

A Review on Impact of Effective Leadership in Organisation

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Abstract

This research study analysed Communication skills (and its effectiveness at different levels of Management. Literature showed that these skills are important to be effective leader but it didn't show that which skill is more important at different levels of management. For this purpose questionnaire was distributed to 150 employees in diverse departments in IT Companies includes Top level, Middle level and Lower level employees. Descriptive tests of means and ANOVA were used as the most appropriate statistical techniques to analyse that which skill is more important at different levels of management. The results of this study found that at Top level of management leader's ability to Build Team is more important as compared to Middle level of management but did not significantly differ as compared to Low level of management. At Middle level hypothesis was not supported (i.e. Ability to Communicate was not most necessary to be effective at Middle level of management). At Low level of management leader's ability to Motivate is more important as compared to Middle level of management but did not significantly differ as compared to Top level of management.

Keywords: Ability to Motivate, Ability to Communicate, Ability to Build Team, Levels of Management

1. Introduction

As it is known that Motivation, communication, and team building skills are interrelated and complementary that's why leadership needs to development in these areas (Gilley, McMillan, and Gilley, 2009) So as a result, for effective change development of communication skills such as communication, motivation, and team

building is required to fully engage employees and to cultivate success. Leaders perform at different levels of management, to be an effective leader at Lower level, the leader must have the ability to motivate to get the work done because actual work is done at this level of management and secondly it must have the ability to communicate its workers problems, recommendations and suggestions, etc to the higher level. So at this level of management (Low Level), Leaders ability to motivate is more important than that of communication and team building (Qureshi, 2009; Simmering, N.d.; Kraut, Pedigo, McKenna, and Dunnette., 1989).

At Middle level of management, leaders ability to communicate is more important than that of first level management because it has to do two way communication; with lower level and with top management. Middle managers communicate upward, by offering suggestions and feedback to top managers also responsible for carrying out the goals set by top management (Simmering, N.d.; Kraut, et al., 1989).

Secondly Team building skill is also required at middle level of management because it build team which work at lower level and to get work done at lower management motivation skill is also required (Qureshi, 2009). Top management usually consists of Executives so they lay down the broad policies and objectives of the enterprise and mostly involves planning (Simmering, N.d.). Therefore, the communication and motivation are less required as compared to middle management (Qureshi, 2009; Simmering, N.d.), so at Top management Team building Skill is more important because it's the Top management who built the team and controls them.

2. Objective of research

The objective or purpose of current research is to examine how leader's Ability to Motivate, Communicate, and Build Team is important at different levels of management and which skill of these three variables (the leader's Ability to Motivate, Communicate, and Build Teams) are more required at Top, Middle, and Lower levels of Management.

As existing literature showed that many variables (the leader's Ability to Motivate, Communicate, and Build Teams) affect a leader's effectiveness and the authors also examined behaviours which are associated with leadership effectiveness for driving change (Gilley, McMillan, and Gilley, 2009); current research will further enhance our understanding about: (a) The importance of leader's Ability to Motivate, Communicate, and Build Team at different levels of management. (b) The levels of management which are most in need of improvement, in specific skill/ability areas, and the type of change which would prove valuable. (c) How organizations will enhance the change skills of their leaders.

3. Literature Review

The Literature review evidenced that Leader's Communication skills such as leader's Ability to Motivate, Communicate, and Build Team had a positive effect on organizational change and Leadership effectiveness. The next section discusses the Antecedents of organizational change and leadership Effectiveness. Furthermore it discusses Linkage between leader's Ability to Motivate, Communicate, and Build Team and Leadership effectiveness. In addition, since the primary PURPOSE of this study was to see how leader's Ability to Motivate, Communicate, and Build Team is important at different levels of management and what are the effects of the levels of management on organizational change and leadership Effectiveness, therefore, the next sections described the effects of the antecedents of leadership effectiveness as well as the moderating influence of levels of management on

organizational change and leadership Effectiveness. Finally it discusses the effects of each level of management on leader's effectiveness.

3.1 Antecedents of Organizational change and Leadership Effectiveness

Different factors that contribute to organizational change and leadership Effectiveness are leader's Ability to Motivate, Communicate, and Build Team. In an Organization change did not occur unless its member groups and individuals change by adopting different behaviours, processes, frameworks, routines, values, or goals (Coghlan, 2000; Katz and Kahn, 1966; Sullivan, Sullivan, and Buffton, 2002). So for effective Organizational change leader must have different skills or behaviors such as leader's Ability to Motivate, Communicate, and Build Team (Gilley, McMillan, and Gilley, 2009), by adopting these skills a Leader will become an Effective Leader.

Additionally, since the primary Purpose of this study is to see how leader's Ability to Motivate, Communicate, and Build Team is important at different levels of Management and what are the effects of the levels of management on organizational change and leadership Effectiveness, therefore, the next sections describes the Linkage between leader's Ability to Motivate, Communicate, and Build Team and Leadership effectiveness.

3.1.1 Linkage between Ability to Communicate and Leadership Effectiveness

If Leader has Ability to Communicate well than he will be effective leader and as a result will bring positive change in an organization (Gilley, McMillan, and Gilley, 2009). It is revealed by the Research that there are additionally some barriers to change which includes the poor or lack of communication skills, management failure to reward those workers who try to bring change, and the inability to inspire or influence others (Burke, 1992; Kotter, 1996; Patterson, 1997). Studies showed that there are certain leader's skills and abilities which

are positively associated with successful implementation of change, which includes the leader's abilities to coach, communicate, motivate, involve others, build teams, and reward (Conner, 1992; Gill, 2003; Gilley, 2005; Sims, 2002; Ulrich, 1998). So by lacking good communication skill leader will be ineffective and will not be able to cause effective change in an organization.

3.1.2 Linkage between Ability to Motivate and Leadership Effectiveness

Leader's Ability to Motivate is also of great importance to leadership effectiveness as that of leader's Ability to Communicate, if a leader has the Ability to Motivate others who are affecting his work than a leader will be effective leader (Gilley, McMillan, and Gilley, 2009), and will bring positive change in an organization. Many studies (Burke, 1992; Gill, 2003; Gilley, 2005; Sims, 2002; Ulrich, 1998) showed that there are certain leader's skills and abilities which are positively associated with successful implementation of change, which includes the leader's abilities to coach, communicate, motivate, involve others, build teams, and reward, so it is clear that there is a positive link between leaders ability to motivate and leadership effectiveness.

3.1.3 Linkage between Ability to build Team and Leadership Effectiveness

Studies suggest that leader's Abilities to Motivate, Communicate, and Build Teams will increase Leader's success with change (Gilley, McMillan, and Gilley, 2009), so a leader will be effective if he has the ability to build and manage team and will bring positive change in an organization.

Although team building is important for effective Leadership but it requires leaders who are able to clearly (a) communicate team goals, decision, responsibilities and roles, and so on, (b) inspire and bring confidence in leadership resources and direction, and (c) to motivate team members to resolve different issues and to deliver results (LaFasto and Larson, 2001), So to become effective team building leader one must have the other

two skills i.e. Abilities to Motivate, Communicate.

3.2 Moderating influence of Levels of Management on Leadership Effectiveness

As it is known that to be an effective leader and to bring effective change in organization, leader must possess the Ability to Motivate, Communicate and Build Team (Gilley, McMillan, and Gilley, 2009), but these communication skills may be differently required at different levels of management, which shows that levels of management has a moderating influence on leadership effectiveness. There are basically three levels of Management i.e. Top, Middle and First level. At different levels of management these skills are differently required and if a leader is able to achieve these skills according to the requirements of each level than he/she will be effective leader. The next section therefore discusses the effect of each level of management on leadership effectiveness in detail.

3.2.1 Top Level of Management and Leadership Effectiveness

At Top level of management leader mostly involves in planning process and sets organizational goals and objectives, they basically do not direct day to day activities, therefore at this level the ability to motivate and communicate is less required as compared to other levels of management (Qureshi, 2009; Simmering, N.d.), but the importance of these communication skills cannot be neglected without these communication skills a leader cannot be called an effective leader.

Although it is not yet clear that which skills is more important for a leader to be effective at Top level but this shows that the link between leadership effectiveness and top level of management is because of these communication skills and a leader cannot be effective Top leader if he/she doesn't have the ability to build team so at Top management Team building Skill is more important because it's the top management who built the team and control them.

3.2.2 Middle Level of Management and Leadership Effectiveness

Many studies (Simmering, N.d.; Kraut, et al., 1989) suggests that at Middle level of Management, leaders Ability to Communicate is more important than that of Top level management because it has to do two way communication; with Lower level and with Top management. At Middle level of management, manager communicates upward, by offering suggestions and feedback to top managers also responsible for carrying out the goals set by top management. Secondly some studies (Qureshi, 2009) also suggests that Team building skill is also required at middle level of management because it build team which work at lower level and to get work done at lower management motivation skill is also required. So by summing up it means that like Top level of management middle level also requires ability to motivate, communicate and build team but in different proportion and a leader can only be effective middle level leader if he/she has the ability to motivate, communicate and build team. This shows that linkage between middle management and leadership effectiveness is again because of ability to motivate, communicate and build team and a leader will be effective at middle level if he/she possess these communication skills.

3.2.3 First Level of Management and Leadership Effectiveness

At Lower level or First level of management leader's Ability to Motivate, Communicate and Build Team is also important as on other two levels of management. At First-level of management managers have a very strong influence on the company, although typically they do not set goals for the organization but these managers mostly interact with employees on a daily basis, and if the managers perform poorly, employees may also perform poorly which may cause lack of motivation, or employees may leave the company (Simmering, N.d.). Many studies (Qureshi, 2009; Simmering, N.d.; Kraut, et al., 1989) revealed that at first level of management leader must have the ability to motivate to get the work

done because actual work is done at this level of management.

Secondly it must have the Ability to communicate its workers problems, recommendations, and suggestions etc to the higher level. So at this level of management, Leaders Ability to Motivate is more important than that of Communication and Team building as compared to other two levels. Conclusively at First level of management leader's Ability to Motivate, Communicate and Build Team is also of great importance as on Top and Middle level of management but these skills are required at different proportion, some skills are more required and some are less required then others.

It is clear that there is also a relationship between leadership effectiveness and First level of management and it is because of these communication skills and a leader cannot be effective First level leader if he/she doesn't have the Ability to Motivate, Communicate and Build Team.

4. Theoretical Model and Hypotheses

Based on the previous Section, a theoretical model of Leader's Communication skills and its effectiveness at different levels of management was drawn as shown in (Figure 1). Based on the relationship depicted in the framework, the following hypotheses of the study are drawn respectively.

Leaders with greater Ability to Motivate would be more effective at Low level of Management as compared to Top and Middle level of Management.

- Leaders with greater Ability to Communicate would be more effective at Middle level of Management as compared to Top and Lower level of Management.
- Leaders with greater Ability to Build Team would be more effective at Top level of Management as compared to Middle and Lower level of Management.

Method

This research study was based on quantitative research technique. The research analyzed that to be an effective leader which skill (i.e. Ability to Motivate, Communicate and Build Team) is most important at different levels of management. The detail of each element of the research design adopted in this research is discussed below.

5.1 Sample

A sample of 150 professionals was selected by using proportional allocation and the same questionnaire was sent to the all types of employees working at IT Companies in Hyderabad. However, due to poor response and many reminders, only 90 questionnaires were received by the deadline of the study, giving a response rate of 60%. The (Table 1) summarizes the sample statistics of Age and Gender cross tabulation. Among the total respondents, 81 were males (90%) and 9 females (10%).

5.2 Measuring Instrument

The primary data was collected through questionnaire. The questionnaire was based on five point Likert-scales (Never = 1, Infrequently = 2, Sometimes = 3, Frequently = 4, Always = 5), adopted from (Gilley, 2005; Gilley and Gilley, 2008). A tailored questionnaire, comprise of 50 questions i.e. 15 regarding Leader's Ability to motivate, 15 regarding Leader's Ability to Communicate and 15 regarding Leader's Ability to Build team, along with Few questions about demographic factors, was designed to collect the primary data.

5.3 Appropriate Statistical Tests

Through SPSS Statistical tests Descriptive, ANOVA, Frequency distribution and Cross table results were obtained to find that to be an effective leader which skill (i.e. ability to motivate, communicate and build team) is most important at different levels of management.

6. Results

Previous Section outlined the method used in the

collection of data for this research as well as initial analysis of Demographic factors Age and gender through cross table. This Section will present the descriptive statistics of the sample and the results of hypotheses testing. The research study had used SPSS software to analyze the collected data. First of all, demographic variables are analyzed, and their descriptive statistics are calculated. After Demographics for hypothesis testing, descriptive statistics was calculated between levels of management and leader's Ability to Motivate, Communicate, and Build Teams. For further clarification ANOVA was conducted.

Results of the study clearly showed that the second hypothesis was not supported but third and first hypothesis was partially supported.

6.1 Demographics Analysis

Demographic factors such as Age, Gender and work experience are analyzed and Frequency distribution tables of these factors are explained as following. These tables showed the percentage and frequency of each demographic factor.

Table 1 Frequency Distribution of Age

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18-24 years	15	16.7	16.7	16.7
25-30 years	40	44.4	44.4	61.1
31-42 years	23	25.6	25.6	86.7
43 years and above	12	13.3	13.3	100.0
Total	90	100.0	100.0	

(Table 2) showed Frequency Distribution of age, 15 staff members out of 90 were between the ages of 18-24 years of age, which represented 16.7% of the total, 40 staff members out of 90 were between the ages of 25-30 which represented 44.4% of the total, 23 staff members out of 90 were between the ages of 31-42 which represented 25.6% of the total and 12 staff members out of 90 were 43 years of age and above which demonstrated 13.3% of the total.

Table 2 Frequency Distribution of Gender

		Frequency	Percent	Valid Percent	
Valid	Male	81	90.0	90.0	90.0
	Female	9	10.0	10.0	100.0
	Total	90	100.0	100.0	

(Table 3) demonstrated the frequency distribution table of gender 81 out of 90 staff members were male which represented 90% of the total and 9 out of 90 staff members were female which represented 10% of the total.

Moreover the frequency distribution of management levels was same in all levels of management because the questionnaire was distribute in equal proportion in all three levels of management and the result is 33.3% at all levels of management. The next table showed the work experience of the sample from which the data was collected.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	10 years and more	6	6.7	6.7	6.7
	At Least 6 years	16	17.8	17.8	24.4
	At Least 3 Years	35	38.9	38.9	63.3
	At Least 1 Years	29	32.2	32.2	95.6
	At Least 3 months	2	2.2	2.2	97.8
	Less than 1 month	2	2.2	2.2	100.0
	Total	90	100.0	100.0	

(Table 4)

6.2 Results of Hypotheses Testing

This section will present the results of the tests for each of the hypothesis.

First Hypothesis

Leaders with greater Ability to Motivate would be more effective at Low level of Management as compared to Top and Middle level of Management.

The above hypothesis stated that the leader having greater Ability to Motivate would be more effective at Low level of Management as compared to Top and Middle levels of Management. Appendix 1 presented the descriptive analysis of the mean Ability to Motivate at different levels of Management.

The Appendix 1 showed results that the mean of Ability to Motivate at Top level of Management is 4.12, at Low level of Management is 4.062 and at Middle level of Management is 3.784. Which means that if the leader improves his Ability to Motivate at Top level of Management than he will be more effective leader than that of Low and Middle levels of Management. It showed that first hypothesis was partially supported but before taking the decision about first hypothesis the ANOVA test was conducted to measure the significant difference among the levels of Management and mean Ability to Motivate, as shown in Appendix 1.

The results of ANOVA stated that the mean Ability to Motivate significantly differ among the levels of Management, as 0.13 is less than 0.05. Hence, first hypothesis stated that the leader having greater Ability to Motivate would be more effective at Low level of Management as compared to Top and Middle levels of Management was only partially supported. As it showed that leader having greater Ability to Motivate would be more effective at Low level of Management as compared to Middle level of Management but as compared to Top level of Management it hypothesis was not supported.

Second Hypothesis

Leaders with greater Ability to Communicate would be more effective at Middle level of Management as compared to Top and Lower level of Management.

The above hypothesis stated that the leader having greater Ability to Communicate would be more effective at Middle level of Management as compared to Top and Low levels of Management. Appendix 1 presented the descriptive analysis of the mean Ability to Communicate at different levels of Management.

The Appendix 1 showed results that the mean of Ability to Communicate at Top level of Management is 4.466, at Low level of Management is 4.224 and at Middle level of Management is 4.211. Which means that if the leader improves his Ability to Communicate at Top level of

Management than he will be more effective leader than that of Low and Middle levels of Management. It showed that second hypothesis was not supported but before taking the decision about second hypothesis the ANOVA test is conducted to measure the significant difference among the levels of Management and mean Ability to Communicate, as shown in Appendix 1.

The results of ANOVA stated that the mean Ability to Communicate significantly differ among the levels of Management, because 0.017 is less than 0.05. Hence, Second hypothesis stated that the leader having greater Ability to Communicate would be more effective at Middle level of Management as compared to Top and Low levels of Management was not supported.

6.2.3 Third Hypothesis

Leaders with greater Ability to Build Team would be more effective at Top level of Management as compared to Middle and lower level of Management.

The above hypothesis stated that the leader having greater Ability to Build Team would be more effective at Top level of Management as compared to Middle and Low levels of Management. Appendix 1 presented the descriptive analysis of the mean Ability to Build Team at different levels of Management.

The Appendix 1 showed results that the mean of Ability to Build Team at Top level of Management is 4.357, at Low level of Management is 4.322 and at Middle level of Management is 4.108. Which means that if the leader improves his ability to Build Team at Top level of Management than he will be more effective leader than that of Low and Middle levels of Management. It showed that third hypothesis was only partially supported but before taking the decision about third hypothesis the ANOVA test was conducted to measure the significant difference among the levels of Management and mean Ability to Build Team, as shown Appendix 1.

The results of ANOVA stated that the mean Ability to Build Team did not significantly differ among the levels of Management, because 0.065 is greater than 0.05. Hence, Third hypothesis stated that the leader having greater Ability to Build Team would be more effective at Top level of Management as compared to Middle and Low levels of Management was partially supported, As it showed that leader having greater Ability to Build Team would be more effective at Top level of Management as compared to Middle level of Management but as compared to Low level of Management it was not supported because there is no significant difference between them.

Table 4. Means of Communication Skills and Levels of Management

	Ability to Motivate	Sig.	Ability to Communicate	Sig.	Ability to Build Team	Sig.
Top Level Management	4.1200		4.4667		4.3578	
Middle Level Management	3.7844		4.2111		4.1089	
Management Low Level	4.0622		4.2244		4.3222	
Total	3.9889	.013	4.3007	.017	4.2630	.065

7. Discussion, Conclusion, Limitations and Future Research

This thesis begins with an introduction to the concept of communication skills and leader's effectiveness and a discussion of need for further research in this emerging field. Previous researches showed that these skills (Ability to Motivate, Communicate, and Build Team) are important to be effective leader but it didn't show that which skill is more important at different levels of management. After passing through different phases and analysis this section discusses and concludes that which skill is more important at different levels of management. Furthermore it shows the recommendations for future research in this area.

8. Discussion and Conclusion

The research founded that if the leader improves his ability to motivate at Top level of Management than he

will be more effective leader than that of Low and Middle levels of management; but the First hypothesis stated that the leader having greater Ability to Motivate would be more effective at Low level of Management as compared to Top and Middle levels of Management. So the first hypothesis was only partially supported although the literature (Qureshi, 2009; Simmering, N.d.; Kraut, et al., 1989) was in favour of first hypothesis. As results showed that leader having greater Ability to Motivate would be more effective at Low level of Management as compared to Middle level of Management but as compared to Top level of Management it hypothesis was not supported. There were many reasons due to which the result differed from the literature such as the sample was small, the response rate to questionnaire was poor and data was collected from one organization (i.e. IT Companies in Hyderabad) etc.

Second hypothesis stated that the leader having greater Ability to Communicate would be more effective at Middle level of Management as compared to Top and Low levels of Management but the results showed that if the leader improves his Ability to Communicate at Top level of Management than he will be more effective leader than that of Low and Middle levels of Management. So the Second hypothesis was not supported although the literature (Simmering, N.d.; Kraut, et al., 1989) was in favour of Second hypothesis. There were many reasons due to which the result differed from the literature such as the sample was small, the response rate to questionnaire was poor, female respondents as compared to male was very low in ratio and data was collected from one organization (i.e. IT Companies in Hyderabad) etc.

Third hypothesis stated that the leader having greater Ability to Build Team would be more effective at Top level of Management as compared to Middle and Low levels of Management. Results showed that leader having greater Ability to Build Team would be more effective at Top level of Management as compared to

Middle level of Management but as compared to low level of Management it was not supported, so it means that third hypothesis was only partially supported. The literature (Qureshi, 2009; Simmering, N.d) was in favour of Second hypothesis. There were many reasons due to which the results partially matched with literature such as the sample was small, the response rate to questionnaire was poor, and data was collected from one organization (i.e. IT Companies in Hyderabad) etc.

9. Limitations

Although this study significantly contributed to the knowledge about communication skills and levels of management, there are a number of limitations associated with this research. These limitations includes the sample size which was small, the response rate to questionnaire was poor, female respondents as compared to male was very low in ratio and data was collected from one organization (i.e. IT Companies in Hyderabad) etc.

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