

## **How to extract employee's full productivity as a new senior Manager of an organization?**

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### **ABSTRACT**

Can a new senior manager of an organisation be able to bring out 100% productivity of its employees? We shall see how possible this can be by combining different leadership and management styles in order to bring out all the potentials from the employees. The big question is; can this be possible? Here we will examine the different leadership styles and theories together with the management styles and see the best combination that can enhance 100% productivity of Employees. Managing and sustaining a company as a new manager and bringing out 100% of employees' productivity is not an easy task but is very possible if the senior manager does the right combination and remain dynamic and flexible throughout. we will also discover that no permanent style of leadership or management is permanent in this modern system of management in this new era of internet of the 21st century. It needs to be flexible all the time and these changes should be due to the reality and state of business at that particular time. We will conclude by examining other aspects that are necessary for productivity to be 100%, which are; organisation vision, culture, ethical practices, developing human capital and core competencies (strategic advantages). This study ends by proving that 100% productivity/sustainability is possible if the new senior manager has leadership qualities and combines them well, and taking into consideration flexibility and dynamism.

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## 1. Introduction

Leadership quality plays a key role in order to form and enforce a strategy. It works as a linkage which associates the heart of the institution with its body. The pledge kept by the leader is responsible for encouraging the institutions to become successful, and this success comes out of

making effective decisions for the formulation of strategy and their enactment (Jabbar and Hussein, 2017). We shall see which styles of leadership and/or management can bring out 100% productivity in an organization of 57 employees. Firstly, we shall briefly look into effective leadership qualities, some theories and styles of leadership and the main actions strategic leaderships take. Then we progress to select and present which combination of the styles, theories and actions that can offer the best leadership behavior that is effective in enabling the 57 employees of this company to be able to bring out 100% productivity. Here we are talking about performance. These issues will be critically discussed in the shoes of a new senior manager of the organization. But first let's dive into what leadership and management is all about. It should be noted that the styles and theories of leadership depends on the type of organization and taking into consideration other parameters which we shall study below critically and apply some to enable us achieve our objectives. This organization is business orientated.



## **2. Leadership/Management.**

### **2.1 Leadership**

What is leadership? Leadership is viewed as an influence by an individual to exert change on others without necessarily using force thus influencing them by restructuring their behaviours and relationship within a group or organizations. (Ukaid, 2016). This is exactly what it is expected as a leader of the organization of 57 employees. Strategic leadership involves developing a vision

for the firm, designing strategic actions to achieve this vision and empowering others to carry out those strategic actions (Hitt, Ireland & Hoskisson, 2009).

## **2.2 Management**

Some would define management as an art, while others would define it as a science. Whether management is an art or a science isn't what is most important. Management is a process that is used to accomplish organizational goals. That is, a process that is used to achieve what an organization wants to achieve (Booris and Vorria). Will organizations function better when only a manager(s) is/are heading it or only when a leader(s) is/are heading it or both? And if both, then, what proportion? An organization that has a leader who is a well trained manager or where there is a mixed of leaders and managers is better. And such an organization needs more managers than leaders if it is to be. Kotterman (2006) supported this fact that, a well balanced organization should have a mix of leaders and managers in order to succeed, and in fact what they really need is a few great leaders and many first-class managers. Gardner (1990) also noted that every time he had encountered a first-class manager, the manager turned out to possess a lot of leadership ability. The difference was that the manager's focus was different from that of the leader. Katz Leadership is a multi-directional influence relation, while management is a unidirectional authority relationship (Katz, 1955). At this point we will progress to list some styles of leadership and theories, but will later critically analyzed them as we incorporate or reject them in this our new organization.

## **3. Leadership Styles, Theories of Leadership, and Main actions of strategic leadership**

### **3.1 Leadership Styles:**

Leadership Style is a method of providing direction, implementing plans, and motivating people. Although different authors have provided different definitions of Leadership Styles, they all have

the essential elements mentioned above. They are; Autocratic, Bureaucratic, Charismatic, Democratic/Participative, Laissez-Faire, Transactional and finally the Transformational leadership styles. Apart from leadership styles we also have leadership theories.

### **3.2 Theories of Leadership;**

It is any school of thought that attempts to explain what makes someone a leader. Many researchers have come up with so many theories but relevant ones will be mentioned here as follows: “Great Man"s, Trait, Contingency, Situational, Behavioural, Participative, Transactional/Management, Relationship/Transformational and Skills Theories. Let’s progress to “Main Actions of Strategic leadership”.

### **3.3 Main actions of strategic leadership;**

The senior manager as a strategic leader won’t only apply good leadership styles and theories to achieved his/her aim but will include some strategic actions that we theme them Main actions of strategic leadership; determining strategic direction, exploiting and maintaining core competencies, emphasizing ethical practices, sustaining an effective organizational culture, establishing balanced organizational controls and developing human capital. Every good leader needs some special qualities to succeed.

### **4. Qualities of an effective leader.**

All good leaders need some basic qualities that have to make him outstanding and performance. What are these qualities? This includes; the ability to make decisions, humour, sense of justice, determination, act as an example, physical fit, pride in command, loyal , sense of duty, calmness in crisis, assurance(confidence), ability to accept responsibility, human element, initiative, enthusiasm, and resolute courage (Adai, 2005). Kaushal and Mishra (2017) also supported this by bringing out the fact that, a leader is judged base on three fundamental public leadership

attributes. 1) The leader's bearing: How the leader carries himself or herself, 2) The word that leader uses to engage others and 3) The manner in which the leader engages others. At the functional level, a good leader must be capable of planning, initiating, controlling, supporting, informing and evaluating. The new senior manager must be able to put in place most of the above qualities in his leadership, no matter the type of leadership style or theories. How can the new Senior Manager combine the above mentioned items enthusiastically, to bring out maximum productivity of 100%?

### **5. Getting 100% productivity from the employees?**

As New Senior Manager, it is good to always start with SWOT analysis when you are taking over a new company as an essential component of success. That is, he/she must look at the internal and external environment of the business; the strength and weaknesses of the company, then the opportunities and threats existing respectively. SWOT analysis is not our interest here. We are interested in combining the best leadership theories with the best selected leadership styles and be able to implement some main actions of strategic leadership couple with some good qualities of effective leadership which will help to empower employees, minimize job stress, motivate and enhance good communication skills of employees with net results being our 100% target and corresponding maximum profits. Is empowerment important?

Employee empowerment has widely been recognized as an essential contributor to organizational success with many authors observing a direct relationship between the level of employee empowerment and employee performance. Similarly, it is maintained that employee empowerment is critical to organizational innovativeness and effectiveness. Employee empowerment is more relevant in today's competitive environment where "knowledge workers" are more prevalent and organizations are

moving towards decentralized, organic type organizational structure (Meyerson and Dewettinck, 2012).

This fact has been supported by Khan & Gomal (2016) who noted that, to enhance the performance of an employee, his/her dependence upon the leadership, which is operative, has a definite status. In the same phenomenon, the central role of the leadership along with his credibility becomes most prominent (Bass, Avolio, Jung & Berson, 2003).

Actually, the transformational leader is a psychoanalyst, as he/she learns, comprehend and analyze the minds, thoughts, attitudes and desires of the followers/employees to reach the final decision which help in augmenting the employees' level of performance (Qaisar & Sara, 2009).

We shall at this point examine the best leadership design, to be adopted as a New Senior Manager of an existing Company of 57 employees. And the reason for this leadership model(s). Finally, how this model shall achieve our goals while incorporating other essential aspects.

The transformational and transaction leadership styles shall be put in play. This suits this type of company. How or rather why? We will critically look into these two chosen leadership styles and then why we didn't prioritize the others.

### **5.1 The transformational leader**

The transformational leader possesses charismatic abilities, induces moral values and tries to develop the capabilities of the employees. This leadership gives a kind of vision which elevates the working potential and commitment of the followers/employees to achieve the high valued task that will yield a maximum output (Avolio & Bass, 2004). The main task of a transformational leader is to rebuild a structural framework of the organization according to the wins and wishes of the employees keeping in view the global standards and the contemporary situation. (Chandra & Priyono, 2016). There are four attributes of transformational leadership



style namely; the idealized influence, individualized consideration, inspirational motivation and the intellectual stimulation. As mention earlier by (Meyerson and Dewettinck, 2012) “employees empowerment is essential to success and high productivity”. Here we just noticed that the transformational leadership main rule is to empower employees and so this leadership style must be applied in our new company in order to achieve 100% productivity. But is this enough? This is where the transactional leadership comes in play to complement.

## **5.2 The transactional leadership.**

On the other hand, the transactional leadership shall also be adopted that shall function side by side with the transformational leadership. Transactional leadership implements rules and regulations, establish with authority, prescribe and focus upon certain goals, direct the employees to achieve the pre-determined tasks (Avolio & Bass, 2004). During the course of time, the skills and experience of the employees are utilized to its maximum through a system of rewards and punishments for good deeds and otherwise (Udoh & Agu, 2012). This entire phenomenon is spanned not over a long period of time rather the organizational profile gets re-oriented and the whole dynamics is geared up to certain desired standards. The transactional leadership strictly follows the bee line, prefer to remain in a stipulated framework for the maximum employees performance (Shah & Kamal, 2015). There are four attributes of transactional leadership style namely; the Contingent rewards, contingent punishments, management-by-exception (active) and management-by-exception (passive).

Why combine these two styles? In the present research, the question is to which extent does the relationship of the leadership styles affects employees’ productivity. It is simple, While transformation leaders are preparing the employees to the 5 to 10 year designed vision (long term goals), enhancing their capabilities and commitment, and rebuilding a structural framework of the organization according their wins and wishes, the transactional leadership sometimes term

the Managerial leadership specializes in realizing short term projects of the company using skills and experience of the employees. They are concerned with processes rather than forward thinking ideas. Unlike Transformational leadership, Transactional leadership approaches are not looking to change the future. Transactional leaders are directive and action-oriented. Transformational leaders are not well equipped on procurement and efficient use of resources. So, transactional and transformational leadership shall complement each other to achieve 100% workers' productivity in the company. Combining these two leadership styles will bring out the maximum capacity of the 57 employees while keeping the company sustainable. So, these two leadership styles will be given preference. But what are the shortcomings of the other styles of leadership as concerns this company with a new senior manager?

### **5.3 Other leadership styles. How relevant or irrelevant are they?**

#### **5.3.1 Autocratic leadership style**

The Autocratic leadership style is a form of extreme transactional leadership style. We won't go to the level of autocratic style since this style functions well when we are on a hurry to make and implement decisions immediately. But if the situation arises then in this case, it can't be rolled out. All we need is 100% productivity, while trying to respect the Maslow's hierarchy of needs of employees.

#### **5.3.2 Bureaucratic leadership style**

The Bureaucratic leadership styles is not effective at all when it concerns to team work and creativity (initiative or innovation), no influence on employees and so won't be able to bring out 100% productivity. Santrock, (2007) supported this fact by noting that, the drawback of this type of leadership is that it is ineffective in teams and organizations that rely on flexibility, creativity, or innovation. Bureaucratic leadership is always in conflict with Transformational leadership.

### **5.3.3 Charismatic leadership style**

Concerning charismatic leadership, it suits here somehow. It is a form of Transformational leadership style but the problem here is that too much confidence is placed on this type of leader rather than placing confidence on employees. It contradicts a purely transformational leadership style. This style can achieve 100% productivity but the risk is very high because when the leader leaves, then the whole organization can collapse, since charismatic leaders have the feeling of invincibility, and they might be. Thus, this leadership style can ruin a team or an organization. No leader should be invincible since change of leadership can come at any time. No leader is immortal. Democratic leaders usually include the team members in decision making but usually take the final decisions. There is no difference between this style of leadership and the participatory theory which is one of the theories applied in running this company of 57 employees. More light will be thrown on it below.

### **5.3.4 Laissez-faire leadership style**

There is also the Laissez-faire leadership which gives freedom to workers to do what they can. No controls or strict rules applied. An advantage to this style is that workers have too much degree of autonomy that can lead to high job satisfaction and increase productivity but what if the ethics and/or culture is not good or a worker has less skills? According to Goodnight, (2011) Laissez-faire leadership may be the best or the worst of leadership styles. All these depend on the other aspects and types of company.

## **6. Matching selected theories with selected leadership styles and actions.**

### **6.1 Contingency theory**

According to Contingency theories, no single leadership style is appropriate in all situations. Success depends upon a number of variables, including leadership style, qualities of followers

and situational features. This type of theory as mentioned above often goes with the transactional style of leadership.

## **6.2 Situational theory**

Situational theory, proposes that leaders choose the best course of action based upon situational conditions or circumstances. This is in line with the transactional and transformational styles of leadership and can easily be incorporate.

## **6.3 Participative leadership theory**

The Participative leadership theories suggest that the ideal leadership style is one that takes the input of others into account. Participative leaders encourage participation and contributions from group members and help group members to feel relevant and committed to the decision-making process these theories always go with the transformational leadership style.

## **6.4 Transactional/Management Theory.**

This theory goes with transactional leadership style just like the name indicated. So automatically it shall be applied during the functioning of this company of 57 workers. When employees are successful, they are rewarded and when they fail, they are sanctioned or punished.

## **6.5 Relationship/Transformational Theory.**

This theory functions directly with the transformation leadership style and so automatically will be applied in our new company. According to Lamb (2013) relationship theories, also known as transformational theories, focus on the connections formed between leaders and followers.

### **6.6 Skills Theory.**

According to Wolinski, (2010) this theory states that learned knowledge and acquired skills/abilities are significant factors in the practice of effective leadership. Skills theory by no means refuses to acknowledge the connection between inherited traits and the capacity to lead effectively, but argues that learned skills, a developed style, and acquired knowledge, are the real keys to leadership performance. A strong belief in skills theory often demands that considerable effort and resources be devoted to leadership training and development. Human capital is very important.

### **6.7. Unaccepted theories and why.**

The rest of the theories or most do not fit into the 20<sup>th</sup> century management or leadership systems. It will be of no benefit to apply any of the other theories with the present styles of leadership adopted, unless it has to change in the nearest future. For example Behavioural theory which has a belief that, great leaders are made, not born. According to the behavioural theory, people can learn to become leaders through training and observation. Naylor (1999). We shall not apply this theory in the management of this company since under the influences of this theory; the working team will work well only when the leader is present and they are usually not contented with this type of leadership and will probably become hostile if this type of leader turns to be autocratic. Again, we have “Great man theories” which believes that leadership is inherent, that great leaders are born, not made. It’s the opposite of **Behavioural theory**. But in this modern era there is no room for such leaders or theory. This great man theory is similar to **Trait Theory** in some ways. The **trait theory** assumes that people inherit certain qualities or

traits that make them better suited to leadership. But if our trained leaders or managers also have Trait Theory then it will be much better for a company. At this point ,we will move to the actions to be applied.

## **7. Strategy leadership Actions:**

Certain actions must be applied by leaders in order to succeed. These are theme Strategy Leadership Actions. We will look into the main actions plan to be applied in the running of this company to achieve 100% productivity. The productivity/output can be enhanced and sustained by the effectiveness of the leadership strategic actions and an agile response of the employees (Rizwan, Nazar, Nadeem & Abbas, 2016). We will look into some of these actions critically;

### **7.1 Determining Strategic Direction.**

This is concern with defining the vision of the organization and any organization without strategic direction is not expected to live long and cannot survive two steps without falling. The vision gives a clear picture of where the organization is expected to be in the nearest future. Senior management is responsible for this. This is in line with the transformational leader style. Fortunately, in this new company of 57 workers, there is a transformational leadership. A good organization's vision usually gives birth to a good organizational culture.

### **7.2 Effective Organizational culture**

Another strategic leadership action is Effective Organizational culture. This is simply the personality of the organization. It's all about how employees think, employees' experience and how they feel working in this company? It all about how things are done in that organization.

Building a strong healthy culture is a powerful competitive tool. The senior management is in a position to select and promote policies that can promote the desired behavior or culture. The transformational leadership can reinforce this type of behaviour. This has been answered already. It should be noted that one of the key tools for shaping culture is ethical policy. Bad ethical policies bring about a bad culture or non-effective culture.

### **7.3 Ethical Practices**

Ethical Practices in modern business today is one of the keys to success. It is a group of organized rules of behavior to be followed in order to achieve our planned goals without conflict or prejudice. It is the conduction of business following good business policies and practices. It will impact on things like public perception of the company, employee's productivity, brand image and profitability. Staff and management usually take advantage of the absence of ethics to benefit themselves instead of working for the global benefit of the company. Without good ethics the company will be bound to penalties. Good ethical practices enhance good culture. Infraction of ethics should be punished or sanctioned. Our adopted styles of leadership are not against this. So, good ethical practices must be implement in this new company by the senior management in order to attain 100% productivity.

### **7.4 Developing Human Capital**

In the context of developing human capital, employees are a capital resource that requires investment. A good academic profile of the employees is one of the most needed factors in a company. It is said that the best structures/equipment or technology cannot speak for themselves or rather cannot generate 100% productivity as is the case here. People (human resource) do it. So, investing in human resources through continuous learning or research and development is necessary to reach our target. While doing all this, we have to maintain and exploit core competence.

## **7.5 Core competencies**

What is core competence? Core competencies are the resources and capabilities that comprise the strategic advantages of a business. A modern management theory argues that a business must define, cultivate, and exploit its core competencies in order to succeed against the competition (Twin, 2019).

## **7.6 Establishing Balanced Organizational Controls**

Establishing Balanced Organizational Controls allow senior management to determine when adjustments are needed and what adjustments to make. In light of changing circumstances, senior management can reshape long-term direction and strategy and intervene to align internal activities and behaviour with strategy. That is why here we must use the Transactional and Transformational leadership side by side.

## **8. Conclusion**

Notwithstanding Leadership must be dynamic and flexible. We must intertwine everything possible, to come out with the best practice that will bring out the best results. No particular styles is permanent or the best but it needs a good senior manager and his team to choice which best suits best, just as we have done in this company of 57 employees. It is true that must leadership styles have their corresponding theories that favour them but what should also be taken into consideration is having good leadership qualities that shall enable the design and implement of good strategic actions to gain very high profitability. A good organization structure must be put in place. So, leadership style must be adapted relatively to time, the goals and the type of company.



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