.*, 2020).

1.2.2 Why leadership is required?

In the above sections, we focused on the various definitions and traits of a leader. We also need to understand why leadership is important. This is the main purpose of this section. It is a good fact that leaders play a vital role in the success of an organization (Ospina *et al.*, 2020). Many organizations also

operate without any goal and proper purpose. Such organizations without any relevant mission cannot sustain for long (Hartley, 2018). It is like a ship in the ocean without any proper direction and moving along with the tide and wind (Somuno, 2014). When the wind and tide move seamlessly with a proper course, navigation and conjunction successfully reach their destination. The movement of the ship depends on the proper and effective guidance to complete the journey; along with this they assemble and execute the work effectively with crew members. A leader also checks the environmental conditions thoroughly, and they plan effectively to navigate the routes of a ship (Rice and Reed, 2021; Denis*et al.*, 2012; Rickkets, 2005).

Many researchers over the past have talked on why leadership is required and have highlighted that leadership is required for timely decision-making, for managing various behavioural complexities, for planning for longer horizons (DeChurch *et al.*, 2010), and for framing and implementing the strategies (Somuno, 2014), and that a leader must have the capability to get used to leadership styles (Vera and Crossan, 2004).

Therefore, it can be concluded that an organization cannot sustain in the environment for longer run in the absence of leadership qualities. A leader not only leads but he/she makes sure that all the team members work together to achieve a common objective i.e. organizational success.

1.3 Leadership: born to it or nurtured?

> *Hard work and proper effort are important for all of us to achieve the desired goal and leaders are not born but made with their hard effort.*
> *–Vince Lombardi.*

What should be done by an individual to achieve the leadership role? Which are times you have heard that leaders are born naturally? It's assumed sometimes that the leaders on the earth have a natural capacity to lead and others don't have that potential to lead anything.

We believe that that ability of an individual needs to be nourished regularly to be a leader. Hence we can say that the leaders are not born but they are made. It doesn't mean that leaders are the persons who work effectively only in a room, but they are the persons who work smartly and make their own decision to organize work, which is the actual definition of leadership quality (Arevalo, 2018; Avolio, 2005; Johnson *et al.*, 1998). It is not important to note how people acquire leadership quality but how he or she utilizes their quality to create a difference. It is an important point to discuss whether leaders are born or made. What is being given is not important but what you do with that matters. Leadership quality cannot be taught; it is developed with self-confidence. Successful leaders work hard to attain the perspective, effective knowledge and valuable experience that other persons want to follow (Fernandez and Shaw, 2020).

It is the vital role of an organization to identify the leadership competencies of an employee and accordingly develop the staff. The selection should be based on the born leadership quality rather than on developing the leadership quality (Mironescu, 2013). Individual leadership quality should be developed through individual experience and learning potential. Now a question arises whether any organization invests in selecting persons who are born leaders or in developing leaders. Management recruits and invests in individuals' talent based on their natural leadership quality. The research has specifically demonstrated that extroverts have stronger leadership ability than introverts, which could be an in-born feature (Arevalo, 2018; Somuno, 2014). The evidence claims that a social person will emerge as a leader, and further it's believed that social skills can be learnt safely. Extraversion would tend to be just an in-born leadership attribute if one often practises and improves strong 'soft skills' such as communication.

However, recognizing the growth of leadership is a dynamic affair. This is because a variety of diverse perspectives is related to that development. Sometimes, it looks the same as the two individuals may have the same experience, yet they are dissimilar in leadership efficiency or output. Some individuals are happy with their slow-going life and the rest make a difference by crafting their impact on the world (Hester, 2013).

One of the leadership books written by John Gardner in the year 1990 states that leadership quality is often learned. To be a good leader is not a miraculous task. Some other chapters of the book state how leadership quality and skills can be nurtured and developed by individuals with the help of proper experience, education and training.

1.4 Attributes of leadership

A specific set of competencies (Figure 1.3) is needed by leaders for influencing their followers and for achieving their vision. A vision is converted into reality through leadership. For motivating employees, these competencies or attributes can be considered as the inner tools and processes influencing the organization to focus on the goal (Russell *et al.*, 2002). Knowledge as well as skills is needed to become not only a boss but also a leader. Leadership mainly needs:

- Character: interest, honesty, self-renewal
- Analysis: strength, observing judgement
- Accomplishment: presentation, confidence, team building
- Interaction: cooperating, stirring, serving others

Leadership competencies include:

- **Leadership abilities**: The leaders hold qualities that make people proud. Such qualities or abilities include being ethical, timely decision-making,

Figure 1.3 Leadership competencies. Source: The authors

motivating employees, uniting the team etc. All such abilities provide a feeling of confidence. When the going gets tough, a leader can unite the team and build morale (Russell *et al*., 2002).

- **Visioning**: A leader is objective in the approach and enhances productivity especially in the areas that have scope for improvement. A leader makes and designs the goal that clearly shows the vision towards the set goal.
- **Team building**: The leaders unite every person as a team for a single goal and work as a team effectively rather than just working individually.
- **Conflict resolution**: The leaders always try to solve problems without their ego. They handle every situation effectively and in case of any conflicts or disagreements, they face every problem. A good leader always handles hard the issues and talks softly with the people. They always support other leaders and find alternative solutions to unwanted disputes.
- **Accurate assessment**: The leaders always come in front and lead the situation as per demand and make proper work on time. A leader is able to quickly assess the situation and takes proactive decisions.
- **Training/Coaching**: For leaders, every mistake is a learning opportunity and they provide coaching, career development programmes and performance feedback to varied people for organizational success and for raising individual quality.

- **Commitment towards employee involvement**: The leaders involve other employees in the process of planning and decision-making. They give a complete right to the employees to work effectively and complete the given work in time.

From the above discussion, it is clear that a good leader sometimes imposes their thoughts on their employees but in a non-aggressive manner. Modern politicians, however, ought to spend a lot of time persuading and manipulating others as well. There is no such magic approach to influencing others and the only thing to be done is to create assertiveness, communication, interpersonal and presentation skills. The leaders are good at adjusting and adapting their style, be it one or many, to meet the needs of the audience or the situation.

As described above, some managers over-rely on exerting their influence by threatening and exploitation also. This may be effective in doing things, but it's not affecting. It pressures people, sometimes against their will, to do what they want. One won't succeed in gaining genuine approval for what one wants to do by coercing others. Indeed, if you compel someone to do things without taking into account their point of view, then you destroy the relationship and have the result of poor productivity. You may also get so used to your style, way of life, or habit that you don't care about how others receive it (Kolzow, 2014).

Now, let us understand what could be the possible benefits of leadership. Leaders unite the people and create such a type of environment where everyone involves himself/herself to work for the company's objectives. This type of teamwork creates an environment which facilitates organizational teamwork.

The principle of leadership relies on the following aspects:

- People will realize and be inspired by the aims and goals of the organization.
- Activities are measured, aligned and executed in a linear direction.
- The miscommunication level between companies is reduced.
- There is a strong view of the future of the organization.
- Challenging targets and goals are set up.
- At all levels of the organization, common beliefs, justice and ethical role models are set up.
- Trust is created and fear is removed.
- The requisite tools, preparation and freedom to act with duty and transparency are given to people.
- Individuals are driven and supported and their contributions are known.

1.5 Leadership effectiveness

The term 'leadership effectiveness' means the potential of leaders to influence and mobilize their followers. It is important to show work potential towards

the goals aimed by a company and fulfilled by team-mates. Along with this effective leader is the one who judges the person and uses them positively for the challenging tasks to reach the company's objective (Khan *et al.*, 2016). Various studies have revealed that problem-solving skills are crucial to leadership effectiveness (Mumford *et al.,* 2000; Puccio *et al.,* 2020). It then seems that good leaders are those who illustrate interpersonal skills that help them to form strong relations with many people.

The effectiveness of a leader is measured in many ways at varying levels. The primary two measurement types of leadership as (1) group performance and (2) perceptions of an individual. The perception of every person is divided between (1) perceived effectiveness (as a leader) and (2) emergence of leaders (that are perceived to be future leaders and are nourished regularly, for example, co-workers). The performance done by the group includes (1) process followed by group people (gaining results with respect to motivation for a team member, team dynamics and behaviour levels) and (2) achievements by group persons in terms of financial outcomes and productivity. In comparison with the self-reported opinions of leaders, the efficiency of leaders exhibits a stronger alignment with the views of subordinates on leadership behaviour (Mkheimer, 2018). It was also noted that subordinates' ratings may provide an improved representation of the suitability of leadership behaviours.

Leadership success has been related to the intellect of leaders and is correlated with the own awareness of leaders and can be predicted by the leader (especially where subordinates are subject to role ambiguity). The level of exchange relations between leaders and each of their subordinates is also impacted and is positively connected to corporate cultures that promote satisfaction among employees. Perceptions of leadership success align with transactional and transformative, as well as inspiring and responsible leadership in terms of leadership types (Patterson, 2016).

1.6 Organizational perspective of leadership

In the above sections, we attempted to provide an understanding on leadership, its traits and how to achieve leadership effectiveness. It is also pertinent to understand the notion of organizational leadership since a leader has to perform in an organization. Therefore, considering the importance of leadership with respect to an organization it becomes vital to understand organizational perspective of leadership (see Figure 1.5). Therefore, we present organizational leadership and organizational performance, generic strategies for organizational growth and challenges of leadership towards organizational growth in the following sub-sections.

1.6.1 Leadership in an organization

For the accomplishment of goals, leading is a procedure which includes the direction of activities to be performed (Fernandez and Shaw, 2020; Skoogh,
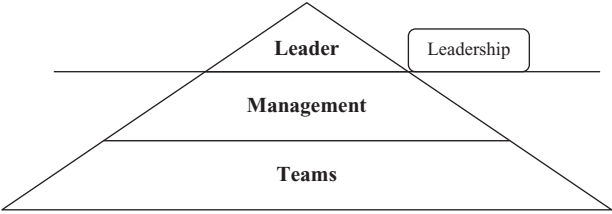
Figure 1.4 Traditional organizational structure. Source: The authors

Figure 1.5 Organizational leadership. Source: The authors

2014). Therefore, leadership is premised on interpersonal relationships as shown in Figure 1.4. So, it is important for a group that the leader must belong to the same group. It implies that leadership blooms in an organization. Organizations have two choices to deal with challenges related to leadership: (a) adapt to fast changes by supporting innovative work behaviour among their staff and (b) get out of the competition and exit the market in which they operate (Alheet, 2021).

In any organization, a minimum of two people exist intending to complete set goals. The important elements in every organization that must interrelate effectively include the aims and objectives of leadership which must be achieved. The important elements are people, time, management and task. Leadership is the management function in any organization (Bass *et al.*, 2003). This function is meant to influence subordinates for the fulfilment of goals through effective coordination between money, material and

men. In an organization, management works as a leader which determines the rules, processes and policies used to guide activities and relationships (Skoogh, 2014). The environment is created for the formation of a group when two or more people interact in an organization. An organization develops when people associate for the same purpose for a sufficient time (Sharma and Jain, 2013).

Assurance of consistency, coordination among team members and showing direction are the roles of a leader in any organization (Griffith*et al.*, 2019). It also reflects the performance of subordinates in particular tasks. Therefore, leaders decide the pattern of work behaviour in an organization through their power. He also decides the ethics of his subordinates and their task operations. For the excellence of a corporate and for the performance of an employee, leadership plays a significant role. A huge amount of money is spent by the organization for effective leadership training so that people can learn effective leadership behaviour (Arendt *et al.*, 2016). Organizations are constantly searching for effective leadership qualities because there is still relative scarcity.

Vision is provided especially by the leaders in an organization as he plans and thinks strategically to perform the operational activities. Based on the requirement of the situation, a leader tries to fit the organization. Energy is provided by the leaders for boosting the morale of team members. A leader also establishes a relationship with all other stakeholders. However, in an organization, it ensures learning and teaching. For performing the organizational tasks effectively, leadership is greatly responsible for directing the subordinates. Strategic leadership is a technique which makes the organization more successful through several strategies (Plecas, Squires and Garis, 2018). In an organization, it becomes the responsibility of a leader to inspire and motivate the people to work together so that the vision of an organization can become a reality.

The general tasks are performed by the efficient leaders in an organization in the strategy-making and execution process. The leaders perform several tasks as they develop a vision and mission for the organization. They set objectives and goals, work on the planned strategies and execute them and at last evaluate the performance of team members. The novel requirements are attaining objectives, showing the direction to the organization for growth and becoming competitive. There are several challenges also in the roles of leadership and they can be differentiated based on organizational performance.

The capability for motivating others and guiding others for a long time is the other challenge faced by leadership. One of the researchers stated that management is doing things right; leadership is doing the right things (Drucker, 2009). Here the word 'right' is a management term which means interaction with other people. Leadership is not only the individual's directing, but it is the effort of entire business which is fostered by listening, collecting various suggestions and opinions and also considering the effective strategies with a clear vision.

In an organized and well-managed group, leadership is the process of influencing the activities to achieve the goal. It is also a method which provides meaningful direction for efforts as well as achieving the objectives. However, there are numerous definitions of leadership; it mainly focuses on the goal to achieve the intended vision. The abilities and actions of a person determine the success of a leader. For achieving the organizational objective, effective leadership is needed in society as well as in the organization. It should be noted that leadership needs to be constantly developed and should be able to effectively foster commitment in an organization.

1.6.2 Organizational leadership

Organizational leadership is not considered the magic that one can have and the other not. Organizational leadership is also not about what the boss has ordered (Hirschi and Jones, 2009). However, organizational leadership is the capability of management to bring and save the profits of the company by keeping in mind the requirements of employees and targets of the company. The concept of organizational leadership also ensures that employees work together in a better working environment to achieve organizational goals. Organizational leaders must often make a decision whether to 'make or buy' human capital (Barney, 1991) when evaluating whether to recruit external candidates who already have the mandatory skills or to offer internal training for skills that employees lack (Bratton, 2020; Cappelli, 2008)

Nowadays, the role of leadership is becoming significant in the age of rapidly changing business trends. In any organization, strategic leadership is vital which helps in the prediction of the variations. These changes are needed to be done in advance so that workers and teams can understand and adopt these changes (Griffith*et al.*, 2019; Arendt *et al.*, 2016). Leaders are promoted to higher levels of management because they are competent in their core technical skills, which are a crucial step in defining high claims at senior corporate positions (Maheshwari, 2021). Action is taken not only for the organization's effectiveness but for the survival of the company. It gets clear from the Figure 1.3 that organizational leadership is comprised of a number of activities such as collaborative leadership, inspiring vision, community of donors, stewardship and performance, investment and culture of philanthropy.

The strategic role of a leader is needed for sustainability as well as organizational success, just like the business goals which cannot be achieved without the adoption of any strategic business process. From finding resources to their alignment, from motivation and inspiring the team to achieve goals, it is the result of leadership everywhere (Morrill, 2010). To achieve the goals, leadership is leading the team. Leadership will be considered zero if the leader and his team is not aware of where to go. Clear vision is a significant parameter for leaders to understand (Maxwell, 2012).

It is important to note that leadership is a multistage phenomenon. The members of the team might meet their leader once, but at the same time, he

might be busy meeting the needs of the external environment. Significantly, good followers are also important for becoming an effective leader. However, it is also true that there is no existence of a leader without his followers.

The situational perspective is extended here for understanding the leadership effectiveness which includes four sets of interrelated variables. A leader's behaviour and style are greatly affected by the traits and characteristics of a leader are an example of a strong link (Lemoine *et al.*, 2019; Mineo, 2014).

1. Leader characteristics and traits
2. Leader behaviour and style
3. Group member characteristics
4. The internal and external environment

Leader characteristics and traits refer to internal qualities of a leader which guide the leader in different situations to work effectively (Bratton, 2020). Problem-solving ability and self-confidence are examples.

Leader behaviour and style refer to the engagement of a leader in several activities which include the characteristic approach such as task-orientation behaviour as well as participative leadership (Mohammed *et al.*, 2018; Mironescu, 2013).

A group member characteristic refers to the attributes of the team or group members assisting the leader with outstanding performance through their intelligence, knowledge and high level of motivation (Hartley, 2018).

Internal and external environment refers to the consideration of forces or elements of the situation which might be in the control of the leader or might not (Ospina *et al.*, 2020).

1.6.3 Leadership and market success

In the above sections, we laid emphasis on the traits of a leader. It also needs to be understood that though there are numerous benefits associated with the leadership, the major output that a leader is able to deliver is market success. In this section, we make an attempt to establish a linkage between leadership and market success/organizational performance. However, detailed analyses of both these constructs have been comprehensively discussed in Chapter 8.

The responsibility of a leader is to direct the activities of people in the process of leadership so that pre-determined goals can be achieved. Leadership is considered a significant management function. In every country's history, the effect of effective leadership is intensely demonstrated again and again. Effective leadership is important for any organization to sustain (Skoogh, 2014).

In any organization, the role of a leader is to differentiate the less important goals, to make appropriate strategies and show direction and inspiration to the team for achieving the goal. It becomes important for the leader to recognize the value system which might work in different situations or different

work groups. It is important for a leader to listen to the questions as well as answer them.

Now let us try to understand what market success is? Market means a group of firms producing market offerings to a group of buyers. Now the concern is what could be the indicators of market success? Literature reveals five major indicators:(a) a greater sensitivity to differences in consumers' needs, wants, tastes, and preferences, (b) superior quality goods and services, (c) better innovativeness, (d) higher productivity and(e) greater economic development (Hu *et al.*, 2022; Zahoor *et al.*, 2021; Hunt and Arnett, 2006). A business is also being proactive once it engages in incessant process improvements, as in total quality management (TQM) programmes. When proactive and innovative actions effectively generate innovations that contribute significantly to efficiency, firms will be rewarded by marketplace positions of competitive advantage, which is an indicator of market success.

The relationship between leadership and market success has been analyzed in literature (For example: Bass *et al.,* 2003; Skoogh, 2014; Griffith*et al.*, 2019; Arendt *et al.*, 2016). All of them highlight a significant relationship between leadership and organizational success. Now the question comes, what a leader could do to ensure organizational success, which is discussed in the following sub-section.

For enhancing the market success of any organization, it is important for a leader to possess some qualities; some of the qualities are shown below.

Ability to be objective: Before making any decision, a leader must examine every situation. Without being biased, objectivity is the ability to see a problem impersonally or rationally.

Ability to be perceptive: It means observing the realities, discovering them and giving the ability to one's environment. A leader needs to know all the aims and objectives of the company so that they can be achieved.

Ability to establish proper priorities: It is an ability to decide what is important for the organization and what is not. It also includes knowing which of the given alternatives is correct and which is not.

Ability to establish human relations: The other name for human relations is 'interpersonal relationship'. A leader needs to keep a good superior-subordinate relationship. A leader will get healthy respect from his subordinates if he develops better human relations and understandings. 'Human relations theory' states that works and jobs should be designed with the assurance that it gives a meaningful sense of opportunity and responsibility.

Ability to implement crisis management: Issues as well as differences among the employees must be settled by the leader, especially those issues which impair the output of the employees.

Ability to implement effective decision-making: The strategic planning of a manager mainly depends upon effective decision-making. In a 'contemporary management', effective decision-making is needed which involves the collection of information, defensive avoidance, utilization of alternatives and systematic comparison so that the most effective cost can be chosen (Abbas, 2010).

1.6.4 Generic strategies for market success

Development plans typically provide the means and ways to achieve substantial improvements in output targets such as exceeding revenue, growing market share and profit. (Ansell, 2021). To meet these targets in time, a leader will come across many issues. To overcome such problems, a leader needs to frame and execute strategies. There are essentially two broad categories of strategies for development. The three categories within these two large classifications are discussed as follows below.

Intensive growth strategies: This is one of the internal techniques to widen the consumer reach of the same organization's goods. By the following media, this can be achieved:

- Penetration of market: It is used when introducing the same products are taken to new markets or when new products are being introduced to a new market. This includes entering into markets that have historically been under the dominance of other rivals. The people penetrate to attract the customer's loyalty by lowering the cost of their product to other retailers.
- Development of product: This means the changes and addition of variants within the same product to raise the market potential.
- Development of market: This means the creation of a market for a product which is not being supplied to any particular area.

Integrative growth strategies: This is the most important external growth strategy opted by an organization to grow the business operation by doing the same thing as done by others (Schuetz, 2016). It includes three variants:

- Backward integration: It is the way by which an organization does what the other supplier is doing. An important example is when a bakery firm decides to invest in flour manufacturing.
- Forward integration: It happens when an organization takes over the distributor activities. This can be achieved by obtaining firms to form a parallel channel distribution or distribute its channel.
- Horizontal integration: It shows the firm togetherness or acquisition of its major competitors. An important example of this integration is a merger between UBA Plc and Standard Trust Bank.

Diversification growth strategies: This means entering different product lines altogether or a new product manufacturing (Sulimanya, 2017). Various types are as follows:

- Concentric diversification: An example of this is if a bank diversifies into a mortgage or an insurance firm. Though a new service line from banking they belong to the same industry and make use of the same expertise.

- Horizontal diversification: This happens when an organization branches out into an entirely different technologically based product line but meets a complementary need of the same target market. For example, a restaurant may add a bar to its service line.
- Conglomerate diversification: This is a diversification that requires a marked departure from the present market, product line and technology of the company. An example is when a bank branches out into motor car manufacturing.

1.6.5 Challenges of leadership towards market success

Every organization and every individual wants to succeed. This includes many challenges which are to be faced by leaders, and leadership means facing many challenges and difficulties to grow. Some of these challenges are listed below.

Challenge of managing competition: Naturally, corporate organizations relate with others as they carry out their task in an industrial world. To keep the market's focus, each player is locked in competition with the others (Mehta, 2016). To be competitive in the market, an organization has to be innovative.

Challenge of managing change and uncertainty: By default, human beings work well in a climate of certainty and stability. At times, there can be uncertainty in terms of changing demand and supply chain. So this change has to be managed efficiently. Therefore, the role of a leader becomes more important to manage this kind of change and uncertainty.

The challenge of innovation: Many industries across the world face competition with advancement in IT and its globalization. Leadership always has the challenge of designing and developing new goods to thrive in the market. In the face of rising consumer demands and a world dominated by high technology, a lack of innovativeness and technologies would not be enough to sustain. This challenge entails a large amount of money put aside for activities in research and development (Hao and Yazdanifard, 2015).

Challenge of maintaining industrial harmony among organization members: In a multinational company, employees of varied cultures, views and inclinations take part in the working environment. Because of differences in views, there can be chances of conflicts. Therefore, the role of a leader becomes more important to ensure industrial harmony among a diverse group of employees. That is why, the bigger the company, the more industrial and integrative partnership skills are needed for leadership (Mohammed *et al.*, 2018).

The challenge of building capacity for growth: Development comes with specifications in different areas for expanded capacity. When companies expand from small to large organizations, varied skills and experience are required. Capital requirements are now expanding massively. If an organization has to grow, then expansion and diversification decisions have to be

timely taken. Therefore, a leader has to be proactive and must take timely decisions to build capacity for the growth of an organization.

The challenge of meeting the demand of the various stakeholders: An organization cannot run on its own. There are always many people involved in the success of an organization. All such people have to be well addressed as they contribute to success. Such a group of people who always influence an organization are called stakeholders. In one way or the other, all these stakeholders make statements about the company (Aibieyi, 2015). Governments are calling for more tax revenue, society is asking for more social responsibility, and employees and shareholders are asking for wages and dividends to increase. This can lead to many conflicts among the shareholders. So the role of the leader increases manifolds to ensure that such conflicts are managed and should not remain unaddressed.

1.7 Conclusion

In this chapter, we attempted to synthesize various definitions and characteristics of a leader. We studied a variety of papers published in good journals (Fernandez and Shaw, 2020; Ospina *et al*., 2020; Guzmán *et al*., 2020; Leithwood *et al*., 2020; Lemoine *et al*., 2019; Seidel *et al*., 2019; Eva *et al*., 2019; Cheong *et al*., 2019; Hartley, 2018). The discussion in this chapter reveals that strong leaders understand the power of spoken words and phrases, as well as their impact on society's emotions and minds. As a result, effective leaders usually employ optimistic language while dealing with their team members. Leadership styles are influenced by time, place, need and circumstances. The tools and expertise required for these two professions overlap and are generally inseparable nowadays, as the function of a leader is always developing. Leaders and managers establish order, establish shared goals, stimulate activity and empower followers. Effective leaders must be able to manage as well as lead. Life has become more complicated, and there is a clear need for smarter decisions, as well as acceptance and implementation of those decisions. We finally conclude that if leadership is proactive then market success can be achieved in terms of increased revenues, profits and better stakeholder satisfaction.

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2 The laws of leadership

2.1 Background

Many uncertainties and complexities characterize today's business environment. This is attributable to the increasing trans-nationalization of industry, advances in science and technology and large-scale shifts in societal values. To deal with such uncertainty, every organization needs someone who possesses specific leadership qualities. Those features and attributes are already described in the previous chapter. It is not enough to have a title to be considered a leader. Uncertainties present issues that require a good solution as well as a strong leader. As a result, new laws have been enacted. These laws will assist leaders in guiding their organizations through challenges and hurdles to achieve success. As a result, this chapter contains eight important leadership laws.

In the previous chapter, the aspects and importance of leadership were explained and detailed. The previous chapter also comprised the strategies for being a good leader along with their benefits. But to achieve anything, there must be some laws behind it, which are detailed in this chapter. Even after becoming great leaders, they have both strong and weak points (Mineo, 2014). They need to understand their qualities and, most importantly, the improvements they need. It is very much required that a leader understand what kind of improvements he/she needs to become a greater leader. Empowering leadership is a term that refers to a leader's action and is related to the concept of empowerment (Collinson, 2018). The latter is described as the formation of a favourable atmosphere that increases organizational members' self-efficacy (Hassi, 2019). Without focusing on new types and methods of learning, it will be impossible to continue being a great leader. Every day a leader will face new types of challenges which will demand a new solution approach. Therefore, this section comprises the laws of leadership. There are eight important laws for leadership which must be followed for being a good leader.

2.2 The law of dreams

When a leader possesses a dream, it will bring that leader close to him and allow him to know himself better and explore new options (Nanjiani, 2022).

This will lead the leader in following radical approaches. When a leader is capable of understanding his dreams, it enables him to get connected with the majority of the people. Successful leaders recognize that they are accountable for their professional development, and they are proactive in their pursuit of new ideas (Gurr and Drysdale, 2020). One of the best examples of such a leader is Mahatma Gandhi, who just wore a single type of cloth and who, with the help of his words and his practice of non-violence, made millions of people follow him. Another example of such a great leader is Subhash Chandra Bose. With his great skills, beliefs and dreams, he made a huge army of 'Azad Hind Fauz' and fought for the independence of India with his millions of followers. All these leaders and hundreds of others became great leaders because of their radical approaches.

It is very important that boldness and confidence are reflected in the dreams of the leaders, and an act of responsibility must be exhibited in their actions. A leader should also be capable of managing the power and influencing the followers. When an individual dreams about being a leader, he exhibits his abilities for asserting new ideas and also guides the followers. The dream of being a leader motivates one to take appropriate and active actions and to play an important role in accordance with the demand of the situation (Collinson, 2018). The leader must control his behaviour.

Leadership is about making this world a better place and turning dreams into reality. Leadership entails putting the right people in the right places; it also entails serving as a role model for employees, encouraging them to forge new routes and assisting them in avoiding stumbling blocks, and ensuring contributions from all employees (Vazquez, 2020). A leader is not just a person who will guide but an idol who will make his followers' dreams his own and make his dreams as his followers' dreams. A leader will fight with his ideas and experience and will do everything to make the whole world a better place and will turn dreams into reality. If an individual cannot dream big then that individual has no quality of being a leader (Schortgen, 2018; Algahtani, 2014). Dreaming alone is not sufficient; it is the conversion of dreams into reality that should be the main aim of a leader (Ma and Christensen, 2019). It is correctly said that one who cannot dream, cannot accomplish it. The capability of dreaming and the motivation to accomplish make a leader different from other people. Another most important factor which a leader shows through the ability of dreaming is self-confidence. Dedicating everything to accomplishing dreams is one of the most needed qualities of a leader. A leader gives more priority to others than to himself. A leader ensures that duty must be kept ahead of all other things.

As John Lennon famously sang, 'Imagine', 'You may say I'm a dreamer, but I'm not the only one. I hope someday you'll join us. And the world will live as one'.

Much too often, as we grow older, our leadership journey becomes more about playing it safe, rather than living out those dreams (Eubanks *et al.*,

2011). This is a place where leadership becomes, at best, stagnant, and at worse, toxic and depressing. We believe that one of the keys to healthy and vibrant leadership is to return to a child-like wonder and faith and to dream again. As children, we had no limits. We coloured outside the lines, we dreamt of dangerous adventures, and we pretended to be superheroes. So, it is courage that makes an individual a great leader. Therefore, leaders must fight courageously to remain curious, adventurous, fearless and dreamfilled.

Leaders and dreams can be stated as one but both can be differentiated by a small difference in desire. A dreamer has a strong desire for accomplishing dreams, whereas a leader's desire enables him to take steps to achieve those dreams (Wilson, 2013). There are various examples of people who started from very small and became world-renowned leaders because of their actions. The founders of Snapdeal had a dream and started from a small single-room office and achieved becoming a million-dollar company. It is important to dream big and make enough struggles in the right direction to fulfil those dreams.

2.3 The law of rewards and recognition

A leader will get in communication with other people and will appreciate them and make them feel important. A leader will give recognition to the employees and will reward them for their efforts (Al Dari *et al*., 2018). Recognition is defined as the timely acknowledgement of every deserving person for the work done. Sometimes, an individual is not responsible for solely completing the given task but indirectly responsible for accomplishing it (Ndungu, 2017). In such conditions, an individual should be recognized and awarded for his participation and support. When an individual completes the whole task on his own, then there should be enough reward to value his/her dedication.

A proper and suitable work environment is created by a leader. In comparison with the control, the training programmes result in higher recognition and enhanced unit performance. (Scherbaum, 2022). Within this environment, every single individual should be appreciated. The work of a leader is to guide the team towards fulfilling the goal of the organization. In addition, employees must be treated with respect and honour for the accomplishment of the goals of the organization.

Any leader needs to keep rewards and recognition (R&R) on the top priority list (Al Dari *et al*., 2018). Mentioned below are the top eight steps of becoming a recognition champion (Salah, 2016):

1. The recognition culture must be advocated by a leader and an example must be set.
2. Both social and monetary recognition should be leveraged.
3. Platforms for both rewards and recognition must be implemented in the organization.

4. Birthdays, anniversaries, accomplishments, etc., should be celebrated.
5. Quarterly R&R company-wide meetings to spotlight top performers must be hosted.
6. The top performers of the company should be rewarded and praised on a regular basis to motivate them to continue their hard work in future.
7. The underperformers should also be motivated and guided. Insulting underperformers in front of everyone must be avoided.
8. Equal opportunities should be provided to everyone so that recognition after completing the work looks unbiased.

Recognition and reward have improved organizational value and have also enhanced team effort. Giving rewards also hikes consumer satisfaction levels and motivates specific behaviour within the staff members. For developing a very efficient programme of recognition, a leader must isolate it from programmes related to reward as these are two different factors (Roberts, 2006). This will be very helpful in ensuring the difference between recognition and reward. When a leader gives recognition to someone then it should be meaningful, or else the recognition will lose its meaning and importance (Mujiyanto *et al.*, 2020). Recognition can't be restricted to a few persons only; rather, every person has an equal right of getting recognized for their contributions. On the other hand, rewarding someone depends upon the profit, and reward comes along with recognition. When a person is rewarded then that person is recognized also. There must be a structured programme for both recognition and rewards.

Recognition is not costly as it means appreciation and introducing the work done by an employee to the whole company. However, the reward is costly, as it is generally in the form of money, object, facility, promotion, etc. Even though rewards are costly, they should be provided to employees because they deserve them. This will generate motivation within them, and they will make efforts in the future. The rewards will vary in accordance with the size of the business and organization but they should be within a limit as overburdening the business with rewards will bring down the profits which can damage future investments and work.

2.4 The law of credibility

Credibility is the quality of a leader being trustworthy. Every leader must be credible and followers must be able to have full belief in the leader (Hoggett *et al.*, 2019).A leader is capable and can be accessed through his competence and character which are the most significant aspects of every leader. Ethical leaders are trustworthy, credible and role models for their workforce. As a result, ethical leaders encourage and motivate people to adhere to the organization's principles and conventions (Qabool, 2021). When a leader is highly credible then he can be a great asset to the organization. This will generate a set of beliefs among the followers which will motivate them in accomplishing

their goals with confidence. An exceptional performance can be attained, and its positive impact can be seen in the form of work progress (Eva *et al.*, 2019). On the other hand, when the credibility of a leader is low then it can negatively impact the self-confidence of the followers. Leaders must keep their words and promises and think about the benefits to the followers which will make the followers follow their leader in every work without doubting the credibility.

A leader must give proper thought to his expectations, and similarly every employee must know about the needs of the leaders. A credible leader will bring a positive impact on the life of the followers and will boost their energy and motivation to complete the task. Nazari and Emami (2012) highlight that when employees show their belief in the leader, then a leader is more likely to:

- proudly tell that they are an important part of the company.
- have a strong sense of feeling about the team spirit.
- consider their value consistent with that of the company.
- have a feeling of attachment and commitment.

When employees perceive their manager to have low credibility, they are significantly more likely to (Mare *et al.*, 2014):

- give output only if carefully observed.
- be motivated mainly by money.
- say good about the company in public but criticize it in private.
- look for another job in case the company faces challenges.
- feel unsupported and unappreciated.

The first step to establishing leadership credibility is personal credibility. In general, personal credibility is defined in the context of respect, trust and belief which are of high importance to every manager. Based on personal credibility, employees will make judgements about the leaders and will provide their support in leading the team.

A leader must have good foresight. When the circumstances are unfavourable then it is hard to maintain good foresight. Usually, during unfavourable circumstances, a leader starts questioning his ability which proves to be a downfall of a leader. A sense of awareness must be there in a great leader to keep motivating his thoughts which will bring a degree of self-confidence and help in retaining and gaining good foresight.

Building leadership credibility is very important and a few important recommendations are mentioned below:

- The employees must be encouraged regularly and feedback from consumers must be taken to improve the performance of the employees.

- A leader must be loyal as well as honest with the team members.
- Upon making a mistake, a leader must come forward and accept the mistake by taking the blame.
- When the team makes a genuine effort, a leader must give credit to the team members.
- When any member of a team is in distress, then a leader must personally check for both personal and professional issues and should attempt to provide solutions and comfort.
- A leader must avoid focusing on the failures and mistakes of people. He must provide employees with support and guidance.
- A leader must always be ready with new and effective strategies to solve issues.
- A leader is responsible for providing everyone with equal opportunities; failure on this part will demotivate the team members.

Failures always offer a sense of wisdom. Failing well enhances leadership credibility; failing poorly destroys it.

'A life spent making mistakes is not only more honourable but more useful than a life spent doing nothing'. George Bernard Shaw

It is important to understand how to fail well and still maintain credibility. The following points will help the readers in this regard:

- A leader must avoid overreacting to failure as it can show the insecure and weak side of the leader.
- A leader must not keep pretending that there are no issues as it can make the team members feel that the leader is not in connection with the work.
- Taking responsibility and avoiding blaming others are among the most important aspects of a leader.
- Every individual has a limit and so do leaders. There is nothing wrong with accepting one's own limits and not trying to overstretch them. Rather, a leader must attempt to improve the limit through hard work and not show off.
- Accepting the defeat and saying 'try again next time' is good if not used too much. Prepare genuinely for next time and exhibit your strength whenever required.
- It is the responsibility of a leader to maintain positive vibes among the team members and show the way to achieve success.

2.5 The law of communication

When two individuals ought to know each other, they must communicate properly and frequently. Communication is the best way to know any person. For leadership, it is the most important skill which must be mastered by any leader to create and maintain a relationship with the team (Rajagukguk *et al.*, 2022). If a leader is bad at communicating, then he/she won't be able to assign the task, appreciate, motivate, criticize and understand the team members.

There must be proper communication between the leader and those who are led. Communication constitutes both written and oral skills and a leader must have complete command over them. Being a weak communicator will stop a leader from presenting ideas, and even after having great ideas in his mind, he won't be able to express them to the team members ((Bartrina *et al.*, 2015; Sherratt, 1991). Even body language is also a form of communication along with gestures and helps in establishing good communication.

Strong and firm interpersonal skills are required for every leader to gain leadership success. There are various aspects which are constituents of inter-personal skills such as the ability to create an interaction, dealing in both groups or individually, etc. A leader must be capable of establishing a posi-tive and meaningful relationship across all levels of team members, associ-ates, vendors, partners and consumers.

Analyzing the audience means knowing the audience and promising them something of their benefit. This will help in accomplishing the goals of the organization. For accomplishing this, proper communication must be devel-oped among all the stakeholders. Good communication creates credibility and bad communication creates disbelief (Waylen, 2017; Sherratt, 1991). The ability to communicate effectively is arguably the most important tool that a good leader can have in their leadership tool kit. I am not an expert on communications but feel strongly that the mastery of communications as a skill set must be a continuous endeavour and lifelong pursuit for every leader. None of us will ever be perfect communicators and there is always more to learn. We must understand the communications landscape and constantly work at improving communications skills through practice and repetition. Exposure to new communication mediums and venues is essential to facili-tate the development of each facet of the communication skill set. Constant review of strengths, weaknesses and past performance is necessary to refine your skills. Gaining a broader understanding of audiences can complement the preparation process (Arsovski and Nikezić, 2012).

To paraphrase an old TV pizza ad, 'better words mean better communica-tions'. Aspects intrinsic to the delivery and receipt of communications vary widely (Bartrina *et al.*, 2015). For today's leaders, it is not enough to sim-ply be understood; leaders must ensure they are not misunderstood. What a leader says must be heard, analyzed and interpreted correctly by the person receiving the communication. The key to the communications puzzle is the fact that neither the deliverer of the communication nor the receiver of the communication lives in each other's minds. Recognizing the disparity between the leader's frame of reference, experience and background and those of the receiver is imperative to good communication. Understanding and not mis-understanding, on the part of the receiver, are profoundly affected by these elements (Waylen, 2017).

'Words are important', said Isaac Oates, CEO of Just Works. 'It's through our words that we communicate our intentions. They are the main tools that we have for sharing our vision with our teams'.

2.6 The law of accountability

Accountable leaders will create a path for the team members on which they can walk with ease. Such accountable leaders hold themselves responsible for failing in achieving the goals of the organization. When followed appropriately, accountability helps in producing positivity among the team and attaining assessable outcomes for the organization (Baker, 2020). 'Being an accountable leader takes courage and honesty', says executive leadership expert Leo Flanagan, who teaches in the University of Notre Dame's online Leadership Challenges course (Melo, Martins, and Pereira, 2020).

Being accountable doesn't mean blaming people. It means 'leaders own what they need to do and what they need to get from other people to do'. Being an accountable leader can help you achieve results, according to the US Office of Personnel Management. The expected outcomes of practising constructive accountability include (Johnston, 2002):

- Improved performance
- Better employee participation
- Increase in feelings of competency
- More commitment to work from employees
- Increased innovation and creativity
- Satisfaction at workplace

A study by the Leadership Transformation Practice found that 72 per cent of employees believe leadership accountability is a critical issue in their business. So, accountability is important. Even more striking, just 31 per cent of those same respondents were satisfied with the degree of accountability demonstrated by their leaders. Leaders generally make these accountability errors (İnce, 2018):

- While your team is expected to show up at 7:30, your leaders show up at 10 and take a long lunch.
- Despite hiring the people who made the mistakes, leaders fail to ultimately hold themselves accountable for those mistakes.
- Employees are expected to go above and beyond in terms of training, working hours, and expectations of work, while leaders rest on their laurels.

Those leaders who are effective make sure that the actions and decisions are properly explained to the team members (Fiansi, 2022; Hall *et al.*, 2004). They also understand the value of listening to them. The plans, problems, procedures and expected outcomes are clearly explained. When any kind of misunderstanding occurs, effective leaders try to understand the reason and don't start blaming the team members (Baker, 2020; Thorne, 1995). Such leaders will find out the reason for the occurrence of misunderstanding and will eradicate that reason. In case of any negative outcome, an accountable

leader will step forward and take the blame and reward the team members for a positive outcome. An accountable leader needs to listen first and then make decisions. It will allow having a better understanding of the situation.

2.7 The law of motivation

All the members of a team have a distinguished level of self-confidence and motivation. However, a leader somehow manages to keep pace with everyone else. This shows how important it is for a leader to keep every member of the team motivated during all situations and conditions.

It is the responsibility of a great leader to keep motivating someone to change. They must understand that even a slight mishap can change the course of the work and can also impact the outcome of the work. Productivity and positivity are the main aspects of great leaders which can be seen in their actions.

There are three factors which in combination provide motivation. These factors are mentioned below:

- Equity or fairness – every employee wants to be treated fairly at the workplace
- Achievement – people at the workplace intend to do important, useful work and expect to be recognized for their efforts
- Camaraderie – people want to enjoy good relationships in the workplace

A motivational theory was provided by Abraham Maslow, a famous psychologist, which is a base for a leader in motivating employees. Within this theory, Abraham Maslow included the pyramid of requirements which divides the basic requirement of every human into five subcategories: self-actualization, self-esteem, social, safety and physiological. When a leader fulfils these needs of the team members, it helps them in getting motivated and receiving the best out of them. Needs such as water and food come under physiological needs. A proper routine with comfort and a home come under safety needs. Social needs are the desire for being in an expressive relationship both in personal and in professional life. The development of needs related to self-esteem is based on the sense of achievement and self-confidence. After attaining all these four needs, an individual will develop self-actualization, which creates a requirement of finding oneself. By helping the team members in attaining all these five basic needs, a leader can motivate them towards the work when they will show their complete efficiency.

A leader can motivate through the following ways:

  i. Leading by example
 ii. Asking a ton of questions to get to the truth and also trying to understand the answers
iii. Holding the team accountable for all the success

iv. Taking responsibility for failure
 v. Rewarding integrity
vi. Encouraging personal and professional growth
vii. Instilling hope and removing fear
viii. Supporting new ideas
ix. Creating healthy competition
 x. Being specific with feedback
xi. Challenging the employees
xii. Rewarding with more than money
xiii. Communicating efficiently and effectively
xiv. Showing genuine concern

2.8 The law of problem-solving

Leaders who have the desire to solve problems must have the ability to analyze, diagnose and deal with the problems with effectiveness. A problem can be wicked and non-linear, or it can be tame and linear (Abdul Mutalib*et al.*, 2022; Brockner *et al.*, 2006). A leader must be capable of solving both types of problems and have the natural skill of discovering others' problems and helping them. Even when the solution is not available, an attempt to ease the problem must be made by the leader (Jablokow, 2008). A great leader must be capable of understanding and solving problems.

A leader must be capable of evaluating the impact of the solution and should have a forecast of that solution. Every solution must be properly planned with probable negative and positive effects. It must also be evaluated what type of impact these solutions will bring upon the team members and the business (Kerns, 2016). It is not important for a solution to always be innovative, but it must be effective.

The creative problem-solving skills of every leader vary as it is dependent on the problems which are to be solved. Judgement and evaluative skills are in high demand when there is a need for an innovative process for the problem. When the intention of implying a solution is of being innovative, it needs a high skill of leadership (Jablokow, Jablokow, and Seasock, 2010).

There are four P's which need to be followed. The problem-solving process is as follows.

- The very first step is to prepare.
- The next step is to **plan**.
- The third step is to **perform**.
- The final step is to make everything **perfect**.

2.9 The law of decision-making

Leaders having well-developed abilities to make decisions can create multiple options with quality. Decision-making is a very important task and

needs various other skills of leadership such as organizing and planning, conceptual thinking, and problem-solving ability (Maxwell, 2019). The leaders of tomorrow will be bearing more pressure to speedily and effectively solve problems with their instant decision-making ability in intense situations.

Following are the basic rules for effective decision-making:

- Clearly define the decision to be made
- Identify the obstacles/challenges faced while making the decision
- Compare at least two objectives
- Get accurate information before decision-making
- Know the most important values and rank them according to their importance

In every organization, small or large, decision-making is a continuous procedure. Those leaders who are skilled in making critical decisions and have an innovative mind can easily come up with a solution for every problem with effectiveness for both employees and businesses (Kayode, 2014).

Decision-making is an important part of a leader's work. Shared leadership encourages employees to make decisions within their duties and responsibilities, trusting that they have a deep understanding of the organization's vision and values, allowing them to make successful decisions that advance the organization's goals (Krier, 2022). Many times, difficult problems will come forward which need difficult decisions, and only with a good decision-making ability can one succeed in solving such problems (Selart, 2010). In general, three types of decisions are taken in any type of business:

i.   Strategic – long term and complex, made by senior managers. For example: aiming to be a market leader
ii. Tactical – medium term and less complex. For example: launching a new product or opening up a new branch
iii. Operational – day to day, made by junior managers. For example regular ordering of raw material/supplies

Conclusion

Leadership and management are two distinct concepts that are intertwined. Management is concerned with maintaining order and stability, whereas leadership is concerned with adapting to new situations and making positive changes. Certain legal provisions will assist leaders in adapting to positive changes. In this chapter, we have focused on various laws of leadership which include the law of problem-solving and the law of decision-making that facilitate the course of leadership. Every law as discussed in this chapter must be followed to ensure that organizational objectives can be achieved. To acquire individual effectiveness and efficacy, the laws presented in this

chapter must be properly grasped. To summarize, leadership is about determining where you need to go as a team or as an organization.

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3 Five stages of leadership

3.1 Background

No matter whether a person is a businessman, a football trainer or a teacher, the thing they have in common is that they are leaders. But at what level of leadership are they? Every leader operates at his level. John Maxwell has classified these levels into five stages. There are various leadership theories and philosophies, including the 'five levels of leadership' of John Maxwell. In this chapter, we focus on various levels, such as level of position, permission, production, people development and pinnacle. Learning about these levels will enable a person to understand how they can become a better workplace leader. In this chapter, the five levels of leadership will be explored and discussed.

According to Maxwell, after every level, there is always the possibility to reach the next level. Following five levels of leadership proposed by John Maxwell can help in attaining success, and it can also help in increasing income and gaining an advantage over others. Leadership may assist an individual to build significant leadership abilities and strengthen the leader's relationship with other members of the team. A leader may also contribute to developing a stronger network with individuals in their business. Thus, a leader needs to consult the co-workers when a new application is received from an interviewee for a job.

3.2 Five levels of leadership

There are many roles and responsibilities of a leader, and accomplishing the objectives of the organization is of equal importance. The five levels of leadership help a leader in justifying his/her role (Vehar, 2012). There are five levels of leadership as depicted in Figure 3.1.

3.2.1 Position

The position is the first of five levels of leadership and is the start of the leadership path for everybody. This is the lowest leadership level and is termed as the level of entrance. People who only achieve level 1 are perhaps bosses,
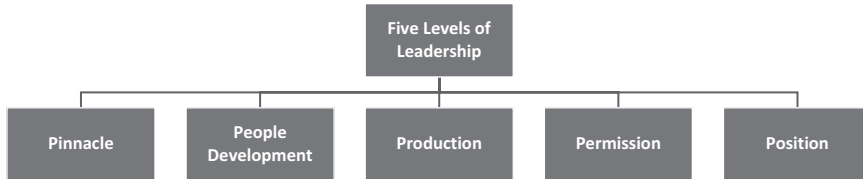
Figure 3.1 Five stages of leadership. Source: The authors

but never leaders. They have subordinates and they are not considered a team member to govern their personnel; they depend on rules, laws, policies, and organizational charts. The followers will obey such leaders only because of their position. Leadership is defined as someone who based on his position can influence, manage and direct his subordinates as individuals or groups in achieving organizational goals while also having the ability to inspire others (Pranitasari, 2020).

The position is the only level that requires no capacity or effort. Everybody can be nominated. So this place is a good beginning point, but every leader should aim to go above level 1. Leadership is provided at this level since you hold the job title, but have not yet influenced colleagues in or outside the staff to command respect. A person might be the boss at level 1, but they're not a leader. As such, one should not be given the label of a managerial position as their objective. A few important points of the position are highlighted in Table 3.1.

The position is a fantastic place to start – but big leaders are not happy to stay there. To get from level 1 to level 2, it is necessary to alter the leader most effectively. But the fact is that once an individual decides to involve people in the path of leadership, they are ready to achieve success on the other levels (Noor and Dzulkifli, 2013).

3.2.2 Permission

Leaders can't lead people unless they like them. All the levels of leadership cannot be achieved by a leader in a day. It is important to take a single step at a time and utilize all the time and experience to learn and prepare for the next step (Sy *et al.*, 2018). A good leader makes the move from position to position and takes the entire attempt to become a great leader. In essence, leadership is a directing capability aimed at achieving goals while also creating value. As a result, a major problem is how value is created for whom (Schuetznan and Badham, 2021).

Leaders who rely on their status to get people influenced often end up losing the confidence and respect of the team members. When such leaders ask the subordinates to perform a task, the team members follow the instructions to maintain their position, salary, etc., and not because of their beliefs.

Table 3.1 Position level traits

The Upside of Position	The Downside of Position	Best Behaviours on Level 1	Beliefs That Help a Leader Move Up to Level 2	Guide to Growing through Level 1
People are generally given a leadership role because they have the potential for leadership	The role of a leader is frequently misleading	Stop depending on the position to push a person	Only titles are not enough	Thank the person for inviting to the leadership team
Leadership implies recognition of authority	Leaders who depend on leadership frequently devalue individuals	Trade movement rights	People are the most important asset of the leader – not position	Dedicate to the growth of leadership
The position of leadership is a call to improve as a leader	Politics get fed from position leaders	Leave the position to move toward an individual	A leader does not require to have solutions for everything	Define management skills

Source: The authors

On the other hand, everything changes when a leader learns to operate at the permission level. People do more than just keep commands. They begin to follow and they do this because they want to. This is so because the leader starts influencing individuals, not just positions. Relationship building provides a basis to lead people successfully. It also begins to break down corporate barriers as employees can link between the descriptions of their jobs. The greater the obstacles and the deepening of interactions, the larger is the basis for leading others (Sy *et al.*, 2018; Tsyganenko, 2014).

When individuals start appreciating others and building trust, then they start to cooperate with a leader. Moving to level 2 is a crucial milestone for leadership since followers are allowed to lead their supervisors. This will convert the subordinates into followers, which indicates that movement exists. It must not be forgotten that leadership means understanding the work and ability of the followers and also boosting their motivations through various means whenever required (Surji, 2017). The various facets of permission is depicted in Table 3.2

Moving to level 2 is a major advancement in leadership since followers are permitted to guide them. People transition for the first time from being subordinates to being followers, and that means there is some movement. Leadership means always that people go someplace. They are not static.

Table 3.2 The various facets of permission

The Upside of Permission	The Downside of Permission	Best Behaviours on Level 2	Beliefs That Help a Leader Move Up to Level 3	Guide to Growing through Level 2
Leadership permission enhances the fun of working	Leadership that gives permission sometimes seems overly soft	A person should connect to themselves first before they try to connect with others	Relationships are not enough on their own	Make sure of being right about individuals
Leadership permission raises the degree of energy	Giving permission may be problematic for performers	Develop a personal style of management	Relationship building calls for two-sided development	Leaders must link themselves with their followers
Leadership permission opens communication pathways	Permission leaders can be utilized	Use the golden rule	It is worth the vision as a team to put the relationship in danger	A leader must never forget his owns origin

Source: The authors

3.2.3 Production

Leadership truly moves to a different level when he/she reaches the level of production. Production qualifies and divides genuine leaders from individuals who just hold positions of leadership (Crawford and Kelder, 2019). Good leaders are continually doing things and they will receive output. They may have a major influence on a company. Their productivity is not just individual; they may also help the team to generate. This level confers trust, and credibility, and enhances influence on the Level 3 Leaders (Slimane, 2012). Integrity, coherency, consistency and accountability decide corporate conduct (Vazquez, 2020).

Leadership at level 3 also has the advantage of attracting additional highly productive individuals. They are mutually respectful and like working together. This eventually causes the organization's growth (Yarmohammadian, 2011). Leaders will be making innovative decisions and responding to the needs as the complexity and diversity of circumstances changes (Al-Dabbagh, 2020).

To lead and influence people at this level becomes pleasant. Many issues were solved through success and production. Nobody can counterfeit level 3. Either they produce and add to the organization (whatever it may be) or

Table 3.3 The various facets of production

The Upside of Production	The Downside of Production	Best Behaviours on Level 3	Beliefs That Help a Leader Move Up to Level 4	Guide to Growing through Level 3
Production of leadership gives the leader credibility	A person might think they are a leader even if they are not productive	Understand how one's own talent helps the vision	Production is not sufficient	One should be the part of their team that they desire
Leadership production models visually sets the standards for others	Productive leaders are responsible for the results	Take a look at what must be achieved	People are the most significant asset of a business	Transform the productivity of people into management
Leadership production offers vision clarity and reality	Leadership in production demands hard decision-making	Start developing a staff into a team	The most efficient method to fulfil the goal is growing leaders	Understand all niche productivity

Source: The authors

they don't. Leaders at level 3 can be the reason for the change. They encounter difficult challenges and thorny problems and can make the hard choices that make a difference. A leader's primary responsibility is to provide energy and momentum, especially when things are bleak (Cheong*et al.*, 2019; Joly, 2022). They can bring their staff to a different degree of efficiency. Level 3 leaders are productive and auto-motivated. This creates momentum and develops a successful atmosphere that enhances and strengthens the team. The various facets of production are mentioned in Table 3.3

To lead and influence people at this level is pleasing. A lot of difficulties have been resolved by success and production. Leaders can become agents of change on level 3. They encounter difficult challenges and thorny problems. They can make hard choices that make a difference. They can bring their staff to a different degree of efficiency (Buckner, 2002).

3.2.4 People development

This stage concentrates on creating leaders to increase the organization's efficiency and its potential. A person must appreciate own dreams. In addition, it is important to think of time, effort, energy and resources as requirements and they are worth investing in (Almeida*et al.*, 2021; Radmila *et al.*,

2008). This stage looks for persons with leadership potential who are open to growth and training regardless of title, position, age or experience.

They may help others in a particular way by becoming a Level 4 Leader (Malinga *et al.*, 2019). To assist others to achieve their potential, a leader needs to get out and take the stand of ZigZiglar, the speaker and great sales-person, who stated, 'If you're helping others get what they want, they're going to help you get what you want'.

As Level 4 Leaders, they may secure their company's future if they (a) transfer work ownership to the people who perform the job,(b) create an ownership atmosphere in which everyone is accountable,(c) coach personal skills improvement and (d) learn rapidly and encourage others to learn fast. The facets of people's development are presented in Table 3.4

Good Level 4 Leaders spend their time, energy and money, and they think of others as leaders. They look at every person and strive to measure their potential for development and leadership, regardless of the title, position, age and experience of the individual (Sydänmaanlakka, 2003). Each individual is a potential development candidate.

3.2.5 *Pinnacle*

Along with the mentoring staff, pinnacle leaders are sufficiently qualified to assist others to get to this stage of development and become excellent lead-ers. Pinnacle leaders have refined their skills to the point that they can assist others in advancing to the People Development level and becoming excellent leaders (Lin *et al.*, 2018). They enhance their businesses' repute and encour-age brilliant, inventive people to work there. As stated by Williams, Ford, and Rawluk (2020), leaders of the pinnacle:

- enhance productivity and achieve success for nearly every team or department.
- create settings that help and contribute to everybody's achievement.
- experience beyond the companies or sectors in which they operate.
- are fair and respectful to everybody.
- show some integrity, fulfil the promises and act honestly and morally.
- allow the persons they oversee, wherever feasible, to take autonomous judgements.
- are smart, skilled individuals who desire to do their best around them themselves.
- lead individuals that develop and achieve great business results with new products.
- contact other teams in a good way.

From everybody else, pinnacle leaders stand out. Leadership at this high level raises the whole organization and generates an atmosphere that benefits and contributes to its success (Slimane, 2012). Pinnacle leaders have a quality

Table 3.4 The various facets of people development

The Upside of People Development	The Downside of People Development	Best Behaviours on Level 4	Beliefs That Help a Leader Move Up to Level 5	Guide to Growing through Level 4
Development of people distinguishes a person from most leaders	Self-centredness can drive leaders to overlook the growth of individuals	Recruitment – Recruit the finest possible staff	Leadership is aimed at building leaders and not gaining support or doing tasks	Be ambitious to grow continuously
Development of people ensures sustainable growth	Insecurity can harm leaders with the growth of individuals	Positioning – positioning the appropriate individuals	To build leadership you need to build a culture of leadership	Decide that the effort is worth it
People development enables others to take responsibility for their leadership	Shortsightedness might prevent leaders from identifying the development needs	Modelling– demonstrating to others how things can be managed. Be a role model to them	Developing leaders are a commitment to live and not a commitment to employment	Work on insecurity

Source: The authors

which makes them stand out from other leaders. They stand above others and everywhere they go they appear successful. Level 5 Leaders typically have an impact that transcends the company and the sector in which the leader is active (Osafoe*t al.*, 2021; Jha *et al.*, 2018).

The leaders cannot pause to see their achievement at this level. It is a site of reproduction from which their lives have the greatest influence. That's why pinnacle leaders should make the most of it as long as they can. They should raise as many leaders with thankfulness and humility as possible, address as many issues as feasible, and inspire them to make a good effect outside their own company and sector (Surji, 2017).

From the above, it can be concluded that the most challenging task is to build leadership. Level 5 Leaders generate chances on their own and not offered by other leaders. In what they do, they build a legacy. People follow them because they are what they represent. This means they develop a favourable reputation for their leadership. As a consequence, Level 5 Leaders frequently transcend their position, organization, and field (Abbas, 2010).

3.3 Conclusion

The aim of this chapter was to put together various stages of leadership. We have thoroughly discussed the levels of leadership in this chapter. The findings reveal that a dynamic leadership steers the nation towards the achievement of sustainable development. Managing people is the key element and hence leadership is more about guiding and facilitating the efforts of people. It is important for a leader to continuously move from one stage to the other in a challenging business environment. Such rapid changes in the stages of leadership will ensure the success of the organization in the long run.

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4 Theories of leadership

4.1 Background

Different leadership theories have come up over time and reveal why and how certain individuals become excellent leaders. The style of leaders differs and there is as such no single approach to leadership. Many approaches to leadership can be witnessed over the years. For instance, according to Plato, the ideal leader is the one who uses reason and order to rule. However, Machiavelli explains that a leader could adopt threats to achieve authority. According to the Gandhian approach, nonviolence can also be used. These are the certain characteristics of their style to lead. Some theories summarize that leaders have certain characteristics to lead. Considering the importance of various leadership styles, in this chapter, we have shed light on the great man theory, contingency theory and path-goal theory. In addition, transformational and transactional theories are also discussed in this chapter.

It is important to understand the aspects and qualities of a great leader along with the responsibilities which are endured by them. There are numerous leaders like presidents, successful business personalities, etc., who have accomplished a lot for themselves and their followers. Perfection in their roles can be seen as a learning opportunity. But this accomplishment is not achieved in a day or a month or a year. It took years of dedicated hard work and the right decisions (Williams, 2016).

People have a long history of leadership, but several formal theories of leadership have evolved over time. In the early half of the 20th century, interest in leadership expanded. Early theories of leadership focused on the differences between leaders and followers, whereas succeeding ideas focused on other elements such as situational and competency levels. Leaders and followers who are aware of their intentions, ambitions, and values gain insights that help them explain their values in a way that is understandable and appealing to others (Gardner, 2021). There are several theories of leadership. Some of these theories are presented in the following section.

4.2 Great man theory/trait theory of leadership

Thomas Carlyle, a historian, said that 'the history of this world is just the biography of great men', was widely related to this notion in the 19th century.

He said that a leader is one with unparalleled abilities that catch the public imagination (Malinga *et al.*, 2019).

Previous leadership was regarded as a trait mostly connected with men, and the notion was consequently called the theory of the great man. But over time, many women also joined the list of great leaders. The great leadership idea of mankind argues that certain individuals are born and are accountable for their assumptions of power and authority (Spark *et al.*, 2022; Wyatt and Silvester, 2018). Such people also have the essential characteristics that distinguish them from others. A leader is a hero who achieves his supporters' objectives against all difficulties. This theory means that individuals in power deserve a particular ability to be there. Furthermore, the idea says that across time and amongst various groups, these features stay constant. Therefore, it implies that all major leaders have this feature regardless of when they lived or the exact role they played in history (Luria *et al.*, 2019). History is supposed to have nothing but brilliant men's and women's biographies. It was the leaders or great men who made history. In any event, such persons are claimed to have become leaders due to their innate leadership and ability (Radmila *et al.*, 2008).

Such great men have neither been educated in leadership nor have acquired any leadership competencies in their life. In other words, their anatomies, physiology and personality were something that distinguished them from the others. They had an instinctual drive to lead and they had an innate determination to succeed and reach greatness (6 Harrison, 2018). People naturally went to them for inspiration, comfort and encouragement. The further implication of the theory is that leaders are born and not made. Some traits of this theory are as follows:

a) God's gifts to humanity are leaders. Leaders and their deeds are assigned a measure of divinity.
b) Not everybody can aim and achieve greatness to become a leader.
c) The innate characteristics of leadership alone are essential and sufficient to influence and be successful as a leader.
d) The characteristics and efficiency of leadership are independent factors. Situation elements such as the type and requirements of supporters, work demands, and the overall socio-economic environment have little or no impact on the effectiveness of a person in charge.
e) The idea ignores the assumption that people can be trained to take up leadership responsibilities and positions. Education and exposure cannot convey leadership characteristics.

Herbert Spencer made a counter-argument in 1860, which has been still important till now. He claimed that these great people are essentially the products of their civilizations. Spencer stated, 'You must acknowledge that the genesis of a great man rests on many complicated factors and situations in which this race has gradually developed' (Sulimanya, 2017).

Until recent years, another idea that had been popular as comparable to 'Great Man Theories' believed that people inherit specific characteristics that make them more suited to leadership. It states that certain individuals are born with the necessary attributes to be great leaders (Akpa, 2022).

4.3 Contingency/situational theories

The behavioural theory emphasizes the real behaviour of the leader and not their traits or characteristics, but leadership is all about dealing with the situation and environmental factors (Benmira, 2021). Contingency theories emphasize a broader perspective that includes situational aspects such as leadership skills and competence, as well as other variables inside the given circumstance, whereas situational theories focus more on the behaviours that the leader should adopt, given the followers' conduct (Tsolka, 2020; Kelly, 2021). Whereas leadership's contingency theory presupposes that the efficiency of a leader depends on whether or not its leadership is appropriate in a specific scenario. In one instance, a person might be an excellent leader and an ineffectual leader in another, according to this notion. This idea suggests that you may look at every scenario and evaluate whether or not your leadership style helps maximize your probability of fruitful leadership. In most instances, you must be conscious of yourself, be objective and be adaptive (Wyatt *et al.*, 2018; Elhajj, 2014).

Contingency theories suggest that a leader's success depends on the particular scenario (Harrison, 2018; Turner and Baker, 2018). Certain elements are involved that determine if the circumstance will be beneficial for a certain leadership style. Those elements include the job, the leader's personality and the group's makeup. Its fundamental idea is that leadership is situational – success or failure.

Several sub-theories fit inside the overall framework of contingency. These include Fiedler's theory of contingency, the theory of leadership of the situation, and the theory of path goals and decision-making. Each offers its unique perspective on leadership, yet all of them are similar on the surface (Somuno, 2014).

4.4 Fiedler's contingency theory

Fred Fiedler in 1965 proposed the contingency model of leadership. Fielder suggested three significant dimensions that influence the leader's effectiveness viz. a) leader-member relations, b) task structure, and c) position power (Shala *et al.*, 2021). This theory revealed that if the behaviour of a leader cannot be changed, then the situation should be changed to fit the leader.

Fiedler's idea of contingency is not the sole theory of contingency. Contingency theory is a notion that a company or team cannot be managed or organized depending upon a single method. Rather, it depends on the context of the best method to achieve this. Contingency theories, therefore, explore organizing and managing the organization as well as the team and can effectively function in

different scenarios (Kundu and Mondal, 2019). Another way of saying this is that the ideal style of leadership depends on the context.

Like all contingency theories, Fiedler's theory of contingency says that your team is not guided by one optimal means. Instead, the greatest approach to leading your team is by circumstance (Shala *et al.*, 2021; Willis, 2005). Leadership is measured by the rating of the least preferred employee of a leader on the scale of the least preferred co-worker (LPC). A leader is asked to rank someone with whom (now or in the past) he or she has not liked working on 1–8 in the following fields:

- Unfriendly/friendly
- Uncooperative/cooperative
- Hostile/supportive
- Guarded/open

A leader utilizes one of four types of leadership which provide him with the best chance of success in any scenario. Such situations are a function of the work to be carried out, together with the competence and readiness of the disciple selected to carry out this duty. The task/directive behaviour and relation/supporting behaviour of the styles are defined operationally (Patterson, 2016).

Work/Conduct – to how much the leader instructs the follower on how to do, where to do it and when to complete the task

Relationship/Supportive Behaviour – as the leader participates in an open conversation with the followers and actively listens to the progress of tasks.

Style 1– Telling, Directing or Guiding

Style 2 – Selling, Coaching or Explaining

Style 3 – Participating, Facilitating or Collaborating

Style 4 – Delegating, Empowering or Monitoring

A good situation happens when the three aspects, relations between the leading members, the task organization and the leading position are high. The connections between leaders and employees relate to the level of trust, respect, and trust that exists between them (Shala *et al.*, 2021; Kundu and Mondal, 2019). The task structure refers to the extent to which tasks for employees are properly described and arranged. Leadership means to what extent the leader has inherent authority in his or her position (Martiskainen, 2017). If the employees and the leader have faith, respect and trust in each other, the situation is regarded as beneficial and the leader has clear responsibilities and formal authority.

4.5 Path goal theory

The idea of path goals argues that the conduct of a leader depends on satisfaction, incentives, and staff performance. The function of the manager is seen as directing employees towards choosing the best pathways to achieve the objectives. The idea says that leaders must participate in various forms of leadership behaviour according to nature and the requirements of the

circumstance in question (Mkheimer, 2018). The leader is responsible for helping supporters achieve their objectives and providing the direction and assistance needed to make sure their goals are consistent with the aims of the organization. The notion of path-to-goals believes that leaders are adaptable and may alter styles according to conditions.

According to Robert J. House (1971), The path-goal theory encompasses the need for various responsibilities to be fulfilled by a leader, as well as leadership characteristics of managers in their practice. This theory is based on the expectancy theory of motivation. House also offered guidance to the executives to make up for the possible inadequacies of subordinates. This theory proposes that the leader is a crucial person who brings about superior subordinate motivation, satisfaction and performance. The theory highlights four kinds of leader behaviours: (a) directive leadership, (b) supportive leadership, (c) participative leadership and (d) achievement-oriented leadership. Even though the path-goal theory is comparable to the situational approach, it can combine leadership theories with motivational theories (Auktey, 2021). According to the path-goal theory, leadership entails the alignment of the leader's behaviour, the qualities of followers, and the features of the task (Akpa, 2022). To conclude, path-target theory aims to describe how leaders may enable people to achieve their objectives by picking certain conducts that meet the demands of the followers and the circumstances in which they operate. The path-goal theory is conceptually complicated (Hester, 2013). This theory has also received disapproval mostly because of its complexity and lack of precision in specifying how variables act together.

4.6 Decision-making theory

The process or series of actions that include the recognition of problems, the search for information, the defining of alternatives, screening and selecting the best one is defined as decision-making (Megheirkouni, 2018). Decision-making as a management process is particularly applicable to public administration and was highlighted at the beginning of the 1950s. The efforts of a public-government star, H.A. Simon, were active behind this. In 1948, he released his acclaimed research – "Administrative Conduct, a Decision-Making Process Study" – in an administrative organization (Schuetz, 2016).

Herbert Simon divided the notion into two key elements – choice and action. It is not simple to make decisions and implement them. These two portions are therefore linked and importable. Herbert Simon once said that administrative theory should focus both on decision-making and action procedures. Simon stressed that a policy of a comprehensive character should be created for the successful administration of an organization.

Decisions are therefore a highly essential component of an organization (Janaye Nelson, 2019). Indeed, Herbert Simon is the pioneer in the field of the decision-making concept because he felt that it would be essential for an organization to focus on implementing the decision. If the decision is not taken correctly and timely then the aims of an organization are compromised.

It is, therefore, necessary to both take and implement decisions. How sensible people should act in a risk and uncertainty context is a theory of decision-making. It employs a set of assumptions on how rational humans comply with both theoretical and empirical challenges (McKenna and Rooney, 2019). The author of an article in the *Concise Oxford Dictionary of Politics* proposed this term. The author emphasizes the logic and behaviour of individuals at the same time (Kebede, 2017).

4.7 Transactional theory of leadership

A transactional leader is a person who appreciates an organization. Such leaders do many activities such as conducting military operations, managing huge companies, conducting multinational projects requiring laws and regulations to achieve targets on schedule and arranging personnel and supplies (Cho *et al.,* 2019). Transactional leaders are not an excellent fit to appreciate innovation and creative ideas (Onodugo, 2016).

The most common comparison of transactional leadership is with transformative leadership. Transactional management focuses on self-motivated individuals who perform effectively in an organized, managed setting (Cho *et al.,* 2019). Transformation leadership, on the contrary, aims at motivating and inspiring employees, rather than directing them (Ma and Jiang, 2018). Transactional leaders in an organization are responsible for formal powers and positions of responsibility and they are also accountable for sustaining the routine through performance management and group performance facilitation (Hansen and Pihl-Thingvad, 2019). The most frequent approach to assess employee performance is to establish transactional or management criteria for workers and performance evaluations.

The following is anticipated from transactional leaders:

- Setting goals and providing clear guidance on what the employees want and how their work will be rewarded
- Providing effective performance feedback
- Focusing on improving efficiency and attention towards complying with current rules rather than changing the existing routines and procedures
- Developing and standardizing processes that assist the company in becoming efficient and productive
- Responding to differences from expected results and suggest corrections for performance improvement

One example of transactional leadership is provided by sporting team coaches. These leaders encourage their supporters to promote the prize of the game. You encourage such a high degree of devotion that your followers are ready to risk pain and damage to get the outcomes the leader demands (Mironescu, 2013).

This kind of leadership offers several advantages. This leadership style is successful to motivate staff to become effective and productive members of

the team. Transactional management is also made up of a clear and straight-forward framework. An organization's employees with such a management style are told in advance of what the firm expects. The instructions are also clear. Transactional management is useful in increasing output and reducing expenses. This is because this type of leadership includes short-term objectives which facilitate things for employees.

However, this style of leadership also imposes certain limitations. Transactional management is not simply a clear leadership style. It contains regulations and rules that are not acceptable. Although awards and the sort of autonomy that members of organizations have in executing their duties are expected, they must comply with management standards. This leadership is rigorous and it also limits the creativity of the team members who have sound and effective ideas for the improvement of the organization. The technique of presenting workers with the duties, regulations and policies that must be carefully obeyed is also a drawback of transactional leadership. If something goes wrong and if something goes wrong with it, it's the employees who are liable for the result. Also, because transactional leaders operate within unchanged norms, managers using this leadership style will not take into account employee feelings as long as the duties are completed.

4.8 Transformational theory of leadership

Transformation management is a leadership philosophy where a leader works with teams to detect the necessary change. This style creates a vision for inspiring and implementing the change among group members. Transformative leadership affects followers and inspires them to do more than they perceive. Transformation leadership invites people to accomplish unexpected or extraordinary achievements (Hansen and Pihl-Thingvad, 2019). It provides employees with autonomy and the power to decide once trained. This leads to a transformational shift in the attitudes of the followers and the organization. Typically, transformation leaders conduct four different behaviours, often known as the four I's. These conducts are inspirational, idealistic, intellectual and personalized motivation (Hirschi and Jones, 2009).

Transformational leaders function during hard times when changes are desirable and present subordinates with the visions and give them prospects to influence changes. Such leaders generate their subordinates a sense of belonging to the organization through their actions and behaviours.

Transformative guidance helps to strengthen the motivation, morals and performance of supporters through a variety of mechanisms. It is also vital to grasp the traits that may be brought through transformative leadership. For a first-time leader, developing transformative leadership is a struggle (Agyemang, 2021). Transformational leadership improves followers' engagement, participation, loyalty and performance. A transformational leader motivates and encourages followers to go above and beyond what is expected. Further efforts are made to encourage the leader. Transformation leaders are powerful in their ability to

adjust to diverse conditions, share a common awareness, manage themselves and inspire a group of employees (Ma and Jiang, 2018; Maxwell, 2012). Inspired managers foster a team spirit to achieve the company's objectives of increasing revenue and growth. Critical thinking and problem-solving are encouraged by managers in this style of leadership. Individual managers inspire employees to achieve goals that support employees and the company.

Effective leadership leads to performance that goes above organizational expectations. Transformation management has a great impact as managers have to combine the components to achieve 'performance above expectations'. Because transformation leadership includes many elements of leadership, a manager cannot take particular measures. The transformation leader possesses the following traits, according to Northouse (2001):

- Encourages supporters to achieve the best for the company
- Is a strong, high valued role model
- Listens to all perspectives to build a cooperation spirit
- Develops a vision with organizational staff
- Acts as an agent of change in the company by giving an example of how change may be initiated and implemented
- Assists the organization via support for others

Some of the advantages and disadvantages of this kind of leadership are: (a) It supports change, (b) it can lead to burnout for employees and (c) communication is required continuously.

4.9 Theory of ethical leadership

Ethical leadership is another significant theory in the existing body of knowledge. The importance of understanding ethical leadership becomes more pertinent to know since many frauds and scandals are taking place in many organizations. Ethical leaders are sources of guidance because their charisma and integrity draw the attention of many members in an organization. Ethical leaders emphasize on moral managing, moral values and ethical standards in an organization. If ethical leaders are able to incorporate such ethical values across members in an organization then reporting of financial frauds or scandals will definitely decrease. As a result, the brand value of reputation of a company will stay protected and hence market success. Therefore, it must be understood that ethical leadership plays a vital role towards the success of a company. An ethical leadership makes sure the creation of an ethical environment in an organization. Ethical climate is as 'the prevailing perceptions of typical organizational practices and procedures that have ethical content' or 'those aspects of work climate that determine what constitutes ethical behavior at work' (Victor & Cullen, 1988). It must be understood that ethical leadership itself comprises many ethical theories such as philosophical egoism, utilitarianism, deontology, virtue ethics, and ethics of responsibility.

Philosophical egoism is the view that, on the ultimate level of intentional explanation, all action is motivated by one of the agent's desires. This view is supported by the standard notion that for a complex of behaviour to be an action, there has to be a way to account for that behaviour in terms of the agent's own pro-attitudes. It is further discussed in the literature that members of an organization tend to accept the leadership style because of the fact that people are afraid of consequences that could follow if they would reject such leadership. Philosophical egoism preassumes that every human behaviour is always motivated by self-interest.

According to Bentham (1982, pp. 11–16), the utilitarian principle means that the action is morally right when it promotes the utmost well-being or happiness for many people in an organization. Utility implies the tendency to create benefits, advantages, pleasures or happiness, rather than pain and unhappiness, for the majority of people who are affected by a given decision. Hence it can be concluded that utilitarian theory simply refers to the level of happiness and pain in an organization. If members on board will be having more happiness as compared to the pain, then organizational success can be achieved. It is believed that in the case of such happiness, more employees will be actively engaged to meet the common purpose of an organization.

Coming over to Deontology, Immanuel Kant (1724–1804) tried to define actions, which are inherently right or wrong, without taking their consequences into account. This Kantian principle could easily be applied in daily life, since it reflects our concern for basic human rights. The rightness or wrongness of a given alternative of action depends on the nature of motive, and not on its actual consequences. If an employee is ethical in his approach or he/she is well aware in identifying what is right and wrong, then an organization will definitely reap huge dividends in the future.

Another important aspect of ethical leadership is virtues. These are those qualities the possession of which will enable an individual to achieve eudaimonia and the lack of which will frustrate his movement towards that telos (MacIntyre, 1981). Eudaimonia is sometimes understood as happiness, sometimes as wealth.

Lastly, ethics of responsibility states that everyone in an organization should have a sense of responsibility. One must assume his/her own responsibility. According to this theory of ethical leadership, every human being creates his/her own self, and is consequently responsible for his/her whole life. All these theories of ethical leadership make sure that an organization is operated in an ethical environment where each member is aware of moral duties, what is right or wrong. Such leadership theories help in achieving organizational success, which is the major purpose.

4.10 Theory of authentic leadership

This theory was propounded by Bill George in his book *Authentic Leadership*, published in 2003. The principle behind this theory of authentic leadership is that the leaders must look real and genuine. The term

authenticity here means that a person's thoughts and feelings must be consistent with their actions. When a leader is authentic, he/she is true to the values; people can trust that that leader will do what he/she says. This develops a sense of belongingness and mutual trust, as a result employees work in true spirit with a leader to achieve the common organizational objective i.e. success.

In authentic leadership, the integrity of a leader can never be doubtful and people follow the leader wherever he or she goes. Authentic leadership is the most significant predictor of employee job satisfaction, organizational commitment and workplace happiness. The main components of authentic leadership are self-awareness, relational transparency, balanced processing and strong moral code. Self-awareness in authentic leadership is identical to that in emotional intelligence. According to Daniel Goleman self-awareness is made up of three main elements, namely emotional awareness, accurate self-assessment and self-confidence. Understanding your own emotions is emotional awareness. Understanding the strengths and weaknesses means self-assessment and lastly, understanding self-worth is self-confidence. All these components are critical towards authentic leadership. Amalgamation of all such vital components makes a leader authentic and hence all the employees tend to follow the leader, further this develops mutual trust and belongingness, as a result, all tend to move towards achieving the organizational objective i.e. to succeed and sustain in the market.

Now relational transparency, being another vital component of an authentic leader, makes sure that thoughts and beliefs are shared without displaying too much of emotions. Relational transparency ensures control over the feelings and thereby maintaining the right balance. Even if mistakes are committed, people admit them. The concept of relational transparency is grounded in trust and honesty.

Now, coming over to balanced processing, such leaders, particularly those who stand the test of time, are well balanced in processing the globe around them. They will look at things with a calm and consistent approach, weighing up the information at their disposal before they act. The actions of such leaders are consistent and logical. Leaders having this kind of attribute will actively seek viewpoints and feedback from others regardless of their position. Such leaders do not care whether you work under them, above them or at the same level in the hierarchy. Balanced processing looks for valuable insights from everyone on a 'problem' being faced.

A robust moral code in the context of leadership means the consistent demonstration of decision-making and relationship building through the prism of one's moral values. A leader with robust moral code uses their values as a frame of reference for governing their attitude, behaviour and actions. Someone with a strong moral value will possess ethical foundations that are resistant to influence; that means they will stick to their guns when the alternative options mean they will stray from living their values.

4.11 Theory of virtuous leadership

A virtuous leader is always committed to the optimization of the interests of others and the pursuing of long-term organization's success. Virtuous leadership is about bringing out greatness in others. Virtue is a dynamic strength that allows the leader to do what is required in service to those they lead. All five individual core leader virtues – prudence, temperance, justice, courage and humanity – positively influence work-related well-being.

Despite the fact that virtuousness should not be associated with instrumental outcomes to be of worth, a widespread amount of facts reveals that virtuous behaviour is associated with desirable outcomes. For instance, honesty, inspirational, caring and giving behaviour, thankfulness, hope, empathy, love and forgiveness, among other virtues, have been found to predict desired outcomes, such as commitment, satisfaction, motivation, positive emotions, effort, physical and psychological health and the organization's market success (Andersson *et al.*, 2007; Giacalone *et al.*, 2005; Fry *et al.*, 2005).

4.12 Conclusion

This chapter aimed to discuss various theories of leadership. The findings revealed that leadership theory is a dynamic phenomenon and continues to change over time. Traditional leadership theories include the great man theory, which maintains that leaders are born to lead, whereas trait theory explains that leaders are made and contingency trait theory is based upon the situation that comes forth of a leader. The modern era evolved a shift from focusing on leaders and their attributes to considering the complex and continuous interaction among leaders. According to research, leadership traits are regarded as the most significant component for leaders all over the world and leadership theories serve to explain how leaders might utilize and develop these characteristics. As a result, this chapter has imparted basic knowledge of the key leadership theories. Apart from this transactional and transformative leadership styles are also witnessed over the years and each kind of leadership style offers its advantages and disadvantages.

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5 Skills of a good leader

5.1 Background

In all types of organizations, leaders need to focus on the upgradation of leadership skills. These are important skills to have because a good leader is capable of bringing out the best of his team members' abilities. In addition, a good leader motivates his/her team so that all the employees work together in harmony to achieve the objectives of an organization. However, in the skilled approach, more focus is laid on the skills and abilities of the leader than on the personality characteristics. In this chapter, we have focused on the skills that make a great leader. We have also shed light on seven major abilities that make a successful leader.

Many traits of leadership have been identified over the years. There are seven particular traits that a leader must have to become an outstanding leader. The good news is that these skills, characteristics and features of leadership can be taught by practising and repeating them. Excellent executives combine company prospects, performance and character (Morrill, 2010). The seven abilities will be addressed and learned in this chapter to be a successful leader and are presented as follows:

5.2 Vision

True leaders have a vision; i.e., they can see the present and construct a future. The leadership vision strengthens leaders' capacity to guide and serve their organizations and the people working within them (Kaluzny and O'Brien, 2020; Adnan and Valliappan, 2019; Ndalamba *et al.*, 2018).A visionary leader can predict the future and stay here. Automation and digitization are the skills required to master along. Learning all such skills needs a leader who is flexible, compassionate and strategically oriented (Burton, 2021). A leader should have such a vision to adopt this automation. A vision is a goal for the leader to invest his energies and resources. Leaders express a dream and a journey that the staff wishes to take. The vision of leadership is not limited to the written declaration of the mission and vision of the organization (Willis, 2005). Vision consists of "brevity, clarity, abstractness, challenge, future orientation, stability and desirability, plus vision content relating to employee and customer satisfaction".

People can't live if there's no vision. This applies to both business and life. Leaders without vision in life cannot succeed. Vision is not an imagination for leaders; it is a fact that still has to be realized. To attain the vision, a leader must make extra efforts to achieve the goal with utmost confidence and dedication (García-Vidal *et al.*, 2019). Vision works as a power that drives a leader to take action. It offers a leader a goal. Despite different difficulties and obstructions, a leader progresses via the constant existence of a vision. Vision is a link that brings people together in a team with a common purpose.

It is a leader who shapes the vision and understands and conveys it. Vision is a portrayal of what a leader has to be in an organization. The recognition of an organizational leader's vision by workers is highly important since it makes employees aware of the efforts of the company. Vision is strong enough to take the people out of their boring working lives and turn them into fresh, exciting and demanding jobs. Vision needs to be:

- Rational
- Reasonable
- Innovative
- Credible
- Clear
- Motivating and stimulating
- Challenging
- Reflective of organizational beliefs, values and culture
- Concrete

With a vision, we have a definite meaning. This means that our business or life is far broader than merely setting short-term goals and handling issues as they occur (Martiskainen, 2017). Vision is motivated by passion and dreams.

'You've got to give yourself the freedom to dream – to use your imagination to see and feel what does not yet exist. A vision is not the same as goals or objectives; those come from the head. A vision comes from the heart'.–John Graham

Now we present three key reasons indicating the importance of a vision.

a. It is unifying.

When a clear vision is created inside a firm, it gives everyone the impression that they are part of a larger group. This not only gives a deeper meaning to the job, but also serves to bring everyone together into an organized, focused and co-operating team (García-Vidal *et al.*, 2019).

b. It is inspiring.

It is inspiring to define a vision. The motivation of everybody inside the company is obvious in the presence of a vision. It produces energy and excitement,

enhances engagement and promotes transformation (Kaluzny and O'Brien, 2020). In tough or stressful times this is especially crucial, as having a clear vision can create firmness and often remind you why you started.

c. It provides a focal point for goal-setting and business planning.

A vision provides the organization with a feeling of purpose and guidance. Vision helps in establishing both short and long-term objectives and opinions of an individual. Leaders have a vision. They have a dream and direction that others wish to share. The vision of leadership goes beyond any written declaration of mission and statements (Mineo, 2014).

The vision of leadership pervades the workplace and is reflected in the organization's activities, beliefs, values and goals. This vision appeals to all employees who work to achieve these behaviours, attitudes, values and objectives. A leader needs to share his vision with the team to clear the objective and also motivate them by showing them the expected results.

5.3 Courage

Corporate transformations fail since leaders lack the courage to change the entire system of organizing, managing and leading (Beer, 2020). The list of features of excellent leadership is so extensive and conflicting that the prospective leader asks, 'Where do I begin on earth?' Everyone is strengthened by one leadership feature i.e. courage. Courage, besides being the most important skill, it motivates an organization to move further even in tough conditions. Though step-out courage may be complicated, it is a vital leadership quality in today's quickly changing world

Leadership means taking courageous decisions, which are frequent. Leaders must be brave and innovative (Calabròet al., 2018; Arevalo, 2018). Courage is an ever-learning process and most people can be brave. Furthermore, three courage types exist and are presented as follows:

- TRY courage: It is the courage of initiative and action. These are the very first efforts or making the first move, and then moving further.
- TRUST courage: It is the courage to trust others, believe in others and be open to leadership and change.
- VOICE courage: It raises challenging questions, provides harsh feedback and shares unpopular ideas.

Below are a few qualities of a brave leader:

a. Seek feedback and listen.

Feedback from 360 degrees is not always easy to hear but may provide fresh life if listened to and acted. Leadership is critical in ensuring that information

sharing is done healthily and that people can share information at the appropriate level (Cakir and Adiguzel, 2020).

b. Say what needs to be said.

Real discussions, especially if there are conflicts, may be difficult and uncomfortable. Key dialogues assist in reducing the smoke and resolving problems. It also indicates that the leader has the courage and presents the views with no fear even when there are controversies.

c. Encourage push-back.

There's pressure from many leaders to get all the answers. Encouraging constructive disagreement and healthy debate strengthens the team. Such deliberations reveal that better answers can be found even in worse conditions.

d. Take action on performance issues.

People's problems are difficult to deal with, which is why many leaders overlook them until the team or business performance is threatened. A leader benefits the team and the organization by moving quickly to reassign or leave poorly performing individuals.

e. Communicate openly and frequently.

Keeping communication channels open, even if all answers are unknown is one of the most important factors of leadership. Courageous leaders refuse to hide behind jargon and wiggles saying 'I don't know', and utilize a straight-talk. Instead of storing, they distribute information (Arendt *et al.*, 2016).

f. Lead change.

It's all about maintaining the status quo in fear-based environments. A leader must get people involved in the transformation process. When a person develops as a leader and human being, he or she grows in all situations, and personal and leadership development occurs in all life situations (Kajellstrom *et al.*, 2020).

g. Make decisions and move forward.

It seems risky to make a decision and go forward, especially in situations of tremendous change. It is important to avoid the 'analysis paralysis' crutch and then decide. The movement towards the future is always better than stagnant.

h. Give credit to others.

A leader must praise the team members and offer credit to the teammates. The leader may feel that he may not be needed or may be left out; however, a successful leader is always in the front to take the blame in case of failure.

5.4 Integrity

Leaders who behave with integrity are one of the keys to a pleasant and productive work environment. Leadership integrity means honesty, trustworthiness and reliability. Instead of hiding them, blaming their team or making excuses, leaders with integrity behave in line with their statements (i.e., practising what they teach). Integrity also includes obeying corporate policies, using corporate time and resources responsibly and respecting fellow members. It is crucial to remember that the conduct of a leader reflects not only the reputation of the company but also the reputation of a leader.

Integrity offers leaders and organizations numerous advantages. Employees with higher integrity show good behaviour in the workplace (e.g., helping others at hectic times) and less negative behaviours (e.g., unethical behaviour). Furthermore, those who have faith in their honesty may work more, work better and are more committed to their companies.

Leaders must ask the following questions themselves to evaluate the level of integrity:

- Are they responsible for their conduct and decisions?
- Are they responsible for their errors?
- Do they always keep their pledges and commitments?

Methods for improving the integrity:

  i. **Make and maintain commitments:** Leaders have lost attention and may fail to complete their duties if they do not live up to their commitment. A leader must be sensitive to the timely maintenance and performance of their duties.
 ii. **In your communications, be honest:** Exercising integrity involves leaders declaring the tasks that will be performed by them with utmost honesty.
iii. **Stay clean and orderly:** Leaders must acknowledge themselves as the core of the business. It is impossible to have an impact on the teammates if sufficient time is not spent knowing the surroundings and working environment every day.
 iv. **Stay concentrated:** Leaders must observe that everything around them starts slipping when they lose their attention. It's tough for them, their home, and even their company to find the balance in life.
  v. **Let the right people exist around you:** Leaders must surround themselves with individuals they admire to enhance their honesty (Khan *et al.*, 2016).

5.5 Humility

Charismatic leaders prefer to focus on the development of their individuals while modest leaders tend to focus on the performance of their teams. Effective leaders are ready to accept errors and learn from others. Humility also leads to better employee engagement, more employee satisfaction and reduced turnover.

Humility is defined generally as having the following traits:

a. Self-awareness
b. To value the strengths and contributions of others
c. Openness to new ideas and performance feedback

Modest leaders have a better understanding of the company. A leader can ask for help when needed. Moreover, modest leaders assist in promoting a culture of growth. Humility also promotes cultures that are key predecessors of openness, trust and recognition (Ozuem *et al.*, 2015). Here are a few of modest leaders' essential capabilities:

a. Humble leaders turn their attention away and concentrate on the contributions and needs of their people.
b. To be a modest leader is not a sign of weakness but enormous inner power. The finest leaders on the earth are humble and those who are trustful.
c. All leaders are people, meaning that everybody makes errors occasionally. They confess their faults. Humility is a characteristic that allows others to recognize their humanity.
d. Humble leaders know who they are, and they behave accordingly. They also know where improvement is possible.
e. Humble leaders realize that authenticity is important. In any scenario and with every sort of individual, they are the same person in private, in public and in personal life.
f. Humble leaders realize trust is important and must be developed.
g. They treat people with respect. In their treatment of others, humble leaders are consistent and disciplined. They respect everyone regardless of status, job or title.
h. They know their limitations and they shape the path.

A polite person can be taught. A modest person is a person who reads, invites criticism, and asks excellent questions. A modest man is at peace with himself and with others (Skoogh, 2014).

5.6 Strategic planning

The organization's effectiveness depends directly on the leaders' effectiveness. Strategic planning is essential to establish where the business is going

(Hanssen and Hofstad, 2020; Chatman, 2010). Strategic planning for any organization is extremely important and cannot be dealt with in only one way. The purpose of strategic planning is defined as a set of processes undertaken to develop a range of strategies to help an organization achieve its goals and objectives over a three- to five-year period (Bolatan *et al.*, 2022; Djordjevic e*t al.,* 2020). Leadership has an important influence on the process of strategic management. It helps to establish the organization's vision and goal. It also allows the business to implement efficient ways to accomplish this vision (Ibrahim and Daniel, 2019).

Quality of leadership has a significant role in shaping and implementing a plan. It functions as a connection between the heart of the institution and its body. The commitment of the leader encourages the institutions to succeed, and this is achieved by taking effective strategic decisions and their implementation. If the strategies are not perfectly implemented, they are of no use. Leaders offer guidance on how performance is to be achieved. Broadly, an institute leader has the responsibility to give his or her vision and he or she reflects tactics, draws the plan and manages. By recognizing that various people have varied requirements, conditions will be created by leaders where fresh voices, ideas and thoughts can emerge (Campus *et al.*, 2020). In addition, he tries, following circumstances, to adapt to his organization. Leaders spread the energy and increase worker morale and spirit.

The strategy-building process begins when a leader attempts to alter people's thinking (Krier, 2022). Firstly, each person should grasp the need for change and must attempt to remain flexible in the right strategic planning. Leaders should use a realistic approach to identifying strategic gaps to create suitable strategies. Sophocles says 'Do not order what you can't do'. The strategic manager has different duties and it depicts the changing environment. Second, by choosing important individuals from the company, it establishes the leadership team. Third, it formulates the vision and strategy of the entire organization. It also helps to change the culture that makes strategic management easier (Uzarski and Broome, 2019).

Since the 1950s, many strategic planning frameworks have been developed, including famous models such as the OGSM (short for Objectives, Goals, Strategies and Measures), the Balanced Scorecard, and the 7S Mode (Kolzow, 2014). Frameworks like these have been utilized to meet the aims of companies of all sizes and usually have all the following elements:

a. Vision and Mission – An enterprise aims to be the first leader in a vision. In contrast, a mission statement explains the principles of a firm and how it aims to achieve its vision.
b. Internal and external drivers – The element refers to factors inside and outside the organization that might contribute to their achievement. For example, an internal driver may be the management team of a firm, whereas an external drive might be a good business environment.

c. Activities, objectives and goals – Staff conduct short-term goal-finding tasks. These short-term goals are designed to assist businesses to achieve their long-term goals.

d. Time frames – Time frames provide urgency, while also providing a perspective for the achievement of particular goals. In addition, schedules help businesses measure success.

Normally, one of the following groups does the majority of strategic planning activities:

a. Quality – This indicates that the quality of goods and services which are delivered to the customer is being improved by a firm.

b. Speed – Speed-oriented companies strive to provide service to consumers more rapidly or to speed up key production processes.

c. Cost – Many companies will attempt to reduce expenses by discovering innovative means of raising profit margins.

d. Flexibility – Companies desire rapid reaction to changing marketing conditions if flexibility is an objective.

Now it is vital to understand the adverse effects in the absence of strategic planning. A few studies revealed that organizations fail to put into practice up to 70 per cent of their strategic plans (Johnson, 2004; Miller *et al.*, 2004). A few studies demonstrate a low success rate of only 10-30 per cent of strategies (Waterman *et al.*, 1980; Raps and Kauffman, 2005). The state of affairs is even poorer in the health sector. Many healthcare managers came across many challenges in implementing their strategic plans (Adams, 2005, Mihic *et al.,* 2012). Some obstacles to efficient strategic planning include lack of top management's assurance, insufficient knowledge, unclear strategies, misallocation of resources, business culture, lack of teamwork, resistance to change, politics within organization and inadequate operational measures (Cascella, 2002; Murphy *et al.*, 2012).

5.7 Focus

Leadership's main duty is to give direction. To achieve this, leaders need to learn to concentrate. When we talk about concentrating, we often intend to think about one subject while filtering distractions. But a theory of new neuroscience research indicates that humans concentrate on many routes in numerous ways and for varied reasons, some of which operate in conjunction with others (González-Cruz*et al.*, 2019; Mehta, 2016). Setting these attention modes into three broad buckets – focusing on you, concentrating on others and concentrating on the world – sheds new light on many key leadership abilities. Focusing on people inwardly and constructively helps leaders build key emotional intelligence components (Muthimi and Kilika, 2018). More

comprehensive knowledge of how they focus on the outside world can help them to develop, innovate and manage organizations.

A leader must sit quietly, without distractions, and simply listen to whatever the mind has to say to him. Meditating regularly can be beneficial (Zohar, 2022). When a leader concentrates on one of the objectives he/she has established, he/she may focus on all of his/her competence. Dedicated leaders will not allow their achievements to be distracted and a leader concentrates on what he is doing well (Sharma and Jain, 2013).

Furthermore, a focused leader will assist in steering employees in a defined direction so that the team is now aware of the goals for which they are working. Because of their great attention, strong self-consciousness, communication and understanding, the focused leaders can encourage people to find creative solutions. However, how can you become a more concentrated leader?

We put forward with these, ten recommendations, which must be implemented by an organization.

A. Go early to bed and wake up early.

Getting up early doesn't mean you need to set your alarm at an awful hour like 4 am. It implies waking up earlier than anybody. You get a chance to organize your day and check your schedule when you wake up early, even if it is only 15 minutes. You can think about, write, exercise or catch up with the news from the industry if you start your day early. Briefly, the tone of the day is set in a peaceful morning. You're calm and cool and can concentrate better.

B. Enhance the concentration of your mind.

It is not a simple task to remain concentrated. Even if distractions such as email notifications are reduced, this may help gain concentration. British research has shown that the average length of attention is only 14 minutes. The more you develop your brain by completing the following actions, the more you can make it strengthen: Your brain requires the 'concentration muscle':

- Evaluate your concentration. Building on your existing mental concentration offers you a greater knowledge of how strong your attention is now. You have to start strengthening your mind, for example, if you are always daydreaming rather than working.
- Distractions elimination. Turning off your email and other notifications, such as social media, offers a start to remove distractions.
- Stop multiple tasks. It's not effective to do more than one thing at a time. Concentrate on just one item at a time.
- Be more present. This means being concerned with what is occurring now.
- Please take short breaks. Yes, you've had to accomplish a million kinds of stuff. However, you need time to concentrate and rejuvenate. Throughout the day you must take regular pauses to clear your brain and increase mental focus.

- Continue to practice. Even today, it takes time to grow your mind. Patience and constant daily practice continue to improve your mental concentration.

Not all tasks are equivalent to the work. A note must be made for all the actions performed within every month for identifying the duties and for picking out the most significant duties among all. All the duties must be prioritized in accordance with their need and important factors (Mohammed *et al.*, 2018).

The four Ds of time control, often called four Ds of productivity, is a common way to see if a job or project is worth your time or not. It includes deciding quickly what to do and whom to assign the tasks, what to do at present or what to do in the future.

The four Ds are:

- Do
- Defer (Delay)
- Delegate
- Delete (Drop)

Placing a project or activity in one of these categories will assist you to be more successful and help to focus on what matters most to you.

Don't be a people pleaser

A leader can split managers into several groups: Some individuals are following the description of leaders. Such people have a vision for the team and they know clearly what is necessary. Then there are the ones who abuse the executive, who follow their ambitions.

Productive individuals are happy: This is likely to be true. Different studies have demonstrated that happy individuals are more productive than sad people. But happiness is not the only route to great corporate culture and highly successful teams (Abbas, 2010).

Happy people will not leave: This is also true to some extent. Sometimes leaders do not have the time for business as scheduled and they have to do something that will make them disappointed (there are no benefits, no incentives, or even fewer staff). Even in cultures with resilient individuals, these things are tough and the productivity of the team is destroyed (Hao and Yazdanifard, 2015). The team's efforts to please are proper leadership strategies. However, it doesn't mean that the team is joyful, but it makes them feel important, respected, committed and vigorous. A leader must do a self-check on their working style, and approaches and develops a team of robust individuals who are happy with the working environment.

   i. Show guidance: The vision of any leader is one of the major requirements. A leader must be able to articulate clearly where the direction of

the organization is and how to go about it. It is not simply by talking but by leading the path that shows the finest route.

ii. Describe 'why': A leader should not only explain the route but always remember to explain 'why' to others. It can only help in getting there if the team knows where the leader wants to go and why.

iii. Maintain concentration: A leader must enable the team to concentrate on what counts. Let the staff concentrate on the main goals.

iv. Say 'no': A leader must learn when to say 'no' to things that do not, or may not, fit with the final aim, the business model or the corporate culture.

5.8 Cooperation

Cooperation is an idea that has been discussed in various disciplines such as business management, environmental science, communication, sociology, anthropology, history and medicine. Every discipline interacts with its own viewpoint on cooperation as a type of interaction (Bedwell *et al.*, 2012). Cooperation as a device for leveraging competencies thus increases survival in turbulent market conditions (Romero *et al.*, 2008).

Leaders that search for the input of their followers and try to assess each individual might build a completely different sort of organization. A cooperative leader regards himself as a facilitator of a shared objective and strives to share the burdens and rewards. Effective task and vision delegation may efficiently divide the workload and achieve the goals efficiently. There are two forms of cooperation: a weak form, which means compliance, and a strong form, which means considering the interests of all (Zirkler *et al.*, 2022). Employees who wish to be involved in the running of their firm are better off than an authoritarian in their cooperative leadership (Abbas, 2010).

Cooperation in the workplace is not always simple to accomplish, but it is worth the effort because it leads to a happy and productive environment (Petre, 2020). Cooperation may make a difference for many companies between success and failure. Employees spend more time working together and are more productive, and the job is done faster and more efficiently. When collaboration is held at work there is no loss of valuable time for addressing conflicts and conflicts between staff and management. Learning should be structured in such a way that group support is manifested and support skills are developed, with a focus on collaboration rather than competition.

Teamwork is a sign of workplace cooperation. The author of John C. Maxwell states, 'Teamwork makes the dream work'. Individuals willingly participate in an open dialogue in a cooperation-rich workplace. Management and staff work together and attempt to minimize conflicts. Empathy and competence are needed to bring together a group of employees as a team. A leader's fundamental job is to inspire. A leader must not overlook his effect on others. The attitude of a leader impacts the employees and colleagues. Also, a leader must have a positive attitude towards the business partners as they are the most vital element of any business.

Many do not know how to create a highly efficient team. The foundation of collaboration is cooperation. Cooperation indicates a group of staff working for the benefit of everybody. In the organization and among the members, there are more disputes than there are from outside. This is not an indication of good teamwork (Aibieyi, 2015). There will be various moments when the team will pass the first step without suffering any failure. During such moments, it is important to check the contribution of each individual in the team. This will also help in the distribution of the credit along with knowing the weak point and knowing what must have gone wrong and improving all these next times. In addition, it must be understood that success will depend on the involvement of every team member and every team member is equally important and responsible.

Cooperation is essential because it enables individuals and groups to work together to accomplish a common goal or to benefit mutually. Cooperation between people, and organizations, as well as between nations and countries happens at many levels. Cooperation enables people to communicate important information which helps both parties to enhance their expertise and operate on a time-efficient and resource-efficient basis. Cooperation and teamwork enhance communication through a mutual support culture in which each team member feels supported by the others. This communication among team members promotes a sense of unity, as everyone starts to acquire similar thoughts on the direction of their team (Mcdermott and Fergus, 1995). Leadership and cooperation directly affect the capacity of a company to fulfil its task. Leadership is needed for ensuring that everyone in the team works in the same direction. Good leadership:

- provides the team with a clear vision.
- provides a vision development strategy.
- encourages members of the team to use their talent.
- the team faces unique challenges and increases their abilities.
- monitor progress and guide the team to monitor them.

5.9 Conclusion

Despite the lack of formal training programmes, leadership skills offer valuable information about leadership. Leadership skills can help us to identify strengths and weaknesses regarding human and conceptual skills. By taking the skill inventory people can gain further insights into their leadership competencies. In this chapter, we have discussed various skills/abilities of leadership. These skills will help them to learn about areas in which they seek further training to enhance overall contributions to their organization. Considering the importance of skill, many manufacturing organizations often conduct skill mapping of their employees. This helps in understanding the different types of skill training required for an individual. As a result, a training calendar is developed in line with the different skill requirements of an individual.

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6 Importance of trust in leadership

6.1 Background

If the leader trusts his followers or vice versa then an organization can achieve success in the longer run. This is because trust is an important ingredient of leadership. When you trust your employees, you enable them to own their success. Trust will bring in a sense of responsibility among the followers or team members. Therefore, considering the importance of trust in an organization, this chapter is intended to bring deep insights into leadership trust. We also intend to discuss the ways by which trust can be developed between the team members and the leader in this chapter.

6.2 What is trust?

Trust was a concept that had been thoroughly researched. It has also been widely researched in corporate management and organizational communication – sometimes as a separate idea, but frequently as a part of relationships. The focus should always be on relations between managers and other workers in a company to ensure the long-term success of an organization (Kacperska and Lukasiewicz, 2020).

Trust in leadership means subordinates' trust in their leaders' leading their style. In many cases, employees assess leadership qualities in the course of the interaction with their leaders (Lestari*et al.,* 2021). When employees recognize their leaders as trustworthy, a closer relationship emerges between the two parties, leading to more output (Yuan *et al.,* 2021; Valdez *et al.*, 2018). Trust is a multi-dimensional term and is generally accepted as:

- Multi-level: Trust develops through interaction with coworkers, teams and organizational and inter-agency partnerships.
- Communication-based: Trust is the result of communication conduct, such as accurate information, clarification of decision-making, and honest and appropriate openness.
- Dynamics: Confidence is changing continuously while it is being constructed, destabilized and dissolved.

- Multi-dimensional: Confidence comprises various cognitive and compliance variables, all of which have an impact on an individual's confidence views, which are commonly included in the measurement of relationships.

The essence of leadership is defined and interpreted in many ways. Trust can mean different to different people. One may define a true leader as someone who is honest or humble; another may define a leader as someone who is authoritative and bold (Islam *et al.*, 2021). A leader can also be viewed as a person who captures the trust of those being led; being trusted as a leader will determine if people follow you or ignore you. *Merriam-Webster's* dictionary defines trust as 'reliance on the character, ability, strength, or truth of someone or something'(Akhtar and Nazarudin, 2020). The core of this chapter argues that trust stands as the foundation of leadership, and without it leadership becomes unsustainable and dangerous.

Many of Machiavelli's theories concerning leadership are seen in modern times as a lack of moral beliefs (Engelbrecht, Heine, and Mahembe, 2017). Machiavelli believed it is permitted to make promises to get an intended effect and then break them once the desired work is done. One of the most important factors in leadership is trust (Keszey and Biemans, 2017).

6.3 Importance of trust in the leader and team

Leaders that adopt the moral point of view respect integrity and are confident, compassionate, honest and fair. Morality is the element of 'ethical leadership', which refers to the efforts of a leader in influencing subordinates and leading to ethical behaviour, such as communication of ethical principles and the discipline of workers who have unethical behaviour (Lestari*et al.,* 2021). This behaviour includes fair judgements, ethical conduct and ethical recognition and reward. It is a sort of self-regulation that enables leaders to act ethically even when faced with external constraints (Hong and Lee, 2021).

Leaders also monitor the quality of the work of the team members and initiate innovative ways. These practices communicate the skill (character) of the leader and the good purpose of the leader for team growth and performance (relationship). If team members feel that their team leader is credible, knowledgeable and concerned about the team, they will be more ready to express their ideas and opinions (i.e. disclosure-based trust).

Although leadership may make it easier for workers to engage, there are several theoretical and practical reasons why it is not always enough to encourage employees. First and foremost, given the sources and conception of trust, employees who trust their leader are often dependent on their leadership ability (perceptions that the leader has high leadership abilities), benevolence (perceptions that the leader acts in the best interests of employees), and integrity (perceptions that the leader acts in accord with a set of desirable and acceptable principles) (Mooijman *et al.* 2019). The employees feel to focus on recognizing sources of dissatisfaction since they believe that their leaders

possess excellent leadership skills and do a good job of maintaining a valuable working environment. A high level of confidence in the boss might thus encourage employees to adhere to the status quo and undoubtedly follow their leader.

If leadership invites and encourages employees to comment and propose solutions to critical problems, leaders' trust can facilitate employers' behaviour because they believe that their managers not only seek their contributions, they can also manage them confidently. This is how power influences confidence and conduct. Productivity, equality and collaboration do not collapse without leaders' confidence. (Yuan *et al.,* 2021; Valdez *et al.*, 2018). Leaders who build trustworthy ties with their workers (and others in the company) are more effective but frequently more powerful than others.

Now, coming over to the importance of trust in the team, for many years, teams have been an integral element in companies. Great teams aren't formed by chance. To attain their full potential, teams must put in a lot of effort, preparation, communication, and willingness to make things work. There is no such thing as a perfect leadership team; everyone has flaws, disputes, and even drama. The key is to avoid allowing these difficulties to erode trust, which is extremely difficult to restore (Mc-Guinness, 2021). The team members must first trust each other and achieve team results. Trust is typically described as the willingness to be susceptible to other people's actions and has been studied for a long time in a single person's environment (Gao, Janssen, and Shi, 2011). In a team environment, trust is often considered to form the basis of interaction between the team members.

The idea of quick assurance is a particularly fascinating element of team confidence. Teams that typically are transitory (with members doing tasks together to achieve a certain set of objectives and then shifting to a different team) tend to establish relationships of trust fairly soon. Because members of these teams are largely unfamiliar with each other, their confidence is dependent on institutional variables (role expectations, failure penalties), attitude (stereotyping) and personality (agreeability), rather than traditional confidence (ability, integrity and benevolence). These groups frequently create trust relationships extremely rapidly to work together and fulfil their objectives despite their lack of significant knowledge about confidence. Some scientists have demonstrated that trust is more distal and that it is used by mediators, such as the capacity to make sense or teams to impact performance. Teams that create fast-growing trust, based on other team members' skills and integrity, trust their team wholeheartedly. This blind confidence makes team members exposed to skill deficiencies among their peers.

Working with teams is seen as an important part of an organization's success. In addition to these qualities, a team must have a high level of cohesion and good cooperation both inside and with third parties (Startone *et al.,* 2022). Although a variety of elements contribute to team success, confidence may be regarded as a fundamental basis in terms of high-level performance. The selection, education, development, surveillance, etc., procedures should

thus acknowledge that developing trust is a fundamental component of the management goal.

The fact is that success is not about deep, complicated theories but common sense and unusual degrees of discipline and tenacity. Ironically, the teams flourish. Furthermore, it is vital to recognize that trust is probably not the solution to all team difficulties and cannot be anticipated to stabilize. As businesses expand and adapt to the ongoing market advancements, the trust develops and evolves (Islam *et al.*, 2021; Wart and Bernardino, 2020). Organizational theories demonstrate how changes like the employment relationship are typically followed by changes in processes of change. These processes tend to cause anxiety, instability and lack of confidence among people. Therefore, to explain the presence of more or less trust in a specific situation, it is necessary to take a more general view of the study of trust in organizations, encompassing backgrounds at different levels.

6.4 How can a leader develop trust among those they Lead?

Understandably, trust is important and it must be built within an organization across all the stakeholders involved. So it needs to be understood how the trust should be developed in an organization to sustain the international competitive markets. We put forward a few ways by which a leader can develop trust among his subordinates.

6.4.1 Personal interest and compassion

Compassion is a human experience defined largely as an individual reply to personal suffering. We believe that compassionate leaders display an exceptional pattern of behaviours that is not previously expressed amicably in other constructs of leadership, such as, for example, authentic or servant leadership. When a leader thinks of the personal welfare of the team members the likelihood that you would be willing to follow them dramatically increases. However, no team member will be able to build trust relationship in case a leader is not caring and supportive. Many leaders neglect this simple yet valuable tactic in gaining the trust of those for whom they are stewards.

Many difficulties can stand in the way of truly developing trust between a leader and follower. Communication should not be any barrier between a leader and his followers (Pawar, 2014). A leader has to treat everyone on an equal scale to build trust among his/her team members. Trust cannot be built in a single day; rather it is a continuous process and involves a set of activities. A leader has to show a personal interest in every employee for their welfare with full compassion. This may take time but with the continuous and honest efforts of a leader, he/she will win the hearts of the followers and as a result trust can be built. A leader has to be humble, being humble means staying down to earth. The term 'down to earth' is used in this context because it will enhance the possibility of earning that person's trust.

6.4.2 Persuasion

The ability to catch the attention of a human being is entertainment; the ability to influence them is persuasion. What is it that makes a person persuasive? Many would answer that it is the way they talk or their physical appearance. A stronger argument may be that a person's character or credibility is what makes them most persuasive. Let's portray an example of this: An attractive man or woman asks you to invest in a company, but you know the company he or she wants you to invest in just had a class-action lawsuit filed against them. The second scenario is of an unattractive, poorly pitched investment plan for a company, but you know their stocks are rising and the company has great potential. Who would you choose? The answer is obvious. The majority would typically be more persuaded to invest in a company they knew was ethical and fair as opposed to a company that has corrupt leaders and is under investigation (Mineo, 2014). The one who is trying to get you to invest, it would not be the person's appearance or how well the pitch was presented that would bend your choice. The perceived character of the company would be the determining factor. This example illustrates that persuasion encompasses features like attractiveness and charisma,

Being a persuasive leader aids in gaining trust, but it is the integrity of the leader, not outward charisma, that will ultimately be the strength of persuasion. To validate this argument, many disciplines that study persuasion define it in three primary elements that originated from Aristotle: the first is logos (logic), the second is ethos (ethic) and the third is pathos (emotion). It must be noticed that none of these three elements encompasses anything about whether a person is charming or attractive. Aristotle himself said, 'Persuasion is achieved by the speaker's character when the speech is delivered in a manner that followers start thinking him to be credible'. Many leaders have attributes, charismatic voices and attractive smiles, but if they lack integrity and character, their initial charisma alone will not be the driving force for influencing their followers.

6.4.3 Honesty and transparency

A leader can make a big impact if he/she is honest and transparent. The nationally recognized Forbes business magazine emphasized three things that occur when a leader becomes transparent (Turaga, 2013). First, problems are solved faster; second, relationships grow well; and third, people begin to build trust in their leader. When a leader is transparent about a problem, it means everyone else can see it, which prompts collaboration on how to solve it. An authentic relationship is one built on the principles of honest feedback; it is something genuine, and nothing is hidden. The outcome of transparency is the promotion of trust in the leader.

A leader gains trust by showing interest, practising persuasion and demonstrating honesty and transparency. By reviewing academic research, it is evident that when these three points are implemented, trust will be developed

in an organization's team members (Norman *et al.,* 2010). Leaders and followers play different roles, but they create a harmonious relationship where both parties can trust and depend upon one another.

Trust stands as the primary foundation on which the leadership ability stands tall. Nations, societies, corporations and organizations can rise or fall based on the trust a leader shares with their followers. Without trust, a leader's capability to lead efficiently and effectively declines. Knowing a leader as trustworthy means their reliability and then followers will put their trust. Trust plays an important role in life and leadership; it can create nations (Abbas, 2010).

6.5 Trust as a key leadership competency

In companies, managers have a vital role to play in achieving particular expectations for each work unit. Their capacity to build, expand and restore confidence is a fundamental management competence (Kacperska and Lukasiewicz,2020; Ning, Jin, and Mingxuan, 2007). Some believe that giving confidence is the first task for any manager so that people and teams are free to work their best in harmony with others, their skill, creativity, capacities and contribution. Managers have to perform at least five duties to be energetic and ensuring communication:

- **Vision**: The vision of an organization is a declaration of being ambitious and appealing strategic intentions that offer a rational and emotional impetus to the journey of a company. It can't be an action-free statement. Managers' objective is to assist people and teams transform the vision of the organization into a personal vision of themselves.
- **Values**: Values are beliefs that influence the conduct to accomplish the goal of the organization. A person contributes to defining the culture a person wants. They also express the organization's importance and what significant activities and conduct are recognized and rewarded (or sanctioned). Trust is pervaded by the fact that managers monitor and maintain the value of the company and offer a reference point for all personnel by advertising and modelling them.
- **Work environment**: The environment in which people and teams operate has a major impact to achieve the vision. A leader has to ensure that an environment is not created that demonstrates a lack of interest, this lack of interest in the welfare of the team may generate a sense of mistrust. But the atmosphere that prevails within an enterprise is more essential than physical amenities. A negative atmosphere sows discontent all over the place – people must be able to believe that management strives to build the environment.
- **Employees**: Management functions are related to recruitment, firing, appraisal, hold up staff, etc., some of which are more complex. The management will also review promotional decisions to assess the performance.

Poor judgements in this regard will weaken the confidence and encourage employees to wonder why they work so hard if performance does not truly matter.

● **Compensation**: Few problems provoke as much controversy as mistrust (and other benefits). Managers need to follow an honest approach while sharing an organization's compensation system to be considered fair and not manipulative. The incentives and bonus structure should be based on real results.

A command of the elements that contribute to work satisfaction is important for a great number of individuals at the workplace. As organizations realize the business problems of workers, they strive to make their people happy and motivated (Buenaventura and Gudziol-vidal, 2020). Improving happiness at the workplace will have a beneficial influence on productivity and hence on companies' profitability. Although most businesses want the happiness of employees, only a few can achieve this objective. This is why staff members need to better grasp variables that can improve employee happiness and how it ties into the success of a firm as a whole (Bilgino and Artan, 2019).

6.6 Respect and trust in organizations

The significant determinants of employee happiness are mutual trust and mutual respect within a company (Lestari*et al.,* 2021). Respect for one and others are important in an organization. Each employee must be appreciated, which is the foundation of every relationship between people (Valdez *et al*., 2018). Mutual respect is seen as human interactions that demand an acceptable attitude, self-awareness, openness, and power to revisit a cultural world. A respectful workplace where employees are appreciated gives firms great advantages because they are more pleased with their employment and more thankful to their enterprises (Islam*et al*., 2021). Respect is important for the confidence of employees in a company.

Now, coming to trust, three aspects of trust are excellent relations, good judgement/expertise, and consistency. Trust is the expectation that a person will not act unethically at the expense of others. The confidence conferred on an employee by a company's activities is referred to as organizational trust (Boakye, 2022; Wart and Bernardino, 2020). Trust is based on reliability and is a vital element of the culture of an organization, frequently known as the glue that maintains an unbroken culture. There is a mutual trust where two individuals share mutual trust, each with its intention and confidence. Trust among employees is indeed essential for companies.

In business organizations– whether management, operation or support – business processes are carried out through relationships. Because trust between the interacting parties is the basis for productive interactions and organizations can profit from the building of relationships. High confidence has a good correlation with a high level of staff dedication, commitment,

and success in the organization. Various advantages include enhanced value; accelerated growth; market and social trust; easy communication; enhanced innovation; transparent relationships with staff and other stakeholders; and increased cooperation and loyalty. Nothing is as important as the omnipresent influence of great confidence.

6.7 Confidence and cooperation

As discussed in the above sections, trust in the workplace has numerous effects on management and employment. Confidence and cooperation are considered to be essential subjects in the area of an institution's conduct and have been well investigated (Miles, 2016). Without any question, trust and cooperation are currently indispensable to any company. This means that contemporary companies view cooperation as an element of corporate management. Indeed, the tendencies toward collaboration come from the concept that during the reorganization of companies they are allowed to make the maximum use of employees' abilities to achieve a competitive edge. Companies that are focused on teamwork activities can enjoy advantages like achieving flexibility, better decision-making, focusing on organizational objectives, and increasing motivation and synergy amongst team members.

Team trust is a crucial element for successful teamwork and efficiency. Moreover commanding and controlling leadership lead to a negative outcome for relationships and work performance of people in an organization (Gensler, 2020; Lencioni, 2002). The function of trust on the team level is becoming increasingly vital to understand and how it connects to performance effectiveness. Leadership quality boosts followers' motivation and fosters closeness between the leader and his or her followers, hence improving organizational effectiveness (Islam, 2021).

6.8 Trust and team effectiveness

The concept of trust has been recognized as an imperative construct in the organization. The idea of teamwork is based on the notion that individuals working collectively and interdependently are able to achieve something beyond the capabilities of those individuals working independently (Paul *et al.,* 2021).Hackman and Wageman (2005)found that team members' personal outcomes cannot be ignored as part of the overall effectiveness of a team. The efficiency of teams is commonly used to represent several team results. These may be grouped into three main categories: (1) team performance regarding the quantity and quality of the team outputs; (2) the attitudes of team members, for example, team members' satisfaction, commitment and stress; and (3) team conduct results which may reflect team absenteeism and turnover. Researchers assess team effectiveness by taking into account the characteristics of team performance and the attitudes of team members (Paul *et al.,* 2021).

Previous literature has also revealed that both trust and team effectiveness are significantly related (Boakye, 2022; Wart and Bernardino, 2020; Gensler, 2020; Miles, 2016; Edmondson, 2011; Lencioni, 2002). All these studies revealed that in the presence of trust, team effectiveness increases. As a result all the team members work together to achieve a common objective of an organization.

Apart from the basic premise that trust is a key lubricant of the social system and an aid to coordinated actions between people, there are some good results. Many types of research have shown satisfaction and commitment to characteristics of trustworthiness. Consequently, the trust may be anticipated to have a beneficial impact on their team's happiness and dedication (Islam *et al.*, 2021; Valdez *et al.*, 2018; Rast, 2016).

6.9 Conclusion

The objective of this chapter was to find out the role of trust in a leader. An organization will not be able to sustain itself in the competitive market in the absence of trust between the leader and his followers. Keeping the importance of trust in an organization, this chapter reveals that no team member will be able to build trust relationships in case a leader is not caring and supportive. A leader has to show a personal interest in every employee for their welfare with full compassion. Further, a leader can make a big impact if he/she is honest and transparent. To conclude, trust is an integral part of leadership, and this takes a lot of effort to develop. Trust is developed by being humble, thinking of the welfare of the team, providing remedies to the problems, and being honest and transparent.

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7 Management and leadership

7.1 Background

It is a good idea for a company to hire managers who are familiar with the sort of leadership they want to use. Although there is a distinction between management and leadership, the two concepts are intertwined. Managers are active in leadership when they try to persuade a group to achieve a common goal. Both processes entail persuading a group of individuals to accomplish a shared objective. As a result, a comprehensive study of management and leadership is required. Therefore, we have attempted to differentiate between leadership and management in this chapter. Furthermore, this chapter focuses on workplace management and leadership challenges. This will assist leaders in overcoming problems and establishing effective and efficient relationships in the workplace.

7.2 Managers and leaders

Before we move to distinguishing leadership and management, it is important to understand managers and leaders first. This is the aim of this section. The goal of effective management is to provide the community with services in an adequate, efficient, fair and sustainable way. This can only be done by bringing together critical resources for the supply of services including human resources, money, hardware, processes, and when they are synchronized correctly.

To be effective, management and leadership are crucial. Although in some aspects the two are comparable, they may include distinct kinds of perspectives, abilities and behaviours (Pihlainen*et al.*, 2019; Wajdi, 2017). Excellent managers require management abilities that are effective to be good leaders. Leaders will have a vision of what can be done and convey this to others and develop vision tactics. They encourage others and may negotiate resources and other assistance to attain their objectives. Managers ensure that the resources provided are effectively structured and used to get the greatest results.

What are the attributes of a good leader? Leaders often (but not necessarily always):

- have a sense of mission
- are charismatic

Table 7.1 Skills good leaders need

Strategic Thinking	Planning and Delivery	People Management
(Developing a vision of where you want to be)	(Planning how to achieve your vision and dealing with the challenges along the way)	(Finding the right people and then motivate them to work to achieve the organization vision)
Change Management (Recognizing, responding and managing continuous changes to vision and plan)	**Communication** (Working on the best ways to communicate vision to others and listening to ideas)	**Persuasion and Influence** (Encouraging others to help you achieve your vision by demonstrating its advantages)

Source: The authors

- can influence people to work together for a common cause
- are decisive
- use creative problem solving to promote better care and a positive working environment.

It can be assumed that all managers are leaders; however, that assumption is wrong as some managers have no leadership and other managers have no management roles. As a result, the difference between managers and leaders remains controversial. Some scientists claim that the two tasks are not synonymous with management and leadership, but overlapping (Ďaďo *et al.*, 2018; Laycock, 2009). In addition, there is a dispute about the degree of overlap. Some people consider them opposites and feel that a good leader can't be a good manager (Grint, 2020).

Management and leadership involve a distinct collection of tasks or duties. There are also some significant differences in the use of certain capabilities to achieve certain objectives, while leaders and managers share certain similarities (Mabey, 2014). While managers maintain a functioning workplace, the leaders test the current position and encourage new functions so that they seek long-term goals. Organizations require both efficient and effective management in today's workplace for maximum performance.

7.3 Management vs leadership

Each and every organization wants their managers to be leaders, but this may not be true in every situation. This is the reason we believe that management and leadership are different. Management and leadership are present in approximately all facets of organizational life; nevertheless, the functions and roles of a manager and a leader vary. We believe that managers abide by definite roles resulting from their managerial functions and their major work is to direct and assess the effort of their subordinates. On the other side,

leaders steer their team in establishing goals and support the team actions taken to accomplish the organizational goals.

Since 1977, the distinction between leadership characteristics and management abilities has been common. Leaders should offer us vision, purpose and motivation, while managers should implement them. In fact, without a strong management component, it is difficult to be a leader (or at least a leadership team) and a manager of excellent quality will have a particular level of leadership. Speaking about leadership talents and management abilities rather than of leaders and managers would be far better. The goal is to ensure that the programmes are effectively run and successful and that all people know what to do and are coordinated with all others.

We have already defined leadership in the previous chapters. Broadly, leadership is defined as a style that motivates, strengthens, empowers and unites followers (Salas-Vallena, 2021). Many scholars are still concerned with the fundamental topic of whether leaders are produced or born. This question is answered in many ways. Although leadership is unusual, it should possess a certain number of important characteristics including vision, honesty, trust, selflessness, dedication, creative capacity, hardness, ability to communicate, risk-taking and visibility.

On the other hand, management is defined as an art by some people and science by others. It is not the most essential thing whether management is an art or a science. Management is a method used to achieve corporate objectives. This is a method used to attain the goals of an organization. In practice, management encompasses delegation, which entails being given, accepting and carrying responsibility for the smooth operation of a system in which others engage in an institution, as well as an organizational hierarchy (Shaturaev, 2021). Should companies just have leaders or managers?

Leadership and management are phrases sometimes used interchangeably, but are not considered the same; they do have fairly different meanings. Both have commonalities, but also significant variances (Pihlainen*et al.*, 2019). In this section, the objective is to explore the difference between leadership and management. Managers are correct, and leaders are right. But this is too easy and too straight forward to distinguish. The difference between a leadership position and just being effective in that role is a more useful way of thinking about leadership. Over time, leadership should be assessed in terms of the group's performance (Mamabolo, 2018). The capacity to create and sustain a properly functioning group in comparison with its rivals is a concern. These distinctions are explained in this section, which explains why both words are considered comparable (Ďaďo*et al.*, 2018; Laycock, 2009).Barker (2001) found that as there is a need to differentiate between classical music from other musical forms, there is a need to distinguish leadership from other forms of social organization, such as management.

The studies of Zalesnik (1977) and Burns (1978) made an attempt to distinguish between management and leadership. The findings revealed that leadership is an exalted notion that is essential for the successful performance of the

business. According to these works, management is distinguished as ordinary and uninspiring and cannot guarantee the success of the firm. However, it is proposed that leadership be favoured at the expense of management which seems to be an outdated concept to make sure success of an organization.

Leadership is one of the many assets to be owned by a great manager (Connolly *et al.*, 2019). A manager's primary objective is to optimize production through implementing administrative procedures. Managers must do the following functions to do this:

- Organization
- Planning
- Staffing
- Controlling
- Directing

Leadership is an integral part of the leadership role. A manager needs to both manage and lead (Barker, 2001). It is not possible to delegate this participation. In addition, leadership is not necessary for many daily settings. For example, a leader merely administers or transacts business by responding to regular emails and calling or giving daily job duties.

Often in small organizations, the true leader is not the top manager. In many situations, the group is led in a certain direction by a subordinate member with unique abilities. Leaders frequently have to let vision, tactics, goals and values influence group activity and behaviour instead of trying to manage people. If a natural leader comes into a group with a manager, there may be different viewpoints (Grint, 2020; Newton, 2012). When a manager perceives someone else wants to lead, he may feel that his competence is being challenged.

Groups are frequently devoted to a leader rather than a director. The leader creates his devotion in areas like:

- Taking the blame when things go wrong.
- Celebrating group achievements, even minor ones.
- Give credit where it is due.

The leader should acknowledge team accomplishment. Observant and sensitive individuals are the leaders. You know your team and build mutual trust. Leadership includes influencing people in achieving organizational goals. The manager must encourage employees, efficiently communicate and efficiently use authority to lead successfully (Burns, 1978; Zaleznik, 1977). If managers are good leaders, their subordinates will be happy to make efforts to achieve their organizational goals. Managers first have to grasp the personalities, values, attitudes, and emotions of their subordinates to be good at leading (Zanda, 2018; Bhamani *et al.*, 2012). There have been numerous contributions in behavioural science to understand the managerial role. Personal research and job studies give significant knowledge on how managers may lead subordinates most successfully.

Related activities include leadership and management. Sometimes every boss leads. People at the top of organizations, which are generally called – 'leaders'– must manage every day. Subordinates and the public are normally seen in another way than managers by top managers (e.g. CEOs or Executive Vice Presidents) (Li, 2016). This is mostly due to responsibility level: senior managers such as CEOs spend more on strategy, and spreading communication across the organization. Line managers generally engage in direct functional tasks (marketing, manufacturing, finance, HR) and are less concerned with wider functions for leaders.

7.4 Leadership skills vs management skills

As we attempted to learn how management and leadership are different to each other in the previous sections, it became important to understand how both of them are different in terms of the skills that they possess. Therefore, we attempted to differentiate between leadership and management skills in this section.

Everything includes management abilities. To achieve the vision of companies, management is vital (Moore, 2004). Since they are mandatory for management efficiency, they consistently involve human resources management, management of organizational change, management of future human resources needs, especially manager selection and appointment, continuing training and development and management of organizations policy (Clements, 2013).

Leadership qualities exhibit characteristics and talents that assist in supervising processes and guiding initiatives and their workers towards achieving objectives. Leadership skills are a crucial element in positioning managers to decide carefully on the purpose, goals and resources adequately for implementing these instructions. Leadership skills are the capacity to delegate, motivate and communicate effectively. Honesty, trust, dedication and inventiveness also comprise leadership qualities (Radu and Ramona, 2014).

7.5 Leadership challenges at work

Growth isn't an easy affair. Every day, all organizations want to expand. However, it is accompanied by development that must ensure sound leadership if it is to flourish. Some of the leadership challenges are as follows:

7.5.1 Challenge of monitoring competition

A business organization has to deal with many other players in the competitive environment. Every player is confronted with the other players who are trying to acquire and keep market attention. For a company to grow,

the market structure of other rivals always has to decrease. In addition, this challenge is made more onerous by certain environmental variables such as below:

- Globalization
- Deregulation of a few sectors
- Advancements in information technology

So this can be concluded that to sustain in the international market, an organization has to regularly monitor the competitors. These rivalries may impose a major threat for a business, so scanning and monitoring is vital. Therefore, a leader is not only required to scan internal factors but at the same time a leader has to scan and monitor various threats that can be imposed by potential competitors.

7.5.2 The challenge of change and uncertainty management

The environment in which enterprises function is unstable at times and this change is the rule. A project has to change accordingly to meet the uncertainty in the environment. Various external factors such as political, economic, legal, socio-cultural and technological are uncontrollable and can have an impact on the business. But a leader has to ensure how to deal with such changes to sustain the competitive environment. In addition to the external factors, the internal factors are controllable. The leader has to ensure that relationships with stakeholders, suppliers, employees and customers are well managed (Vito, 2015). Such kind of uncertainty in both the internal and external factors has to be efficiently managed by a leader. Therefore, one of the primary challenges facing organizational leadership is the ability to retain focus in the face of turmoil.

7.5.3 The innovation challenge

Innovation is the need of the hour for an organization to sustain itself in the tough global competitive environment (Kirchner *et al*., 2021; Vito, 2015). Innovative firms can outperform the market and as a result, organizations that are unable to be innovative are out of the market. Therefore, a leader has to ensure innovativeness. To achieve it, a leader has to make sure that continuous research and development activities are performed in the company. Leadership has the lengthy process of inventing and implementing new goods to survive or expand. This is a requirement for organizations that want market leadership. Faced with increased customer expectations and the high-tech culture, anything except new products and ways of delivery will not be sufficient. This challenge calls for enormous funds for research and development work. In addition, a leader has to make sure that proper funds are allocated to research and development.

7.5.4 Challenge of maintaining industrial harmony among members

The development of an organization at times offers many challenges. It also allows more people with various backgrounds, perspectives and inclinations to take part in the working environment. All of these may lead to disputes and this will test leadership to achieve industrial harmony. For this reason, the larger the organization, the more integrative and industrial relations abilities are needed for leadership. Therefore, it becomes imperative for a leader to ensure that all the team members stay in harmony with each other. There can be conflicts because of diverse groups, but the challenge for a leader is to ensure that such conflicts are addressed and resolved. In the absence of industrial harmony, the members will not be able to perform as a team, and as a result, an organization cannot outperform in the challenging environment. Therefore, the role of the leader becomes more important to ensure industrial harmony among team members.

7.5.5 Meeting stakeholders' expectations

A stakeholder is one whose actions begin to influence the broader range of individuals as organizations expand. The growing organizations draw more attention than smaller governments and localities. Various individuals and groups financing the organization are more interested as their expectations can be fulfilled, especially when a company is growing. In one way or the other, all of these actors claim the organization. Governments are calling for more tax income and society is demanding a more socially responsible company, and yet workers and shareholders are demanding an increase in wages and dividends. These competing requirements of the different stakeholders represent a key cause of challenge for their leadership. Therefore, a leader must ensure that the expectations of all the stakeholders can be fulfilled.

7.6 Management challenges at work

Organizations must address several challenges to boost productivity and must motivate highly educated employees. These challenges have altered the field in which companies have to compete. In particular, the demand for companies to adapt, be flexible, and compete and react quickly in a global market has risen substantially (Kirchner *et al.*, 2021; Vito, 2015; Drucker, 2012). To determine how managers may respond to these problems more effectively to enable their businesses to achieve exceptional performance, this section sheds light on the challenges that management can experience.

7.6.1 Challenge to increase resource productivity

Today's and tomorrow's management challenges will focus on enhancing resource productivity. In liberal capitalism of the 19th century, resources

were thought to develop and to be assigned an invisible hand. Everyone understands in this regard that there is no employment except in the case of considerable capital investment. The capital costs of new jobs are extremely great and are growing fast, even in emerging nations where there are and should be many workplace-intensive activities. So, the requirement of our society for the appropriate capital formation for future jobs is one of the problems that management faces nowadays.

7.6.2 The challenge to stay ahead and cope with change

Continuous change must be considered a rule in today's business environment. This indicates that there will be more volatility in the organization. The environment is dynamic, unpredictable and everexpanding. It's a changing environment (Dhaunya, 2015). It is an atmosphere that often contradicts the information received by the organization. Management is only able to calculate 'assessments' and such assessments become obsolete quite fast with the changes in the environment. In this climate, in the face of insecurity, it is essential to be able to take measured risks to cope with such change. So such change has to be properly managed. This can be managed by proper planning and staying one step ahead.

7.6.3 Globalization challenge

Globalization is the propensity of companies to expand sales on new overseas markets. Globalization refers to procedures that encourage global exchanges of cultural and national resources; it also involves promoting and expanding the global movement of people, products and ideas. Globalization generates economic growth in businesses and countries and implies the participation of a country in the global economy and integration with it (Mohsin, 2020). The world economy is therefore quickly becoming a global village, in other words, a more integrated world economy, interdependent and interconnected, in particular concerning trade and investment. Throughout the world, companies that used to solely compete with local companies – from airlines to automobile manufacturers to banks – have found that they suddenly face an attack from new international competitors. This new worldwide environment was effectively addressed by several companies, while others failed.

We focus on two contemporary topics that occur at the same time: changes in the international economy and changes in management practice (Odine, 2015). These changes are essential for investigating and comprehending the issues of the future in emerging and developed countries. It is a challenge for management to be able to stay ahead of change. The management also has to ensure that it keeps motivating people around towards the challenges of globalization. Today, you may have entered a market and tomorrow you may be out, just because as an organization you are unable to address the challenge of globalization.

A leader has to have followers, by definition. We must study the interaction between leaders and their followers to comprehend leadership. If one looks more carefully at the phrase leadership then all individuals are involved in leadership. The whole notion of leadership is meaningless in the absence of followers or workers.

The capacity to encourage people and manage interpersonal conduct is connected to leading. Naturally, the process of effective communication relies significantly on this. To decrease employee discontent, leadership is crucial (Mihhailova, 2009; Barkema and Baum, 2002). The successful transfer of power and authority also includes good leadership. Leadership is a dynamic process and the connection between leader and follower is a two-way process and a mutual one.

In the process of leadership, the notion of power is inevitably involved. Power is, as we use the word, the capacity to influence, i.e. to alter people's attitudes or behaviours (Stankiewicz, 2015). Transformational Leaders refer to a collection of leadership characteristics and activities that motivate followers to look above their interests and pursue greater goals. In French-Ravens (1968), there are five different bases of power: reward power, coercive power, legitimate power, referential power and expert power. The more power sources are available, the more effective leadership potential you will have.

Let people try to understand each of these power sources.

- **Reward power** is based on the perception by the subordinate that the leader can control rewards that his followers are looking for – e.g., the leaders' ability to influence decisions on pay, promotion, praise, appreciation, increase in responsibilities, the distribution and organization of jobs, and privileges. (Johansson, 2017).
- **Coercive power** is built on fear and on the idea that the leader can punish those who fail to follow orders. Examples include retention of salary rises, promotions or privileges; assignment of unwanted chores or obligations; retention of friendship or support; and official rebukes or potential rejection. That's the reverse of the power of reward.
- **Legitimate authority** is found on a subordinate belief that the leader has the right to affect his role in organizing structure hierarchy. Therefore, legitimate power is found in authority and not like human relationships.
- The **referent power** is found on the identification of the subordinate to the leader. Because of the interpersonal appeal and personal charisma, the leader may influence the follower. For their regard and esteem for a leader, the followers follow the leader.
- **Expert power** derives from the subordinate's impression of the leader as a person with access to knowledge and information.

From the above discussion, it can be revealed that management and leadership differentiate effectively between transactional and transformational leadership.

They are quite close. James McGregor Burns made this distinction in 1978 for the first time. Although he wrote about political leadership, the difference was made in the area of corporate management where it's as important.

Transactional leadership takes place when managers take the initiative to satisfy workers by giving something desired, such as wages, promotion, increased job satisfaction, or recognition. The manager/leader creates clear goals, understands employees' requirements and chooses suitable and motivating rewards. Transformational leadership has a noteworthy impact on innovation and market performance (Purwanto, 2021). People in positions of leadership should use a transformational leadership style to motivate their colleagues by giving them personalized attention, intellectual stimulation, and encouragement to achieve their goals.

The process of engaging people to shared values and a common vision is transformational leadership. This is especially important in the context of change management. It consists of ties between leaders and leaders of confidence. The four components of transformative leadership:

- **Influence is idealized** – Such leaders may gain trust and respect for their followers, with a clear vision and feeling of purpose by showing them that they can do more than they thought they could do. They are building a foundation for a future mission which allows them to make more attempts.
- **Individual consideration** – Taking care of their particular followers' needs and potential for development, delegation, mentoring and positive feedback.
- **Stimulation of the intellectual** – It means requesting fresh ideas and new ways to do things actively.
- **Inspiration** – It means motivation of individuals, enthusiasm, setting an example and sharing of loads.

7.7 Conclusion

In this chapter, we attempted to find out leadership and management are different to each other. While improving the leadership ability of some employees, it is important to remember that strong leadership combined with poor management is ineffective, and can even be worse. Some people have the potential to be great managers but not great leaders. Leaders must understand and respect their icebergs in terms of what their beliefs signify for their leadership styles and how they create their management styles. In this chapter, we wisely reviewed how management and leadership work together to achieve organizational objectives.

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8   Leadership style and market success

8.1 Transformational vs transactional leadership

Every leader has his/her leadership style. The ultimate purpose is to ensure that all members of an organization work together to achieve its goals. In this section, we focus on both leadership styles. We put forward in this section the detailed styles of both the leaderships and how they are related to organizational effectiveness.

8.1.1 Transformational leadership

In the previous chapters, we also attempted to brief on transactional and transformational leadership. However, in this chapter, a detailed examination of both the leadership styles is done. A transformation takes place every decade in human history. Time brings about changes worldwide in society, the physiology of humans, politics, the arts and businesses. The present generation has not been able to think about the last two generations. People can't easily accept their past generations' time, society and lifestyle, but only accept their present world in their place of birth.

Our ancestors always taught their children, without questioning authority, to follow their authority and government. Without asking anything, they have trained their children (Xiaoxia and Jing, 2006). The scenario today has changed a great deal. The current organizational environment, worker relations and leadership styles are changing. The business environment today has completely changed as compared to the previous decade. New types of crises have also begun in the world of companies. Leadership is not the same as 20 years ago.

Various ideas are being proposed to explain the efficacy of leadership. Transformational and transactional leadership theories are two of the leading ideas. Theories of transformative and charismatic leadership have been on the rise since the late 1980s. Several thinkers have suggested versions of transformative leadership.

Although the majority of the authors agree that in terms of idea and practice transactional and transformative leadership vary, many authors think that transformational leadership greatly increases transactional leadership

Table 8.1 Difference between transactional and transformational leadership

Transactional Leadership	Transformational Leadership
Leadership is responsive	Leadership is proactive
Works within the organizational culture	Works to change the organizational culture by implementing new ideas
Employees achieve objectives through rewards and punishments set by a leader	Employees achieve objectives through higher ideals and moral values
Motivates followers by appealing to their self-interest	Motivates followers by encouraging them to put group interests first
Management-by-exception: maintain the status quo and stress correct actions to improve performance	Each behaviour is directed to each individual to express consideration and support. Promote creative and innovative ideas to solve problems

Source: The authors

and increases individual, group and organizational performance. Others think that transactional management is a sub-set of transformational management.

Coming over to a transformational leader, a person who motivates and encourages people to accomplish remarkable results is a transformational leader. He/she takes account of the requirements of individual followers for their growth. A transformational leader changes an organization and is well aware of the problems and stimulate followers to make further efforts to accomplish business goals. The notion of transformational leadership is all about leadership that generates good changes in the people who care and act in the interests of each other (Sultana, Darun and Yao, 2015). James Macgregor Burns first developed the idea of transformational leadership, but its use was extended to organizational psychology and management with further changes by B.M. Bass and J.B. Avalio.

Transformational leadership helps leaders in creating an environment enhancing follower performance beyond individual self-interest. In fact, visionary leadership, a form of transformational leadership, offers opportunities to promote the competence of an organization to meet the needs of its constituents. Transforming leadership improves the motivation, morality and performance of supporters in numerous ways. These include encouraging the team to take interest in their job, ensuring more job involvement and understanding of strengths and weaknesses to align with the job requirements. Along with that transformational leadership (TL) has a greater impact on promoting trust, creating a dynamic work environment, and improving team performance and job satisfaction as compared to traditional leadership (Budur, 2021).

Following are the four components of transformational leadership style:

- Charisma or ideal influence: Charisma is a powerful personality and captures the attention of the followers. The leader behaves in commendable ways and shows conviction, for performing the tasks assigned.

- Inspirational: A leader always offers inspiration while he formulates a vision. This creates a great sense of engagement among the employees to ensure the objectives of an organization are achieved effectively.
- Personal and individual care: A leader always offers personal care to the team. This creates an impression that the leader is concerned about his/her followers. As a result, the follower will feel a sense of belongingness towards the organization and will be engaged actively in achieving the organizational objectives.
- The degree of respect and admiration: As suggested by Abraham Maslow, self-esteem need is also a motivation for an individual. Everyone wants to be respected by everyone. Similarly, any follower being shown respect always motivates a team member. This motivation results in fulfilling the self-esteem need which further inspires an individual to outperform an organization to achieve further growth and success.

From the above discussion, it is clear that the transformational leadership style is unique and offers several advantages both for an individual and for an organization. Empirical data also demonstrates that transformational leadership is significantly connected to work results such as reduced turnover rates, increased productivity, happiness with employees, creativity, achievement and well-being of the employees (Şirin, Aydın, and Bilir 2018).

8.1.2 Empirical evidences on relationship between transformational leadership and market success

In this section, we make an attempt to understand the take on previous studies to identify the relationship between transformational leadership style and market success. Significant relation between transformational leadership and market success has been confirmed by pre-various authors. Various indicators of market success found in the literature are organizational learning, organizational commitment, new product development, financial performance, overall firm performance, innovativeness, etc. For instance, numerous studies confirm the impact of leadership on business performance. For example, transformational leadership behaviour is positively related to organizational commitment, and then organizational commitment leads to business performance (García-Morales *et al.*, 2012; Avey *et al.*, 2011; Carmeli *et al.*, 2011; Ling *et al.,* 2008; Steyrer *et al.*, 2008; Barling *et al.,* 1996). In addition, transformational leadership is also found to have an impact on organizational learning, company and finally innovativeness influences business performance (Aragón-Correa *et al.*, 2007). Subsequently, leadership has a key role in accepting organizational learning and formation of learning in an organization. At the same time, financial performance of an organization is also found to have relationship with transformational leadership style. It is a proven fact that transformational leadership training can significantly impact financial performance (Clark *et al.*, 2014; Barling *et al.*, 1996). Various

indicators of financial performance in relation to market success identified are profitability, sales growth, market share, firm's competitiveness industry and productivity. All these variables are related to transformational leadership style (Bridgman *et al.,* 2011; Pantazi and Strãoanu, 2011; Chandler *et al.*, 2009; Bonfiglioli, 2008; Masakure *et al.*, 2008).

Moving over to relationship of transformational leadership style with new product development and hence market success reveals that there is significant relationship between both of them. Transformational leadership improves the followers' performance and enables them to develop to full potential (Kuhnert, 1994). To conclude, individuals who demonstrate transformational leadership have strong inner values and ideals, and they are efficient in motivating people to attain improved results i.e. market success.

8.1.3 *Transactional leadership*

Transactional leadership is a leadership style that develops respect for the role of its supporters employing incentives and punishments, which is also known as managing leadership. According to Burns (1978), transactional leadership occurs when a leader approaches followers for the purpose of exchange, whereas transformational leadership requires more than just the compliance of followers (Kuhnert and Lewis, 1987). In contrast to transformational leadership, transactional leaders don't want to alter the future; they just want to maintain things the same. These leaders take into account the work of the followers to discover defects and differences. This sort of leadership is successful in crises and emergencies and when projects need to be conducted in particular.

Transactional leaders put focus on procedures. Such leaders rely on contingent rewards (also known as positive strengthening) or contingent penalties (also known as contingent negative reinforcement). Contingent incentives are provided when the defined objectives are fulfilled to keep subordinates working at a decent pace at different times. Contingent incentives (for example, suspension) apply when the quality of performance falls or when duties are ineffective. Contingent fines are often handed out on an exceptional basis. There are active and passive pathways within management (Kalsoom, Khan and Zubair, 2018). Active administration implies that the leader constantly examines the performance of each subordinate and makes adjustments to the work of the subordinate to make corrections. Passive management leaders wait for problems to arise before they are solved.

In the previous sections, we discussed both leadership styles. In this section, we highlight how both of these leadership styles are different to each other. A transactional leader exchanges tangible rewards for the work and loyalty of followers.

James Burns revealed that transformation leaders are leaders who engage with supporters, concentrate on the higher order of needs and raise awareness of the importance of specific findings. Such leaders present new

ways of achieving the desired results. Transactional leaders tend to be more passive because they demonstrate active behaviour, which includes a sense of mission.

Transformation leaders have also transactional leadership characteristics and adapt to a focused management style. They allow their supporters to look at events with a new approach and persuade the followers to value the group's objectives more than their own goals. Transformation leaders make the necessary changes and improvements in their organization and question the existing principles and make new principles so that the organization can reach a superior performance level.

Apart from transactional and transformational leadership styles, there are some other styles also. The style of leadership stands for what individuals do. Management has numerous components and different methods of describing leadership styles such as dictatorship, bureaucracy, charisma and participation.

Autocratic leadership: An autocratic leader is typically seen to be someone who has little faith or confidence in the subordinate. These leaders function by dictating their subordinates.

The authoritarian: This management style is distinguished by personal control of the decisions and feedback of all team members. They stress loyalty and dedication and are known as the ones who decide for themselves and demand rigorous observance of the laws. The decision-making process is centralized; authoritarian leaders take complete control over their followers' performance and decision-making responsibilities. The praise and critique of the followers play an essential part in self-government. Autocratic leaders are usually based on their views and perceptions and never take into account the counsel of supporters. As a whole, an authoritarian organization must be controlled by autocratic leadership.

Democratic leadership: Democratic leadership is a form of leadership in which group members are more involved, which is also referred to as participatory leadership. A democratic management style enables employees to engage in decision-making. The leader of democracy assists the leader and team in sharing decision-making. Arguments and compliments are critically provided and a sense of responsibility is developed within the community. The leader talks with subordinates until he or she gives general or special commands that the subordinates feel free to do so. The superior support and continues to contribute to the subordinates' initiative. Democratic leadership features generally include: the notion that team members may exchange ideas and perspectives, the leader has the final decision-making authority, the group members are more active and innovation is being fostered and awarded.

Democratic leadership has several advantages. Subordinates are encouraged to submit experiences that might lead to improved ideas and a more inventive solution to the problems. Personnel will also be more committed to initiatives, making them more aware of the present consequence. The style of democratic leadership is believed to improve group members' productivity. In addition, democratic leadership contrasts a narrow definition of

democracy (representative government) with a more community, fraternal and collaborative expression of democracy. Democratic leadership is ideal in terms of informing and being prepared for the sharing of expertise among members of the group. It is also important that individuals may contribute, draw out a strategy and then determine the best method.

Laissez-faire: Laissez faire means 'leave it be' and is also known as 'hands off style'. It implies placing people on how they wish to finish tasks and duties without complying with specific rules or regulations. The leader of the laissez-faire evades his employees and thus only relies on the few people who are devoted to the work. Leaders of Laissez-faire have been argued against investing in staff development because they presume employees should be well cared for. The leadership style was not demonstrated to be functional in the finance sector or NGOs which allows the leader and the subordinate to make their contribution to the decision-making process and fulfil duties to assure the performance of the organization. This is characterized as a style of leadership in which leaders refuse to make choices, and are unable to take responsibility for their leadership ability, if necessary.

Laissez-faire leaders don't make use of their strength and don't take the initiative. It is considered a passive and ineffective type of leadership. This method promotes the development of a comfortable working atmosphere; it decreases mortality and the performance of the group. The team is inadequately structured since the leader does not recognize its leadership potential. The laissez-faire style has to do with dissatisfaction, inefficiency, and lack of production. That's controversial, however. Under this type of leadership, everyone who is ready to accept them takes decisions.

8.1.4 *Empirical evidences on relationship between transactional leadership and market success*

After discussing transactional leadership style, we now focus on empirical findings of previous literature to establish the relationship between transactional leadership style and market success. As discussed in section 8.1.2 the indicators of market success remain same. But it would be an interesting investigation to find the relationship between these two variables. For instance, Brahim*et al.* (2015) revealed that because transactional leadership is based on a system of rewards and penalties, it does not present much in terms of inspiration and motivate people to go beyond the basics. In the literature, mixed results can be seen among these two variables. For instance, no significant association between transactional leadership style and organizational performance is found (Brahim*et al.*, 2015). However, a few studies revealed that transactional leadership style is positively and significantly related to business performance or market success (Alrowwad and Abualoush, 2020; İşcan *et al.*, 2014; Hargis *et al.*, 2011). This can be attributed to the fact that rewards can motivate employees to give their best to meet the common objectives of an organization.

From the above discussion, we can conclude that transformational as well as transactional leadership style has an impact over the market success. However, consensus on relationship between transactional leadership styles with market success cannot be found. For instance, a study conducted by Feranita *et al.* (2020) revealed that transactional leadership has a direct positive and insignificant effect on innovation and business performance. The study further revealed that transformational leadership is more significant for attaining market success e than transactional leadership style. We strongly urge the management of companies to plan relevant training programmes, and such programmes must be directed towards enhancing charismatic and transformational leadership style.

8.2 The organizational leadership

Corporate leadership is a dual approach to management that works concurrently to achieve what is best for individuals and the organization as a whole. Management is all about organizational leadership and transformational by itself. It is a question of changing employees' priorities and developing followers via vision. It is also a work ethic that allows a person to lead from the very top, middle or bottom of an organization in any capacity. The whole question is how the company understands the amount to which managers can manage the change without interrupting it. To understand more about this concept, we present the organizational purpose and characteristics of organizational leadership in the following sub-sections.

Leadership positions in any business are developed to ensure that every member stays united to achieve business goals. The purpose and direction of the organization are defined in various ways, including through missions, visions, strategies, objectives, plans and tasks. Leadership is intrinsically linked to the ongoing development and achievement of these organizational goals (Dibiku, 2017; Bratton, 2020).

Functional leadership is not generally defined by a certain set of behaviours, but rather generically specified and differs according to different problems. In other words, the focus is on what leaders should do" and "what has to be done to deliver efficiency" (Wickramasinghe, 2021; Badato, 2020). Leadership is described as efforts that enhance the achievement of teams and corporate objectives by meeting contextual requirements. To meet the business vision and objective, as well as to increase performance, an organization or firm must be able to adopt proper policies to deal with any changes that may arise (Ichsan, 2021; Yaghi,2018).

Organizational leadership is largely based on the bureaucratic "structural-functionalist paradigm" of leadership (Atrizka and Pratama, 2022; McGibbon, 2019). A few characteristics of organizational leadership are as follows:

- The structural-functional approach is a sociological perspective that views society as a complex system whose components work together for the promotion of solidarity and stability.

- It affirms the presence of social behavioural systems.
- Every group, from a club to a company in a wider community, is regarded as complementing and helping each other to create an organization that works well.
- It is an essential and a fundamental element of performance management.
- Finally, the objective of the organization's leadership is to ensure that its responsibilities continue to function as a system, with the stress of the entire as well as of one side.

8.3 Organizational change

In a gradually more complex and dynamic surrounding, organizations are frequently striving to modify and adapt their operations to conditions as they develop (Hanelt *et al.*, 2021; Oreg *et al.*, 2019). Therefore, organizations are required to formulate important investments for implementing a variety of changes to become accustomed to the changing environment. However, there might be several issues that a leader can come across to manage such changes.

Change is a must and to keep moving one has to adapt to the change. With the words 'Things in which we can believe', Barack Obama launched his presidential campaign with a strategy for renewing American promises. Changes were noted during his presidential campaign. He wanted a nation and its performing method to transform. The objective of Obama's changes throughout the campaign was to bring the war in Iraq to an end quickly, reduce energy dependency and provide health care universe. Obama declared 'Change has arrived in America' in his victory address.

The election in the United States was a shift in the nation's governmental stance. Every person and every management of an organization is confronted with changes. Let's focus on the realm of business and see what changes do they mean?

If changes are not adopted by the entire team then the task of a leader will become more complicated (Errida and Lotfi, 2021; Lewis, 2019). Good managers can manage changes in the environment of the organization. These changes might be structural, technological and human changes. Change as it happens cannot be prevented, thus it cannot be stopped. Most organizations have adapted and considered the unavoidability of change as part of the existence of the firm. Different writers might have viewed and experienced change differently. Change may have good and bad effects on organizational results, and that is why it has become an essential priority to manage the change (Sharma and Jain, 2013). Since the environmental factors are uncontrollable and keep changing, management has no choice other than to change. Therefore, to move on, changes have to be made to ensure a business stays for a long run and survives various changing economic, cultural, political and technological changes.

In many companies, the phrase organizational transformation is regarded to be an important activity. Change is so significant that

companies like the modifications which entail reorganizing or adding new goods or services. A profound grasp of change by the manager and its beneficial impacts enables him to assess success and growth in the organization's policy-making concerning change management (Riddle, 2008). The benefits of change are as follows.

Personnel trust: The realization and successful execution of the change inside the company allow for a smoother experience with both employees and the organization. This brings in more trust of individuals in the management. The outcomes will encourage staff more confidently to carry out their jobs and make day-to-day decisions easier for them.

Competitive advantage: The flexibility of the organization and the capacity to react to the change promptly will help the company achieve a competitive edge. If the rivals, for instance, use a new system to improve operational efficiency, the rapid reaction of the organization in creating and deploying its system to counteract the competitive advantage would be of immense help. In other words, the advantage of the organization to make the change faster than rivals will lead to gaining a competitive advantage over other forms and as a result organizational success.

Growth: Change must be incorporated into operating procedures for the development of any organization. When the workplace needs changes, personnel cannot be held in the statusquo, as changes in technology, job requirements, management configurations and other aspects are obvious. In addition, the growing demands for infrastructures to satisfy changing consumer requirements and even industry changes. It also includes changes in production processes, new marketing ideas, and changes in target market demographics, which compel the firm to make the necessary growth changes.

Dynamic: This is also a good feature of successful implementation of efforts for change in combination with business culture. To stay dynamic, the corporate culture of the company should embrace change in the strategic plans and programmes. This will ensure that those managers continue to believe in the management in an environment of change. In addition, employees feel free and adjust their ideas to any problems since they feel that the business is dynamic and that the environment is open to changes (Meraku, 2017).

8.3.1 How to implement change management effectively

To make this transformation effective, all organizations should consider transitioning the existing system or state to the desired state, maximize resources and reduce costs simultaneously, therefore benefiting the organization (Wim, 2005). To assure its success, the following essential areas may be seen:

- Adequate problem identification should be made to understand the organization's existing position and to determine what type of change would be necessary to address the identified problem.

- Once the problem is well identified, that has to be communicated across all the members of the team. The organization's strategic plan to combat that problem has to be well addressed. Many times transformational shifts may be required to address the identified issue. The process of change must also be very stable, such as ensuring that changes are made in accordance with the aims and targets of the organization.
- It has to be made sure that a systematic change should be undertaken. Effective change transition is essential and should take into account the effectiveness of resource allocation, ensuring that the proposed change is carried out. Also, it must be ensured that the persons responsible for leading such change are in a position so that the planned changes are coordinated from top management to the lowest levels so that all members of the organization know the problem. Organizational leaders should enthusiastically start change and act as role models in addressing change.
- Whenever any change is proposed then resistance may be seen from various people. So managing this resistance from the team has to be carefully planned. Effective resistance management increases people's engagement in change activities. Leaders have a key role in initiating change and sharing their vision for change. Bigger the amount of resistance, the harder the transformation. Suitable techniques to reduce the degree of resistance should be used. Resistance may be addressed using various mechanisms such as awareness campaigns and capacity buildings of employees.
- Proactively managing change is also an effective approach to maximize flexibility. A leader has to be proactive in identifying what could be the probable changes in the business environment that may affect the firm adversely. So a leader has to be well prepared for accepting and preparing for those changes. This is achievable with the support of the Department of Human Resources and all participants.

It is inevitable to escape change if a business is to sustain itself for the long run. Various changes may be technological and operational, changes in process and procedures, internal legislation and regulations, the conversion of government organizations to private companies, organizational modernization programmes, changes in management decision-making, etc. Change exists in many aspects and it could be in the internal as well as external business factors. A business may be required to bring in significant changes for suppliers, customers, shareholders, etc. Similarly, a leader has to look for current and probable changes in the economic, technological, socio-cultural, legal and political environment (Wang, 2015). Change happens in many types, in other words. Different ideas and changing perspectives vary among organizations since they can have good and bad effects. More significantly, the effectiveness of handling opposition to change allowed companies to manage changes smoothly. Organizational change allows companies to devise strategies to effectively manage change using various models of change. Finally, the management of change offers the business

numerous benefits provided that these changes are linked with the corporate aims and objectives.

8.4 Organizational change and organizational innovation

The significance of innovation to competitiveness is well acknowledged in the literature (Do Adro and Leitão, 2020; Avles *et al.*, 2018). Joseph Schumpeter (1934) was the first author to differentiate the existence of different types of innovation: innovation in products, methods of production, markets, sources of supply and ways of organizing any industry. Innovation is a key to the existence of any organization. It can be said that continuous innovation is a success mantra for a business to survive. Organizational change, particularly unplanned change, can be disruptive. Employees' relationships with their employers may suffer as a result of these challenges, which can lead to concerns and uncertainty (Li *et al.*, 2021). Innovation is part of the system. An organization's capacity to innovate is a prerequisite for the successful use of new technology. Introducing new technology frequently provides companies with opportunities and problems, leading to changes in management techniques and new forms of organization (Jalagat, 2016). Innovations in organization and technology are interlinked. A firm has to accept change to be innovative.

The phrase organizational innovation refers in general to the development or acceptance of a new concept or behaviour for the organization (Errida and Lotfi, 2021; Lewis, 2019). Organizational design theories mostly focus on connecting structural reforms to an organization's innovative tendency. The leaders have to ensure that any innovation is linked to the welfare of the end-user i.e. consumer, as a result, the business can outperform. Organizational cognition and learning theories, in contrast, are focused on the microeconomic process of developing new ideas for issue resolution in companies. These theories stress the cognitive underpinnings of organizational innovation that are linked to the learning and production of organizational knowledge.

Organizational theories over the past have established how a change is adopted in an organization. For instance, if a business firm plans to upgrade the technology from obsolete to a modern one, and then this big shift has to be seen as a transformational shift. But all the employees are not alike. This adoption may see resistance and hence only a few people may adapt to this change. But a leader has to successfully communicate that this change is for the organizational development only and should be taken as a positive shift by all the employees. This change may take time for adoption (Passenheim, 2009). It also must be understood by leaders that revolutions are evolutionary; these changes may evolve for some time, but with the passage of time, if leaders manage such changes well, they can become a stimulus for organizational development as well. Another viewpoint to add: a successful company does not wait for the external pressures from competitors or the government to look for changes, but such companies can be proactive and they affect and can change such environmental factors.

Many theorists regard organizational change, rather as a sudden, discontinuous and episodic occurrence as described under a punctuated equilibrium model. In contrast, the self-reliance process involves activities that are outside the organization and offer new organizational learning possibilities (i.e. change).Organizations must embrace change (changing interior factors to adapt to the outer environment) in the increasingly unpredictable and competitive market environment, which can help them restore sustained competitiveness (Peng *et al.*, 2021). These processes are regarded as essential for a good organization.

There is a complicated and dynamic connection between organization and creativity. The literature that exists is large and varied. To comprehend the nature of the relationship from three different, yet interdependent perspectives: (a) the relation between structural forms of the organization and innovation; (b) innovation as a process for the development of the organization and knowledge; and (c) organizational ability to change and adapt (Meraku *et al.*, 2017). Although these diverse elements of relationships have potential overlaps and linkages, various fields of inquiry have been kept distinct and the phenomena of 'organizational innovation' are not understood in any cohesive conceptual framework.

8.5 Role of leadership in organizational development

A leader in an organization has the duty of assisting in the identification of goals and helping to create adequate methods to accomplish these objectives. The leader must acknowledge the value system in a range of working groups and situations. You need to listen to and respond to inquiries. To understand fear, one must grasp the difficulties of being subservient.

To strengthen an organization's affairs, there are several traits that a good leader must possess for the development of an organization.

Capacity of objectivity: Before taking choices, leaders should evaluate each scenario. Objectivity means the capacity to logically or impersonally examine topics and situations without partiality.

Capacity to be perceptual: This includes the capacity to perceive or uncover the environmental reality. Organizational leaders need to know the aims and objectives of the whole organization in order to work towards those goals.

Capacity to prioritize: The ability to understand what is and isn't important. A leader is to recognize whether options are valuable or not.

Relations of people: A leader should be strong in his attitude to human interactions, particularly when he does his job via the subordinates. The leader's healthy esteem will be earned via the development and comprehension of proper human connections. Occupations should be developed and planned based on a human relationship theory to ensure that employees give a meaningful job sense and opportunities for employees to take part in choices impacting their work.

Crisis manager: A leader should be able to resolve conflicts or arguments amongst his staff and problems that damage the objectivity of a company. All crises have to be well managed.

Effective decision: A manager's capacity to plan depends on his efficient decision-making. A leader makes the right decision at the right time. Top company CEOs are often saying that they as a leader have been able to make the right decisions at the right time. However, it is also important that such decisions are equally complimented by all the team members. A leader has a crucial role to ensure that such decisions are widely accepted by all the stakeholders (Stieber *et al.*, 2012).

8.6 Leadership styles and market success

In this section, we make an attempt to understand leadership styles and market success and organizational effectiveness. Later, we present some of the empirical findings of the previous literature to establish linkages between leadership styles and organizational effectiveness.

The researchers began by looking for the most prevalent definitions of leadership. An analysis to demonstrate broad leadership definitions have shown that most definitions focus on the qualities of leaders (Amer, 2017). Some of these definitions regard leadership as an endeavour to influence the followers through numerous communication channels and to achieve organizational objectives. Leadership is a process that tends to influence people and make it possible for managers to accomplish what they should do voluntarily and perform well.

One of the key organizational objectives that all companies have is to achieve a highly competitive edge over others. A resource-based view (RBV) hypothesis centred on different signs, the main rule and principle of this theory rely mostly on the vital resources of implementation. The RBV model was based on Boxall and Purcell, assuming that businesses differ. This means that there are differences between a business and an industry. The model also showed that the resources available in the firm could not be changed fully (Milolo, 2017). The study by Boxall demonstrated that a company with certain human strategic elements has a valuable and difficult output to imitate and produce. It is vital to know how to handle required resources to achieve competitive advantages in the market. Leaders are also encouraged to train and learn how to properly use these latent resources to strengthen the position of the company in the competitive environment.

Highly influential managers can improve the firms and society to fulfil consumer expectations and generate high business value and sustained competitive advantage (Lategan and Fore, 2015). The various leadership styles are thus usually linked to the company's performance. The development of overall management performance while managing and utilizing all the firm resources is based on innovation, and critical and creative thinking.

Since the current business environment imposes many challenges, accordingly there have to be significant changes to be made by the leaders to cope with such changes. People in an organization are regarded as human capital for the success of the company and can give added value to the company. To do so, the firm has to appreciate people and drive them to increase their skills to understand how they can bring excellent performance to the enterprise. The habits the leader must encourage and the style of leadership that he uses should be the basis of success. In a study on the importance of SME CEOs, Langowitz and Allen showed that the leader was the CEO and discussed the fact that many of the leaders performed entrepreneurial acts.

Continuous deliberations on changing styles of leadership may increase the survival rate of enterprises (Chowdhary, 2014). Applying efficient principles of management can reduce social, emotional and financial suffering caused due to uncertainties. Owner-managers incorporating management styles and boosting productivity across businesses can improve their operation and sustainability. Continuous business improvements might help to the creation of revenues and sustainability.

Now, let us attempt to understand organizational effectiveness. Organizational effectiveness has been a well-researched area over the past where authors attempted to find out its components (Ali and Anwar, 2021; Douglas *et al.*, 2021; Singh and Singh, 2021). Some researchers argue that effectiveness is not a notion, but rather it is a construct. Organizational effectiveness is not a real property of any business, but rather a label, which individuals use with varying degrees of agreement (Mohd Ali *et al.*, 2022; Irwin, 2021)

8.6.1 Empirical findings of previous studies on market success and leadership

Studies over the years have shown differences in leadership style among generations. In this section, we attempt to synthesize the literature on various leadership styles and its impact on market success. Market success means different to different people. Market success can be defined in terms of increasing revenues, profits, customer satisfaction, organizational effectiveness, etc. Leadership has been found to serve as a vital link with market success (Rickley and Stackhouse, 2022; Ali and Anwar, 2021; Tayal *et al.*, 2021; Hiwa *et al.*, 2021). Empirical evidence of a few studies revealed that transformational leadership behaviours also influence market success (Martı́nez-Campillo and Fernandez-Gago, 2011). In addition, transformational leadership has been found to have a positive relationship with organizational innovation (Jung *et al.*, 2003). It is also interesting to know that a few studies have also established no linkage between transformational leadership style and market success (Agle *et al.*, 2006; Ensley *et al.,* 2006; Waldman *et al.*, 2001). So we can conclude the lack of consensus in the previous studies to identify the

relationship between transformational leadership style and market success. One of studies conducted in German revealed that transformational leadership styles were more strongly related to market success than to transactional leadership styles (Rowold and Rohmann, 2009). Another study conducted by Cahyono *et al.* (2020) revealed that leadership style has a positive and significant impact on the sales performance of the pharmaceutical industry. Further the study revealed that various indicators of leadership that guarantee market success include listening, empathy, healing, awareness, persuasion, foresight, conceptualization, stewardship, commitment and serving community.

In this chapter, we also put forward how previous researchers have attempted to measure leadership and market success or organizational effectiveness. The various leadership roles have been examined by collecting data for various constructs such as Facilitator, Innovator, Producer, Coordinator, Mentor, Broker, Director and Monitor (Sashkin, 1996; Sashkin and Rosenbach, 1993). Similarly various organizational effectiveness approaches are participation and openness, innovation and adaptation, stability and control, productivity and accomplishment, commitment and morale, external support and growth, direction and goal clarity, documentation and info management (Rosenbach *et al.*, 1996; Sashkin, 2004; Sashkin *et al.*, 1992).

8.7 Conclusion

The objective of this chapter was to put forward the role of leadership in organizational success. We discussed various leadership styles such as transactional and transformational leadership and its influence on organizational effectiveness in this chapter. While examining the relationship, we found lack of consensus among leadership styles and organizational effectiveness. The findings also reveal that leadership is becoming increasingly important, especially because of the tough competition due to globalization. Due to the complexity of problems and projects, one can no longer believe that a single manager can handle every problem alone. All fast developments, competitive challenges and increased consumer requirements cannot be met by a single individual. The organization must have strong leadership. A leader should be able to bring in significant changes that make an organization stronger. Organizational change, which is based on a leader's vision and then followed by his or her innovative method, has a significant relationship with organizational development. Organizational transformation implemented by visionary and inventive leadership appears to have a relatively long relationship with success. Organizational change is not only necessary but also time-consuming, and leadership can play an important part in it. A leader's 'vision' and 'innovative approach' might help organizations better manage the process of organizational change and boost their chances of success.

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9 Trends in the market for leadership development

9.1 Background

Teamwork is the key to business prosperity in today's challenging environment. However, at times it may become a challenging task for a manager to ensure teamwork. But an efficient and successful leader can do such collaboration effectively. Globalization and technological innovation have transformed organization practices. Leadership has become an increasingly important element in the success and failure of business practices; therefore, leadership has to be developed just like employees are being trained and developed in an organization. Leadership development demands an individual that can cope with the changes and effectively responds to such changes. Many times, a leader also may not be able to deliver in a challenging environment being influenced by both internal and external factors. Therefore, leadership development comes into play. Considering the importance of leadership development, in this chapter, we revisit some trends of leadership development like value-based leadership, globalization of leadership and trust as an outcome of a value-based leadership. Along with that, this chapter also discovered some of the global leadership skills and practices.

9.2 Values-based leadership

Organizations are places for public meetings of individuals who work together to achieve organizational objectives. But one problem may arise in an organization when diverse groups interact with each other (Fernanez and Hogan, 2002). This problem may be due to diverse cultures, demographics and religions across team members within an organization. Therefore, the role of a leader becomes more important as he is required to address the various issues of the personnel to develop a sense of belongingness among the employees (Gingerich and Mainstone, 2008).

The organizations have a challenge of ensuring a balance across the aims, attitudes, values, actions, words and opposing conduct of the team members. This implies that the staff has to strengthen the different values of the company. It seems that staff never withdraw their cultural values while working and do not abandon their lifestyle and cultural priorities. Leaders may

often modify these qualities since the team members have different education, administrative experience, knowledge, personalities, beliefs, concepts and skills. The task of corporate leaders is to create a powerful and effective culture wherein people of diverse groups can adapt easier. In this regard, the notion of self-adaptation to organizational culture is significant (Voneiff *et al.,* 2021). Therefore, value-based leadership comes into play. However, it is important to know how can leaders address both aspects? Values – Leadership is a new approach and involves 'creating shared values' and concurrently paying attention to conflicts.

Leadership authors (Copeland, 2014; Frost, 2014; Kraemer, 2011) define values-based leaders as those with an underlying moral, ethical foundation. The behaviours of value-based leadership are deeply rooted in ethical and moral foundations. Some other behaviours include being spiritual, authentic, servant and transformational leadership (James *et al.,* 2021; Hopkins and Scott, 2016). Most scientists believe that great leaders direct their followers with ideas and ideals. The leaders were inventive, emphasizing integrity, fairness, professional change, developing an incentive workplace, fair effectiveness for recipients and respect for the staff. Leaders carry forth their convictions and ideals. The leaders are clear about their values. To ensure their actions are consistent, leaders must efficiently convey their values to important stakeholders and managers. The positive psychology of a leader supplemented with values, strengths, optimism and resilience may play an important role in the management of objectives.

A recent study has revealed that the conventional techniques of management cannot meet environmental changes and difficulties. That is why new models of organizational management are required in the third millennium (Baloğlu, 2012). These economic, social and technical revolutions have caused major changes in several organizations. Hence value-based leadership is one of the ways to several major developments in this age. This chapter is based on the leadership strategy in response to these developments. This chapter is aimed at recognizing the value-based approach components of leadership and providing a suitable model for promoting such a leadership style at the institution (Della Corte *et al.*, 2017).

Now we present some of the emerging theories related to value-based leadership. We could find many theories such as servant leadership, stewardship, connective leadership, authentic transformational, self-sacrificial leadership, complex and contextual leadership, shared leadership, spiritual leadership, authentic leadership and ethical leadership. The detail of all these theories and authors is highlighted in Table 9.1.

9.2.1 *Trust as an antecedent and outcome of a values-based leadership*

The value of leadership trust is based on several theoretical aspects such as psychology, strategic management, organizational behaviour and other study streams. This multidisciplinary approach highlights the scale of these challenges

Table 9.1 Value-based leadership theories

Theories Related to Value-Based Theories	Author(s)
Servant leadership	Greenleaf, 1977; Patterson, 2003; Parolini, et al., 2009
Connective leadership	Lipman-Blumen, 1996
Self-sacrificial leadership	Choi and Mai-Dalton, 1999
Stewardship	Block, 1993
Authentic transformational	Bass and Steidlmeier, 1999
Complex leadership	Regine and Lewin, 2000; Marion and Uhl-Bien, 2001; Knowles, 2001, 2002
Contextual leadership	Osborn *et al.*, 2002
Spiritual leadership	Fry, 2003
Authentic leadership	Avolio et al., 2004; Avolio and Gardner, 2005; Gardner et al., 2005
Shared leadership	Pearce and Conger, 2003
Ethical leadership	Brown *et al.*, 2005; Brown and Treviño, 2006; De Hoogh and Den Hartog, 2008; Kalshoven *et al.*, 2011

Source: The authors

and helps to uncover the foundations of leadership trust. It is necessary to outline approaches for trust formation in the organization, to understand the need for spiritual leadership inside and outside the company since particular spiritual leadership components form trust from a long-term viewpoint.

In addition, the spiritual direction is rooted in principles such as integrity, honesty and humility, ethical behaviour and respect for people. These elements provide 'a trustworthy example' and a model to follow.

Moreover, if there is trust, harmony is spread in the corporate environment. This sense of harmony is rooted in the balance between self-interest and physical values. In addition, trust between employees and management may speed up decision-making, enhance communication among members and focus on customer concerns and innovation.

People become efficient leaders if they value what is most important to them and their organization. The best type of leader is neither a role model nor a historical person. The leadership should instead have their root in knowing what is most important to him. It's always the correct thing to do and do the best one can. The value-based leadership has attracted attention over the few years since many charismatic leaders have transformed an organization. Leadership based upon values is the only authentic way to distinguish the great from the others. Leaders must rely on the values of the organization, particularly in times of transition, to drive performance (Lilram, 2019). The values of an organization should be the basis of the existence, decision-making and real purpose of that entity.

The institutional culture is expressed by value-based leadership inside the company. Institutional culture expresses principles and guides all employees
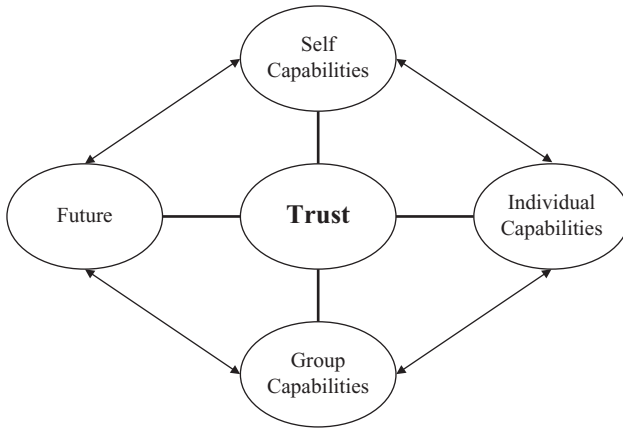
Figure 9.1 The levels of trust in values-based leadership. Source: The author

and staff. Value-based leadership describes behaviours, including spiritual, ethical, transformative leadership and moral foundations. The following are the four principles (see Figure 9.1) of value-based leadership:

The self-reflection: The leader must be able to identify and reflect on what his/her values are and what matters most to the leader. To be a leader based on value, a leader must be willing to look inside him/her through regular introspection.

The balance: It indicates a leader looks into various matters from every perspective to maintain a balance with an open mind.

Self-confidence: It means the leader accepts the personal strengths and weaknesses and seeks to improve them continuously. A leader understands that his team can be more talented than him/her and they can be more successful as compared to him/her, but the leader accepts him as he is.

Humility. The leader cannot forget who he is, especially when the leader is successful in his job. A leader properly treats everyone and it also enhances the value of the leader for every individual he meets.

Today, each leader must retain confidence. Leadership based on positive values goes beyond strengths and significance. Leaders who engage and help their workers thrive in life and increase productivity, creativity and financial returns for their organizations (Gingerich *et al.*, 2008). Leadership based on values may not be a panacea for everyone, but it is surely an excellent asset to have. The greatest approach to establishing a high-level culture in a company is to lead and evaluate success based on values by ensuring innovativeness.

Nowadays, companies are interested in sustainable development that results in greater economic performance. A leader will come across many challenges and to address these challenges, companies attempt to stand out from other companies by being creative. It is therefore inevitable for firms

to be inventive and generate new ideas (Horth, 2012). Organizations may become more innovative by encouraging their workers to develop new ideas.

Innovation is intended to implement and apply new ideas. But ideas are often created, but not implemented. In the situation of innovation, companies must be able to rely on their staff, as they are the people who can implement it. This notion is called creative behaviour. It is the behaviour of workers in generating and implementing valuable and innovative ideas in an organization's working operations (Kozioł-nadolna, 2020). These new ideas are generated parallel to their common tasks and in accordance with their personal drive for innovation.

Knowing that management values innovativeness, therefore, it might help employees to be more innovative and more likely to say their ideas. Workers that operate actively are the specialists for this type of employment (Jong and Hartog, 2003). Consequently, they can have ideas that can eventually improve their job and increase organizational outcomes.

Many organizations utilize employee suggestion systems to manage and provide suitable resources to implement the ideas provided by employees. This allows organizations to convert employee ideas into workable solutions.

9.3 Leadership development for millennials

Working with younger staff and student employees can be a challenge as in the current scenario, many of the companies have millennials working in their respective organizations. The members of the millennial generation have different work expectations; therefore, leaders have to fulfil such expectations. Millennial is a word that is given to a certain group of young adults and is classified as those born between 1984 and 2000 (Murrell*et al.*, 2020; Fry, 2018; Harrison, 2017). Millennials are described as 'technologically savvy, better educated, and more ethnically diverse than any previous generation' (Fritsch *et al.*, 2018). As compared to the older generations, millennials also have an easy access to technology and are well equipped with content on the internet. Millennials consider technology an essential part of their routine lives.

Since millennials are different to other generations, it becomes imperative for leaders to ensure that millennials are actively engaged since a majority of the companies have millennials. Leadership doesn't require someone to have a certain name or position, but it's the process to influence society and the people around you. Leaders engage and develop people as they strive to achieve a common objective. Therefore, leadership development comes into play to ensure millennials are engaged. Leadership Development is the process to enable a person to develop his or her character, and skills to increase his or her leadership skills. A few techniques involved are coaching, mentorship, formal university education, internet learning and on-the-job training.

Millennials are fast to adapt to new digital progress and often use social media as an important form of social networking, according to Howe and Strauss. Various social media platforms such as Facebook and LinkedIn help

in establishing a culture (Edwards, 2017; Noor and Dzulkifli, 2013). Several kinds of research have verified that millennial information is processed differently. Through email communication, social networking and text message, Millennials have acquired new views about personal and social exchanges. The internet helps to collect information from the generation. The generational analyst claimed that millennials expect a quick response and immediate pleasure in working procedures as a result of computerized information processing (Fritsch *et al.*, 2018 Fore, 2013). Therefore, a leader has to understand that new generations come with new insights and different working styles. Such diversity in an organization has to be well managed by a leader. Now the question comes of how to attract new generations to the workplace, this is discussed in the following sub-section.

9.3.1 Motivating millennial

Motivation is a driving force that guides the future course of action for millennials. Therefore, a leader has to formulate new strategies to motivate the millennials in an organization. This will help to ensure that millennials are motivated and hence can be retained (Paulin *et al.*, 2014; Smith and Galbraith, 2012). The balance of work-life, career progression and learning opportunities are employed to encourage participation in the millennium. Various activities such as mentoring programmes, managerial coaching and seminars support millennials, and as a result, they start to play an active part in working society.

Deloittle (2014) reported that only 16 per cent of millennial workforces understand their organization's performance. The information about the employment history of millennials must be well identified by a leader. This will lead to lesser disputes and a decline in labour turnover as well. The millennial generation uses all the methods of communication that are available to them, including social networks, cellular phones, text messaging and blogs. A leader has to deal with many generations in an organization and will have the challenging task of integrating diverse work ethics, and communication styles. Therefore, a leader has to be innovative to cope with various styles of respective generations in an organization.

Now it is also an interesting examination to identify what motivates millennials since we believe that millennials must be approached in a different manner as compared to some other generations. We also believe that millennials are not driven by monetary rewards. A study on how to motivate millennials' revealed that this generation is motivated by a shared working environment, with challenging and significant work (Kultalahti *et al.*, 2015; Kim *et al.*, 2015). Some other important factors for motivating millennials include career advancement opportunities (Calk and Patrick, 2017) and work–life balance (Barron *et al.*, 2007; Twenge *et al.,* 2010).

From the above discussion, it can be concluded that millennials bring in a different perspective to an organization in terms of their varied capabilities.

Therefore, motivating millennials becomes a challenging task for a leader. Previous generations might be motivated towards monetary rewards, but this generation is more inclined towards work–life balance, challenging and competitive environment. Therefore, millennials have to be motivated after identifying their psychological traits. Accordingly, the leaders should frame strategies to motivate this completely different generation i.e. millennial.

9.3.2 Developing millennial

The development of millennials is necessary to avoid knowledge loss and leadership gaps. Millennials are collaborative and bring with them an aspiration to learn in nontraditional ways. Therefore, organizations perform many activities to develop millennials. Such activities include coaching, mentoring, job rotation and management development programmes to develop workers. However, the same techniques may not be applied to develop millennials since it's a new generation altogether with different types of development requirements. This generation has a large experience in virtual settings – the employment of technologies is often utilized as a dimension to improve the learning experience. Therefore, considering the importance of developing millennials, leaders need to understand that this generation cannot be treated as equivalent to other generations and hence has to be treated differently.

It must be noted that members of the millennial generation do not get pleasure from traditional classroom learning, instructor-led training, and development as much as members of previous generations used to have. One way to develop millennials is to keep them involved with technologies (Hughes *et al.*, 2018). Researchers also discovered that business simulations are seen favourably as realistic training tools for management development by the participants and workplace supervisors (Fore, 2013).

From the above, we conclude that understanding millennials will assist the leader to engage them as followers and finally develop them as leaders. Millennials have a dissimilar viewpoint regarding leaders and leadership development that requires an innovative approach when developing millennials for leadership positions.

9.4 Globalization of leadership

Leadership study has been an area of interest for many. Leadership does not depend on position, title or privilege as opposed to management (Hobbs, 2017). Leadership is a set of abilities which can be seen, understood, learned and mastered by everyone willing to take. Leadership is not a simple phrase, as Bass stated in 1990 that it may have many definitions. In today's environment, diverse cultural settings can be seen because of multinational companies. Employees from different demographics and social systems work together; this gives rise to the notion of globalization of leadership.

The introduction of new trends such as the IT revolution, cross-cultural commercial activity and the dynamic environment has brought different parts of the globe closer, leading to globalization (Osborne, 2017). Therefore, globalization can be defined as a cross-cultural interrelation between various nations. These developments provide many obstacles to successful leadership by increasing organizational diversity. At the same time, this enables leaders in a globalized world to figure out and conduct global leadership. The term 'globe' is complicated itself as it covers the geographical scope and cultural and intellectual reach. Therefore, it has become the most relevant question of how to face the problems of global diversity (Jha *et al.*, 2018). Leaders need to have a cross-cultural awareness of and must be able to frame suitable strategies to cope with such diversity.

When an innovative organization is formed with inventive personnel, the leaders must focus on vital elements such as coordination, self-initiated activity, unauthorized activity, various stimuli and corporate communication. The attitude investigation revealed that four sorts of reactions, including creators, adapters, reformers and maintainers are available to detect distinct responses to change (Barbuto *et al.*, 2017). Thus, leaders should first understand why people oppose change and then utilize communication, education, engagement and participation to overcome resistance to be effective in leading change. With the other groups, innovation may be encouraged and promoted so that followers, as well as organizations, are more sensitive and willing to adapt.

Due to current changes, particularly the effects of globalization, leadership is shifting from conventional to globalized leadership. Therefore, leaders must have a complete understanding of the complexity and leading role in a new paradigm to be more flexible and adaptable in the face of environmental changes (Lester, 2011). By analyzing many methods of leadership, efficient leadership seems to involve numerous elements, such as human qualities, behavioural features, leadership styles and situations. For an organization, leadership is highly essential in the development of sustainable and adaptive organizations, under the strain of change. To achieve global standards, leaders need to acquire cross-cultural knowledge, build networks and understand diversity and its impact on leadership and organization.

Therefore, the role of a leader is very critical. A leader not only is to deal with a homogeneous set of traits in an organization but must also deal with heterogeneity very carefully, specifically in the context where people of diverse cultures and diverse generations work together to achieve a common goal i.e. organization success.

9.4.1 Skills and practices for global leadership

In the above section, we understood the importance of global leadership. Now it is vital to understand the various skills and practices required to be a global leader, which is the aim of this sub-section. In the current environment,

globalization affects all elements of the interaction between organizations. The global environment is quickly changing in political, social and economic terms. Corporate leaders also need to think strategically, and morally, and adopt new ways to transform leadership. The development of global skills should be guided by the global business strategy. Learning such skills will help to determine which kind of strategies are to be implemented in the changing environment. The environment is changing because many multinational companies work on international projects with diverse groups (Hermina, 2021). Implementing global leadership strategies will eventually include an enhanced engagement with different cultures (Williams 2016). It will assist global leaders to work together and unite individuals from various cultures to achieve common objectives (Zeitoun, 2018). The capacity to grow yourself and others and the ability to resolve complicated, ambiguous situations are some of the key practices of global leadership. Specific training programmes may play an important role in the development of people for future leadership roles (Schiller, 2020). Leaders must be trained on various diverse cultural settings, personality traits and how to frame suitable strategies to deal with diverse cultural settings.

9.5 Renewal of leadership competencies

The competencies were developed and validated over 40 years. It must be noted that leadership competencies have to be regularly updated. This is because a leader cannot go on with the competencies that have been developed over the years but due to the diverse groups in an organization, the competencies of a leader have to be regularly updated. Considering the importance of the renewal of leadership competencies, this section highlights the competency approach for renewing the leadership competencies.

Along with the growing application of competencies within business firms, a debate has raised important concerns about their efficiency and the degree to which they speak about superior performance at either an individual or an organizational level (Balchandani *et al.*, 2019). Five of the most frequently cited weaknesses are: (1) the reductionist method in which this approach fragments the management role rather than representing it as an integrated whole; (2) the generic nature of competencies, which assumes a common set of capabilities regardless of the nature of the situation, individuals or task; (3) the stress on existing and precedent performance rather than on future performance; (4) how competencies tend to highlight assessable behaviours and outcomes to the exclusion of more subtle qualities, interactions and situational factors; and (5) the rather limited and mechanistic approach to education that often results.

Leadership skills emphasize the softer interpersonal traits desired by individuals at various levels within the organization. Thus competencies were expanded to a broader workforce (including the senior workers and those without formal administrative duties) with the advent of the notion of

'leadership' as compared with those originally designed to manage management competencies. This extension of the notion of skills is further concerned by its potential to mask and cement certain assumptions about the nature and function of leadership instead of exposing and questioning (Wooten, 2008).

It is nevertheless important that traditional leadership skill sets are adapted to the shifting competitive landscape of the 21st Century. Five key elements determining leadership skills have been found in literature:

- The need for innovative and creative approaches to doing business and managing talent
- The need for agile and flexible organizations and leaders
- Global competition
- People management 'know-how'
- Diverse employee needs

9.6 Demand for innovative leaders

Innovation and leadership are strongly correlated (Hughes *et al.*, 2018; Kim *et al.*, 2015). Leadership focuses on bringing about a better future. In this sense, leaders are essentially innovators. Leadership organizes a group of individuals to pursue a shared objective. Innovation leadership means to put together diverse leadership styles in an organization to influence employees to generate creative ideas, products, services and solutions (Fore, 2013). In the absence of innovation leadership, organizations are expected to struggle. The process of social impact in which one may attract the help and assistance of others in carrying out a common job was characterized as leadership (see Figure 9.2).

Innovation is a word we all use, it's positive and we want to get more from it most of the time. However, a generally recognized meaning appears to be defied in the phrase 'innovation' like 'leadership' (Sydänmaanlakka, 2003). It is not often understood what we intend or observe when we use the phrases. In addition, 'leadership' and 'innovation' are not intentionally and
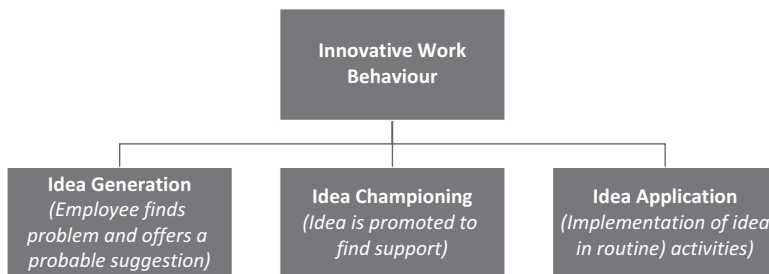
Figure 9.2 Dimensions of innovative work behaviour. Source: The authors

continuously practised. This is obvious since reading and comprehension of these books do not allow us to be leaders or innovators despite hundreds of books on these subjects.

Art is creative and can be of value to its users, but it does not require any usefulness. Art might be viewed as an expression of itself or an experience of its world for the artist. On the other hand, innovation must allow for something other than innovation itself, a chance or achievement or a value. When somebody comes up with a new hammer to perform what our present hammers do, this is a design change (Kultalahti *et al.*, 2015; Bechte, 2010). However, when one produces a new type of hammer, such as a 'nail weapon' or a new hammering method, then this may be characterized as innovation. In this way, we can also observe that in an art form, such as acrylic painting, we may develop at one point that enables artists to produce effects with conventional oils that have not been feasible.

Innovation in leadership generally includes the following set of behaviour:

a) Providing creative input and idea suggestion to employees
b) Providing employees with clear and real goals
c) Allocating organizational resources (i.e. research and development spending; manpower) for implementing an idea
d) Establishing a helpful atmosphere for creativity within the organization
e) Acting as a role model for innovative thinking
f) Providing employees with rewards and recognition for innovative thinking
g) Putting together teams with definite skill sets needed for innovative thinking

9.6.1 Leadership, innovation and social change

Social transformation creates communal solutions to underlying social issues at the individual, institutional, community, national and/or international levels. Social transformations can affect attitudes, legislation, politics and institutions to better represent fairness, diversity and opportunities. Social transformation includes the collaborative actions of those closest to social problems to generate social solutions.

Creating social change is essential to the ability to lead. Leadership is the process that leads numerous groups and different people to promote, disseminate and express social change. Unless there is a uniting voice, vision and/or objective, collective action cannot take place in a group. Leaders help shape and offer individuals the space to unify and achieve their objectives. By their acts, behaviours and words, they inspire and motivate others. For the social change in institutions, communities or organizations to happen, people need to know which kind of managers they want to be in the process of social change and how their leadership may affect them.

Management includes both institutional and individual components. It might be a complex notion. The function and status of institutional

leadership are usually predicated on considering groups such as government, businesses and the military. The higher you advance the more authority you have in the organizational hierarchy. In the top echelons, there is a hierarchical system and power vests. The worst thing is autocratic and totalitarian organizational leadership. It has open communication channels allowing a wide array of ideas to impact policy and decision-making. The significant traits may be required for strong leadership, but not enough for acceptable leadership. Increased integrity, honesty, compassion and bravery must be added to these traits in the search for greater humanity. Leadership in our society is too often focused on wealth and power accumulation. Power and wealth are not a win for mankind. The aim can be a noble one, like fighting poverty and starvation, but it can also be egotism, for example, personal enhancement.

Leadership and innovation have tight ties. Leadership always strives to achieve a better future. Leaders are essential innovators in this respect. Normally, we would not see a status quo observer as leading. If the quality of life in this difficult situation is to improve, innovation is vital. Innovation will make the younger generation a better place in the globe. Leaders help shape and offer individuals the space to unify and achieve their objectives through their acts, behaviours and words; they inspire and motivate others.

9.6.2 *Empirical evidences on relationship between innovative leaders and employee's productivity*

Innovation leaders are individuals who inspire others and encourage them to work together to achieve new and helpful results. This type of leader may play an important function in increasing staff productivity and helping the changing future of the business. The creative contribution to the success of the company would maximize workers' productivity. The climate is described as the behaviour, attitudes and sentiments that characterize life inside the organization that are both observable and recurrent. The inventive leader knows how to establish a productive work atmosphere that reduces staff strain and in return benefits.

Being an innovative leader keeps an employee engaged. This in turn does not only increase employee productivity but also contributes to the organizational output. An innovative leader brings new energy into the system and encourages fellow members. As a result, the fellow members feel a sense of belongingness towards the organization. The ultimate result is that employees are actively engaged and work hard to achieve the common objective for a leader and team member i.e. organizational success.

Many previous studies have also made an attempt to examine relationship between innovative leaders and employee productivity (Hughes *et al.*, 2018; Li *et al.*, 2017; Fore, 2013). The findings indicate a consensus between two variables i.e. innovative leader and employee productivity. Innovation is one of the major factors that influences the productivity and growth of

any organization. Leaders should embrace innovation to stay ahead of their competitors. In today's economic scenario, 'innovativeness has become a major factor in influencing strategic planning'. Leaders who actively support and promote innovation to their employees would generate and re-invent new markets, products and services, which would contribute to organizational growth.

It is clear that an innovative leader attempts to do different things differently and as a result brings in energy in the entire team. As a result, the individual employees also start enjoying innovative things and get actively engaged at the workplace. Innovative leaders always set suitable examples and inspire their subordinates to make sure that the organization's objectives are met. As a result, employee productivity also increased. Hence it can be found that both innovative leaders and employee productivity are related.

9.7 Importance of training and development for leaders

To develop a conductive industrial relationship to increase the vitality of the company's goods, industrial relations practitioners must be more synergistic and adapt rapidly to national and environmental situations by referring to the predominant rules and regulations (Leskiw, 2007). Employees are the main resources and powers of organizations to change the environment. The amount and quality of the necessary workers are highly important. The growing level of skills and credentials makes it harder for firms to train and educate their personnel to receive their desired quantity of competent staff (see Figures 9.3 and 9.4).

The Leadership Management Training programme aims to highlight the development of skills in the field of organizational development and personal development, to achieve changes in behaviour after training and to further enhance and develop contours.

Therefore, participants are anticipated to be very motivated and confident following their leadership management training: to think creatively, be cohesive in a team and build mutual trust, and be able to solve issues or give solutions (Nischithaa, 2014). The participants will be able to establish, improve and maintain their competence in supporting groups, analyze issues, prepare different activities plans and take action to enhance the performance of the work unit via the execution of leadership management training (Sukuram, 2015.)

Leadership management training aims to underline the growth of the abilities in organizational management. The effectiveness of leadership training may be drawn out as follows:

As a manager, you need to realize that establishing a culture of commitment encourages harmony, collaboration, alignment and loyalty. When a leader attends leadership management training, he/she may achieve comparable results for team, departments or company. Such a programme encourages the entire team to accomplish corporate goals. This will provide you with the
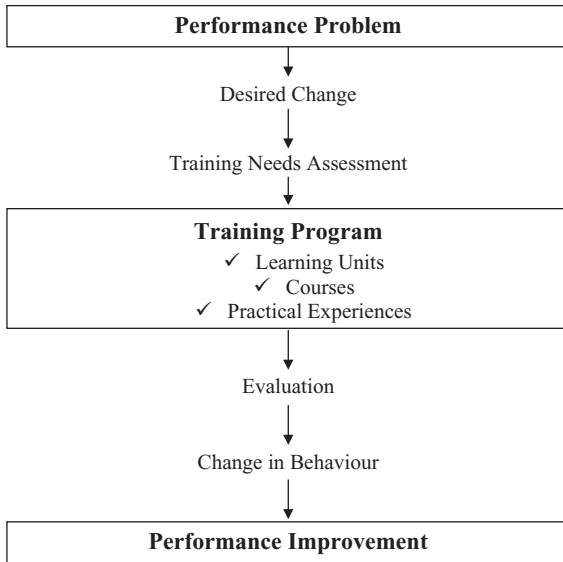
Figure 9.3 The training process for improved performance. Source: The authors
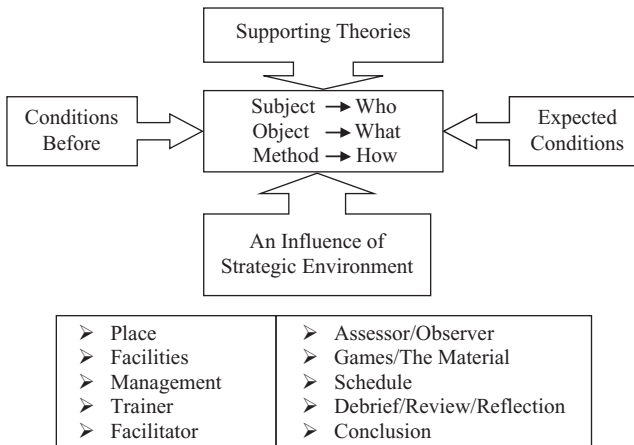
Figure 9.4 Framework of the effectiveness of leadership management training. Source: The authors

necessary alignment. Various people are often able to meet team demands, but attention must be paid to leadership rather than leaders. It is very often that a leader may find many people with leadership traits in diverse groups. This conceptualization of leadership is, therefore, necessary as it is the team that will bring productivity and enhance team efficiency as well. In addition

to participants who are occupying a higher position in a profession, leadership management training can be provided to those who are closer to the superannuation stages.

9.8 Conclusion

The purpose of this chapter was to explore the latest trends in the market for leadership development. The environment in which organizations do business has changed drastically. This means that leaders themselves must possess a different and much wider set of skills to encourage the entire team. The changing environment has made leadership challenging, specifically in the context of global leadership, where people from diverse cultural settings work together. Therefore, it is a challenge for a leader to ensure that the team stays united. Therefore, leadership also needs to be developed. Offering value-based leadership provides emerging leaders with a path to face the complexities of changing environments. We found in this chapter that there is a need for regeneration of leadership competencies which will help organizational development. The study suggested that training and development of leaders concerning change in society will be considered as an important aspect of leadership development.

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10 Role of a leader for society

10.1 Background

Leadership is a critical issue in any society and organization. Most organizations, particularly public sector organizations, have been described as performing below expectations because of the quality of leadership they enjoy. Leadership is essential at all levels of society. Leadership is defined as the moral and intellectual ability to foresee and work for the best interests of the country and society. To tackle societal difficulties, it is necessary to first understand them. The importance of the leader's role in influencing performance becomes critical to the growth of society. This chapter sheds light on the reality that society requires a strong leader and defines the role of the leader in society. This chapter emphasizes that apart from an organization, an additional responsibility lies ahead on a leader i.e. to play an important role in the development of the society.

When individuals speak of leadership, they usually want to know how to function as strong leaders. Corporate leadership is one of the world's most trendy subjects and everyone wants to know how to become a billionaire and a great leader. Leadership, however, does not only extend to business but society as a whole. Indeed, leadership originated far before it developed into a professional as a social phenomenon. Many of today's political leaders are made by the society itself; however, being a corporate leader does not mean that a leader is to be held responsible for the organization only, but he/she also has to contribute to the development of the society (Antonia, 2021; Malinga *et al.*, 2019).

Humans are social animals and living together in huge groups means that people in various groups have various tasks to perform. To ensure that tasks are performed systematically, the notion of leader and leadership emerged. The main purpose is to structure and assist society to expand and progress (Migdal, 1988). The leaders prepared the way and moved from one frontier to the next, leading the others. On the other hand, the followers fulfilled their responsibilities and helped to make the changes. It has been a fact that leadership has an important role in creating an innovative culture and as a result boosts employees' inventive behaviour (Khan, 2020).

Interesting research is needed to understand the role and influence of excellent leadership in society. While the impacts of leadership in the work environment can be seen in the literature, it is interesting to know how leadership

influences society. Society, with many social forces, components and constant variables, is a multi-phenomenon structure. Companies are not restricted to a few definite objectives, and therefore, social leadership is a buzzword and must be addressed (Kumar and Susmitha, 2019).

10.2 Psychology of a leader

It is imperative to deliberate on the psychology of a leader. Why do individuals initially allow themselves to be led? Why do individuals want to be successful leaders? Which is the thing that motivates an individual to be a leader? Why do individuals strive for the fulfilment of a leader's demands? It must have a psychological advantage for them. A person does not react to the irrational side of leadership or charisma (see Figure 10.1); it can only be handled with meaning and rationality. However, most individuals respond to charisma through the effective defence of the charismatic leader (Wang, 2017). Ultimately, it is a trust that an individual always has, it is the trust that drives an individual to move forward. In this regard, trust is termed a successful technique for fighting fear. People follow leaders who they trust.

There are two essential aspects of trust.

Integrity: If people trust someone, it means various traits like that person's integrity, honesty, humanity and respect for values are being recognized. People have confidence in leaders and feel that leaders do not pursue aims that damage the followers. A leader honestly declares his/her ambitions. These leaders can pursue parallel objectives. The integrity of a leader should never be doubtful. Society always recognizes an individual for his/her integrity. Integrity can only come if an individual is honest. Therefore, honesty is the first component of confidence.

Confidence: It is the second aspect of trust (this dimension most closely corresponds to the strength we described as the charisma factor). People are willing to follow leaders whose leadership they trust can achieve the stated
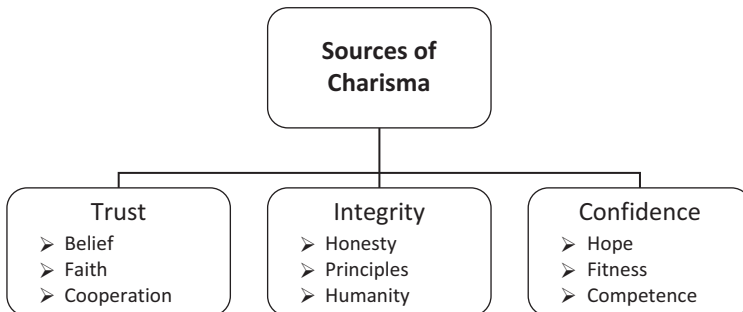
Figure 10.1 Source of charisma. Source: The authors

objective. If the leader is not competent or sufficiently capable to lead, then there is no confidence or trust.

Organizations exist due to several individuals. Now all individuals are not alike. Since every individual has different kinds of skill sets and personality traits, all of them have different psychological abilities as well. With this, businesses may ensure that leaders in the most difficult roles are equipped for efficient psychological stability. Organizations require leaders who are capable of changing the flow of events and also changing the direction of a company and economy (Pratch, and Jacobowitz, 2015).

Because of diversity in an organization and because of different psychology, there is a strong probability of conflicts taking place. Conflicts may develop if one pursues an emotionally or motivationally significant subject (an opinion or interest). Therefore, conflicts and opinion disagreements are two things. One can have a perspective or viewpoint about a certain subject that is more or less rationally legitimate. Conflicts are so hard to resolve rationally because the conflict arises because of emotions.

Conflicts are not understood if we just see them as an individual state of mind or individual psychology; rather all the conflicts have to be well addressed. Conflicts become understandable only when they are placed on the agenda of an organization. The examination of a dispute clearly shows the expectations of each other and the expectations that the other parties do not fulfil. Depending on the context and active role expectations, certain conflict regions are thus pertinent or irrelevant.

10.3 Conflict management as an act of leadership

As we have discussed above, an organization operates in a diverse cultural and demographical setting. So conflicts will always rise in an organization because every individual will have his/her viewpoint. Therefore, the role of a leader becomes crucial to identify and address all the conflicts. A leader has to ensure that no conflict remains unaddressed. Hence the role of conflict management comes into play. Considering the importance of conflict management, this section discusses how disputes are handled in the leading role.

Actively managing conflicts is always a leadership act. If people extend their original concept of leadership to conflicts as directed movement, it is apparent that conflicts must always be viewed as leading actions. A leader must address and manage all the conflicts (Fields, 2018). More conflicts mean leadership is needed. On the other hand, lesser conflicts mean lesser leadership is needed (Guo *et al.*, 2019; Abbas, 2010). Executive management is an act of success in conflict management. Through cooperative conflict management, leaders build up trust, mutually committed relationships. Ethical leaders and their employees avoid competitive conflict where they try to impose their ideas and resolutions on each other. A study conducted by Wong *et al.* (2020) suggested that leaders can have a noteworthy impact by fostering cooperative conflict management and reducing competitive conflict

management. Therefore, organizations are encouraged to adopt training and selection procedures to develop more ethical leaders.

A group leader handles numerous disputes. A leader must first deal with disputes that are needed to be addressed first (Kater, 2018). So we can say that conflict management is just leadership. Without actions of leadership, latent or open conflicts in organizations cannot be resolved. As a leader, you must handle latent and open conflicts inside your group. At the same time, a leader also has to take care of the external conflicts with other institutions or organizations. The objective of conflict management must be to settle disagreements strategically on a long-term basis.

10.4 Leadership for adopting social change

As the leadership approach is part of cooperation and aims at encouraging good social change. This model explores leadership development from three different viewpoints or levels.

The individual: This means asking questions such as: What are the personal traits of people who engage in a leadership development programme? How do the group function and constructive social development help personal attributes most?

The group: It asks questions such as: How can the collaborative processes of leadership development not just intend to assist the growth but also impact good societal change?

The community/society: What is the societal purpose of leadership development? What are the most successful forms of service activities to energize the group and build the person's desired qualities?

As a result, the word 'change' is usually taken as a transition from one perspective to another. From the Latin term 'to better', Van der Merwe explains the word 'shift'. In general, the word 'change' denotes altering, improving or transforming whatever exists by adding certain values or giving up something else. The modification is generally scheduled and changes are reacted to. The respondent first analyzes what needs to change and what needs to be abandoned. Most writers assume responders focus more on what needs to be abandoned instead of what needs to be gained as giving up is more limited. Various sorts of remedies are used or might be utilized to bring about modifications based on nature and surroundings (Demircioglu, 2021). Change might be any activity or combination of activities to accomplish something new or to modify something. Changes always require engagement and guidance. There are various strategies to enhance the commitment to specific sorts of modification. Change isn't always beneficial (Chatman and Kennedy, 2010).

10.5 Leadership development theory of change

Leadership development has traditionally been centred on improving the abilities of selected individuals to be more effective leaders of societal change

(Day, 2021). The assumption is that individuals can better meet various social goals by expanding their skills and talents (Blythe and Harré, 2020). More recently, increasing interest in the notion of collective leadership has led to initiatives aimed at cohorts, coalitions and partnerships to establish and activate social change. This expresses the conviction that collaborative effort is needed to tackle complicated societal challenges (Paschen *et al.*, 2013).

Leadership development starts from various techniques such as investing in people. Some may target those who are already leaders in their organizations, communities or occupations. Others might focus on those who can serve as the next generation of leaders early in their path. The choice of leadership development approach, as mentioned above, represents a basic idea or assumption as to how changes are made. Let's explore common objectives related to leadership development to continue this further. For leadership to make a difference and bring about the desired change, donors may openly or implicitly assume that their investment in leadership development will lead to social change through one or more of the following social changes.

10.5.1 Advancing an issue or policy

Funders often invest in leadership to promote a certain policy or policy goal. If the policy statement is well justified the investors will always look for investing in the leadership of that particular company.

10.5.2 Increasing community of self-determination

Leadership development improves the community's ability to recognize and solve issues. The programmes focusing on enhanced community autonomy generally stress inclusiveness, listening, and amplifying the voices. For example, a network of leaders in a community might be built that works to destroy institutions that sustain inequality and promote new collective visions in their areas.

10.5.3 Strengthening or reforming a sector

Leadership development is usually focused on certain sectors to build or reform or enhance ability in general. One example may be to assist those working in the marine food industry to build a pipeline of leaders who can promote and support sustainable marine practices.

10.5.4 Building a large-scale social movement

The development of leadership might have a broader objective of encouraging an action to bring about a major change. Social movements are a way to act collectively on a long-term basis. Another example is the Strategy-Organizing-Leadership (SOL) Initiative to train grassroots leaders representing domestic workers to play a role in the wider social justice movement.

These levels of social change represent widespread ideas but are by no means complete (Slimane, 2012). Leadership development can specifically concentrate on promoting collaborative leadership, building networks, generating connections among people, building strong local or national networks, and organizing collective action networks. This method underlines the individual leader's concept to support a collective form of leadership, which is more suited to dealing with complex, systemic challenges than to a broad variety of stakeholders. The tactics of network leadership are aimed at building social capital, fostering community involvement, mobilizing people, building initiatives and promoting more equity.

Programmes aimed at building networks and assisting network leaders can be accomplished by training specialized skills or giving the resources for the development and execution of collaborative initiatives with expertise and relationships. The precise purpose of the programme may be to create a network to achieve a short-term objective, or to develop long-term relationships to support mobility. Leadership development assessments increasingly include social network analysis to assess the breadth of ties between leaders and their strengths. The study of networks enhances more traditional approaches for data collecting, such as interviews, surveys and cooperation.

10.5 The 7 C's of leadership for the social change

Now to bring social change, a leader has to focus on a few important points, often referred to as the 7 C's of leadership. In this section, we attempt to highlight these 7C's to bring social change. The 7C's are as follows:

Self-consciousness: This means awareness of the beliefs, values, attitudes and emotions that lead to action. This is the key to developing other people's awareness.

Congruence: This means having consistency, sincerity and honesty towards people. Actions are consistent with insightful belief and convictions; they are interdependent with self-consciousness.

Commitment: This is the energy that inspires the person to serve and leads the collective efforts. It involves passion, intensity and focuses both on group activities and on the intended results.

Collaboration: Working in union with other people is collaboration. Such leaders empower themselves and others through trust and lead the group as a collective process. This enables the group to go beyond individual objectives, interests and behaviours.

Common purpose: This means working with common objectives and values. It enables the group to undertake the collective analysis of the issues and the task to be performed. The common purpose is best achieved by sharing the vision and active participation from all members of the group in defining the purpose and objectives of the activity.

Controversy and courtesy: It is understandable to have indifference of view. But these disagreements must be discussed publicly but with civility.

Civility entails respect for others, a willingness to listen and self-control in criticizing others' opinions and behaviour. The disputes must be handled and absorbed into the shared objective.

Citizenship: Being a good citizen means working on behalf of the people and community for bringing positive changes in the society.

Leadership is crucial to societal transformation. Throughout history, societal changes have been difficult without proper leadership, whether it is to eliminate social norms, overcome social ills or modernize history. It is not feasible to unite people and encourage action without leadership. It is a matter of mobilizing the masses, sparking people's enthusiasm for a shared purpose, and encouraging them to work towards that common objective. One man must lead the movement, and he may not be a political leader professionally, but he should have the charisma to inspire and encourage people. One example of major recent events is Anna Hazare, an Indian citizen who flames the inequities of the political system and the pervasive corruption of society and politics by thousands of Indians and who starts up one of Asia's largest civilian movements over a lengthy period. For social changes, the leader is both the face and the backbone of the movement, and the people are the heart and the soul (Martiskainen, 2017).

10.6 Role of leadership for a positive society

Leaders feel challenged and overwhelmed by the ever-changing world characterized by instability, insecurity, complexity, and ambiguity in organizations. Organizational leaders are obliged to ensure their employees are meaningful, committed and at work safe. Therefore, a positive leadership strategy has been advocated. Favourable leadership actions like support and ethical behaviour have proven to have a positive impact on the well-being of employees. Positive leaders, therefore, focus on influencing their staff positively and encouraging them to thrive (Radmila *et al*. 2008).

Positive leadership is a focal construct for studying leadership in organizations. Positive leaders show leadership behaviour such as empowerment, communication, motivation and accountability (Hallinger, 2019). Furthermore, emotions and optimism are recognized as leadership characteristics that positive leaders may acquire to deal with and then keep their employees motivated in the always-changing environment. Positive leadership is required for the growth of organizations. The leaders who possess positive leadership behaviours include focusing on the strengths of their employees, staying positive in the tough times, and repeatedly recognizing the good work of employees, contribute to the success of the organization as a whole.

Only a positive leader can make a positive society. Positive leadership is an approach where the leader uses positive strategies within five major areas

to influence employees to attain the goals and organizational objectives. The five dimensions that surround and impact the organization include:

- Building a positive structure
- Operating with a positive purpose
- Establishing a positive climate
- Developing positive relationships
- Engaging in positive communications

Positive leadership has been a focus of organizational leadership studies (Malinga *et al.*, 2019). The results of the previous study showed that the organization contributes to the success of the whole organization by having leaders with positive leadership behaviours such as concentrating on employee strengths, remaining positive in the face of difficulties, and often recognizing the good work of their employees (Adams *et al.*, 2020). The study suggests that strong management performance in decision-making and interpersonal activities is connected with a significant degree of good results. Positive leadership is essential in organizations, particularly during difficult times (Hester, 2013).

The leader employs positive methods within five main fields to influence his or her staff in achieving the organization's aims and goals:(a) building a positive structure, (b) operating with a positive goal, (c) creating a positive environment, (d) generating positive connections and (e) participating in positive communication. These are the five important aspects for an organization to stay positive. Positive leadership is more than just a style of leadership; it is a way of thinking.

Interestingly, one or a small group can impact the feelings of millions. A society without skilled leaders is always dissatisfied with instability and anarchy to a greater degree. A leader who is good at what he does will be effective in building a pleasant and happy society, will remain motivated and inspired, and work for the great benefit of society. Such kind of a leader does not work only for his benefit. When people believe their leader and feel cared for, whether economically or socially, the team develops a sense of belongingness. Good leadership generates a happy society; a strong nation may be built by a good society (Deshpande *et al.*,2010).

10.7 Importance of leadership in a society

The following points justify the importance of leadership.

Action initiator – A leader is a person who initiates the work by expressing the policies and plans to the subordinates from whom the work begins.

Motivation– A leader has a role to play in the operations of the company. He encourages employees to use financial and non-economic incentives and obtains the work from the subordinates.

Providing guidance – The leader has not only to control but must also guide subordinates. A leader must also take charge. Guidance here implies teaching subordinates how to operate efficiently and successfully.

Creating faith – Confidence is a key component that can be established by expressing the efforts of the subordinates, clarifying their role to them, and providing them with instructions to successfully attain the goals. It is equally vital to learn about your concerns and difficulties from the staff.

Building morale – Morale refers to employees' collaboration, confidence in their job and the winning of their confidence. A leader can enhance his moral skills by cooperating fully to attain the objectives with his/her greatest ability.

Builds an atmosphere for the work – Management gets people to do things. Good and consistent growth is supported by an efficient working environment. Thus, a leader should remember human relationships. He should establish personal touch with his staff and listen to and solve their concerns. The workforce should be treated with humanity.

Coordination– The combination of personal interests and organizational goals can lead to coordination. The right and effective coordination which should be a major reason for a leader can help accomplish this synchronization.

From the above discussion, it can be revealed that leadership has a direct link and performance with organizations. Leaders identify values, culture, change tolerance and employee motivation. They shape an organization, including its effectiveness and execution. It should be stressed that leaders can and are not exclusively managers at all organizational levels. Thus, the effect of leaders helps everyone accomplish team and business goals. However, the adoption of the appropriate management style is a medium for the organization's performance at some point in time. Leadership is the heart and soul of every organization and should not be ignored for its value. A leadership style is the way managers play their leading position. It is viewed by a leader of a firm as certain behaviour to empower employees to fulfil the objectives of the organization. In today's enterprises, leadership plays a crucial role. The style of leadership is how a director or boss is willing to act with his workers or colleagues and how they are acting as leaders (Bhat, 2015).

Leaders must be able to determine if their leadership abilities influence their followers or not. This may affect employee behaviours in following their leaders. Disappointments may be caused by followers or workers who do not respect managers. Some researchers have found that leadership styles can impact an employee's contentment, and leadership styles depend on work satisfaction. It states that leadership style or behaviour has an impact on an employee's happiness and readiness and desire to leave a business. It should be noted that an employee, irrespective of low salaries, may still inspire his/her finest management style implemented at a given period (Engelbrecht *et al.*, 2017).

A significant source of sustained competitive advantages and growth management is viewed as an effective leadership style. A management style enables the firm to more successfully achieve its present aims by linking employee performance with anticipated stimulus and ensuring that workers have the tools

to execute the job. Leaders have an impact on our lives, are critical to the success of (public) businesses and have a significant impact on employee behaviour (Klijin, 2022). Giving them demanding tasks, autonomy and mutual trust, as well as boosting subordinates' creativity, improving their confidence and continuing collaborations, transformational leadership is ideally suited to improve their performance (Jamali, 2022). Without leadership, the likelihood of errors would increase and the possibilities for success would reduce.

Given that leadership is power, it may often be seen as leaders organizing others to fight for common objectives. Leadership has much to do with results. In today's worldwide market, leaders have to confront difficult tasks with companies and ever-changing surroundings. (Norman *et al.*, 2010). Effective leadership and collaboration between worker and leader are the key drivers of organizational success. The primary function of leadership is to bring organizational change by making the organization positive (Elkhwesky, 2022).

10.8 Conclusion

The aim of the present chapter was to find out the relationship between leadership and the role of leadership in societal development. We also attempted to discuss various kinds of leadership styles and how these styles have an impact on an organization. This chapter found that since an organization takes so much from nature and society, it becomes the moral duty of a leader to pay it back to society. Leaders must meet role expectations to be perceived as effective. This chapter tackles this puzzling dilemma and advances our understanding of how leaders affect society. The ever-changing world makes leaders feel challenged and overwhelmed. There is a need to clear a road for society to move forward with great precision. We can conclude that leadership is the ability to guide a group of people towards a common objective, and that successful leadership transforms society into a positive and content society. A leader with a high level of self-confidence may inspire his or her followers and strive for the welfare of society rather than personal benefit.

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