

Leadership; Efficacy, Innovations and their Impacts on Productivity

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Abstract

This study examined the impact leadership on productivity and which leadership style influences more of productivity. The research problem among others includes the style of leadership that improves productivity and ones that hampers productivity. Data were analyzed using descriptive statistical method. The findings show that there is a significant positive relationship between leadership and productivity. It recommended that different leadership styles have strong effect on organizational productivity. Role of leadership in the management of creativity and innovation that set the main factor is essential and very important and sensitive. Because the leadership ability, talent, creativity and innovation, are to promote and encourage productivity. There are direct and positive correlation among leadership, creativity, innovation, and productivity level. The Responsibilities of a leader influence the leaders in the productivity improvement. This paper explains how productivity is influenced by the leadership.

Key Words: Leadership, Creativity, Innovation, Productivity, Efficacy, Management etc.

Introduction

Leadership role has always been very important and fundamental role in the historical changes, successes and failures, navigation, straying, and reconstruction and, finally, destruction and human growth and development as well as production (Bahari1, et al, 2012). Talented leaders are the backbone of an organization. They develop strategic initiatives to grow and preserve the business. A huge part of the responsibility for improving productivity falls on employers and business leaders that leadership is critical in upgrading productivity for businesses. Leadership is believed to be one of the contributing factors to their turmoil. Hence, it proves that capable leadership is a critical element in any organization. An organization depends on leadership to guide them through unprecedented changes. Without proper leadership, even the best and boldest strategies “die on the vine”, and their potential is never realized. The quality of leadership talent determines the fate of the organizations, ensuring that their strategic plans are successfully implemented. It also helps them to prepare for a more uncertain future (National Library Board, Singapore 2010.). Leadership also impacts the organizational culture, and plays a part in the productivity of the organization. Leaders should ensure the creation of strategies systems and methods for achieving excellence, stimulating innovation and building knowledge and capabilities. The value and strategies should help, guide all activities and decisions of the organization. A leader should inspire and motivate entire work force, encourage all employees to improve the productivity and should always be supportive to the creative and innovative ideas of his subordinates. Leader should always try to improvise the existing technology. Because in the world of changing trends anything done new today will be old tomorrow. So it becomes a duty

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for a good leader to improve the quality of the products and productivity. Managers think incrementally, while leaders think radically. “Managers do thing right, leaders do the right thing’. Leaders are movers and shakers, original, inventive, unpredictable, imaginative and full of surprises that discomfit the enemy in war and the main office in peace. Even, some introduce them as the only determining factor in all the changes and others believe them as the key to the advancement of societies and organizations in this century.

Objectives of the Study

The overall objective of this study is to give the impression of being generally on the impact of leadership on productivity. The objectives among others include the following:

1. To examine the impact of leadership style on productivity.
2. To identify the creativity of leadership in production and productivity.
3. To evaluate the efficacies of leadership in production and productivity.
4. To recommend propositions for acceleration of productivity by using quality leadership.

Methodology of Study

The researchers meticulously conceptualized the essences of the study imperatives. The authors systematically review, investigating, illustrating a survey and categories the published literature in the related field. The relevant research materials related to leadership is highly distributed in many journals, reports, Bangladesh Management Association, text books, published and unpublished thesis, websites and other research papers. They have deliberated the articles in the international journals, Management journals, Economics, business and management journals to conceptualize current scene of Bangladesh. Secondary data are used to analyze the findings in qualitative manner.

Literature Review

Leadership is defined as the “process of social influence in which one person could enlist the aid and support of others in the accomplishment of a common goal”. It involves using one’s role and ability to influence others in some way, which delivers business results and contributes to the organization’s overall success. True leadership comes from influence, congruence and integrity. A successful leadership involves the management of relationships and communications within a team, and drives the team towards achieving a specific goal. Leadership reflects on the ability of one to “express a vision, influence others to achieve results, encourage team cooperation, and be an example”. It is important to note, however, that one who is in the formal role of a leader may not necessarily possess leadership skills nor be capable of leading. Leadership is essentially related to one’s skills, abilities and degree of influence, instead of power (Singapore Productivity Association and National Library Board, 2010). The relationship between religion, management practices and organizational outcomes has been ignored in the major management research. The fact is that here 80 per cent of people in all over the world report that religion constitutes an important part of their daily life (Sedikides, 2010).

A lot of the research in business and management has considered organizations as a religion neutral sphere, and as a result religion was not deemed worthy of study.

Leadership is a quality to explain a way to lead to a straight or to influence the actions of others. (Majali, 1990). It is very important for a leader to respect all the processes within the organization. The responsibility for a leader is to transform the values and ethics (Hamilton and Bean, 2005). All the members of any organization are very influenced by the leaders of an organization. They must be the role models for the whole organization and show happiness in every way of life (Abbassi, Rehman and Afsar, 2009).

Leadership development is one of the important subjects in Islamic teachings. Anas (R.A.A), a companion of the Prophet (PBUH), said that he worked for the Prophet (PBUH) for twenty years and that the Prophet (PBUH) never asked him why he did what he did nor did he ask him to do things that he did not do (Jabnoun, 1994). Following are some of the key attributes for effective leadership from an Islamic perspective.

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It involves using one’s role and ability to influence others in some way, which delivers business results and contributes to the organization’s overall success. True leadership comes from influence, congruence and integrity. A successful leadership involves the management of relationships and communications within a team, and drives the team towards Miner (1990, 1993) identifies five role prescriptions that characterize the task system of entrepreneurial leaders: self-achievement, avoiding risks, feedback of results, personal innovation, and planning for the future. They have three major themes of entrepreneurship and entrepreneurial capabilities, which is uncertainty and risk, complementary managerial competence, and creative opportunism (Long, 1983), to make a new style and features of venture. This spirit on the part of leaders may have a paragon effect on members’ own self-efficacy. Consequently, we expect employee’s perception of entrepreneurial leadership to be positively relatively to their entrepreneurial self-efficacy.

Leadership Framework

Self

The key element of the leadership system is you. Leaders that understand this personal perspective and have the core leadership skills and personal capacity to lead themselves will enjoy a high degree of success in leading others for the long run. This requires an understanding and awareness of strengths and weaknesses, clarity of personal vision, an ability to be creative and curious, an understanding of others, and a sense of what your personal brand of leadership is. Your leadership ethics and values act as an anchor in turbulent times. All of this serves to formulate your personal style of leadership.

Self / Team

- Manage your time more effectively
- Discover how to influence without organizational authority
- Develop strategies to manage relationships, especially with your supervisor

Team

Leaders operating in this perspective must be able to engage and generate passion in others. Creating a vision for success and aligning all members of the team to that vision is often challenging. This requires an understanding of team leadership and dynamics and an ability to create an environment which maximizes the abilities of all team members. Leading for success in the team environment requires a great deal of grace, patience, focus, and finesse.

Business Unit

Leaders operating in this perspective are measured greatly by the tangible results they must produce at the business unit level. This perspective demands leaders who can align individual and team efforts with the higher-level business objectives. Leaders at this level must be able to measure performance, improve business processes, and work within the organization to create an environment which fosters accountability allowing individuals to be proactive, focused, and successful.

Organization

Leaders operating in this perspective are concerned with strategic direction, enhancing value to the customer, while skillfully guiding the organization in a highly competitive external environment. They have the skills and capacity to position themselves and their teams to maximize value today and in the future. They are ever watchful of the changing market and are able to be proactive to ensure the long term viability and effectiveness of the organizations, business units, and teams they lead.



Source: Singapore Productivity Association and National Library Board, 2010

Efficacy of Leadership in Productivity

Today's leaders face unprecedented challenges as organizations struggle to adapt to ever-accelerating rates of change both internally and with the external environment in which they are embedded. Such change challenges not only the knowledge leaders who do not welcome or accept such challenges. Leadership efficacy is a specific form of efficacy associated with the level of confidence in the knowledge, skills, and abilities associated with leading others. It can thus be clearly differentiated from confidence in the knowledge, skills, and abilities one holds associated with other social roles such as a teacher (i.e., teacher efficacy) or statesman (i.e., political efficacy)

Leadership efficacy is a specific form of efficacy associated with the level of confidence in the knowledge, skills, and abilities associated with leading others. It can thus be clearly differentiated from confidence in the knowledge, skills, and abilities one holds associated with other social roles. Investigating the hierarchical structuring of a leader's efficacy beliefs which we propose is comprised of general efficacy. Based on our expanded conceptualization of leadership efficacy; making proposals to refine the antecedents to and processes of leadership efficacy development Effective leaders are able to guide their team and minimize obstacles, hence, getting the best results out of the resources available. This shows that team members are ultimately empowered to succeed, which would result in a much better productivity (Singapore Productivity Association and National Library Board, 2010).

Leadership style and Productivity

Managers as a leadership use different and sometimes opposite ways to guide staff which is called leadership style (Byrne G, Bradley F, J Busin Res, 2007). Managers follow the type of leadership style with regard to their own humanism and pragmatism (Metzcus M, 1969). The results of many studies confirm relationship between the styles adopted by managers or those perceived by the followers of various factors such as attitudes, personal characteristics such as age, gender, education, and managerial experience (Schein HE, 1992). The beliefs and values of people affect in various fields of culture and leadership style and effectiveness of their leaders ((Holmberg I, et al., 2006). community (Aslankhani, 1996). Furthermore, it has been reported a high significant relationship between leadership style and effectiveness of management's behavior (Schein HE, 1992). Conceptually, every manager used leadership skill in different way (people-oriented vs. task oriented) forming their leadership style (Byrne G, Bradley F, J Busin Res, 2007). One of the most important factors in shaping of thinking and behavior in organizations is leadership styles (Sotodeh F, 2001), it seems there is a relationship between leadership style and efficiency, which means that managers are likely due to the integration of human dimensions and task-oriented leaders are trying to increase productivity levels. Productivity is the attitude of mind which always improves the existent situation (Metzcus M, 1969). Some academic studies have reported collaborative leadership style as the best and most effective leadership style under investigation.

Figure 4: Typical Consequences Resulting From Each Leadership Style

LAISSEZ FAIRE LEADER	AUTOCRATIC LEADER	HUMAN RELATIONS LEADER	DEMOCRATIC LEADER
Employees become Apathetic disinterested, and resentful of the organization and their leader. Results in the lowest employee productivity and satisfaction of all the leadership styles	Although the emphasis is on high productivity, it often breeds counter forces of antagonism and restriction of output. Frequently results in hostile attitudes, a suppression of conflict, distorted and guarded communications, high turnover and absenteeism, low productivity and work quality, and a preoccupation with rules, procedures, red tape, working conditions, status symbols, and trying to cater to the whims of the boss. Tends to develop dependent and uncreative employees who are afraid to seek responsibility.	While this style may keep employees happy, there is little evidence to support the notion that keeping employees happy and treating them well results in high productivity. The preoccupation with keeping people happy and involved often interferes with high achievement, causes employees to lose respect for their leader, results in the emergence of informal leaders, and causes problems to be smoothed over. Such an atmosphere can be frustrating to goal-oriented people.	Results in high employee productivity, satisfaction, cooperation, and commitment. Reduces the need for controls and formal rules and procedures. Results in low employee absenteeism and turnover. Develops competent people who are willing to give their best, think for themselves, communicate openly, and seek responsibility.

Leadership style can have an influence on the productivity of her staff and the rest of the organization. Organizational efficiency is dependent on each department, led by its manager, performing its job and contributing to the success of the company. Thus the way in which a manager makes decisions, delegates' responsibility and interacts with employees can affect the entire organization. Managers who set clear goals maximize employee productivity. Leadership style also has an effect on how goals are set. All leaders use high energy and inspiration to motivate employees to success. These kinds of leaders set specific employee goals and give employees all the tools they need to reach those goals. A leadership style emphasizing empowerment can create clear goals. Empowered employees make their own day-to-day decisions, but they are guided by strict company goals. A servant leadership style is one where the manager tends to follow the staff consensus. It can be difficult to develop and maintain production goals when a manager does not enforce adherence to company mandates (George N. Root).

Leadership, Innovation and Productivity

Innovation and leadership are closely related. Leadership always has some focus on bringing about a better future. In this sense, leaders are necessarily innovators. We would not normally consider a spectator of the status quo to be a leader. The term innovation also suggests some break with the 'norm' or the status quo. I will show in this text that an 'innovator' and a 'leader' are cut from the same cloth, that these terms are distinguishing different but intersecting dimensions of the same phenomenon. Innovation leadership involves synthesizing different leadership styles in organizations to influence employees to produce creative ideas, products, services and solutions.

In order to adapt to new changes, "the need for innovation in organizations has resulted in a new focus on the role of leaders in shaping the nature and success of creative efforts. (Mumford, M., & Licuanan, B., 2004). Without innovation leadership, organizations are likely to struggle. (McEntire, L. E., Greene, Shortridge, T. M. 2011). This new call for innovation represents the shift from the 20th century, traditional view of organizational practices, which discouraged employee innovative behaviors, to the 21st-century view of valuing innovative thinking as a "potentially powerful influence on organizational performance".

Innovation and Leadership Directly and Indirectly Influences production

Direct forms of influence in leading innovation include:

- providing creative input and idea suggestion to employees
- providing employees with clear and concrete goals
- allocating organizational resources (i.e. research and development spending; manpower) for implementing ideas

Indirect influences get the same results without providing explicit guidance to employees. These types of influences include:

- establishing a supportive climate for creativity within the organization
- acting as a role model for innovative thinking
- providing employees with rewards and recognition for innovative thinking
- hiring and team composition (i.e. putting together teams with specific skill sets needed for innovative thinking, or hiring employees with creative personalities without planning what they work on).

Concluding Remarks

It is not enough to lead, they are always alert, aware and active. The key success factors of a successful leader thinking in theatre are ability to foster an atmosphere of freedom, freedom to be bold, freedom to think big, freedom from right and wrong, freedom from tradition, freedom from justification, ability to provoke, to throw people out of balance, to connect irrationally, coupled with the ability to link with the behavioural logic of patterning and self-organising systems for production.

Leadership undeniably affects organization performance, in particular employee outcomes. Job satisfaction, productivity and organizational commitment are affected by leadership behaviors. Leaders, apart from their actions and personal influence, should be empowered to make the critical decisions and keep operations running smoothly and effectively. They also need to constantly keep themselves up to date with the current affairs and situations. It is critical for leaders to be aware and able to identify the new emerging markets, which may present new business opportunities. To achieve a higher level of productivity, more efficacy and innovative there are many steps and activities that could be undertaken by leaders. The following highlights steps that could be taken into consideration.

1. Leaders should increase employee ownership and accountability. The person assigned with the ownership would then “owns success or failure” of the project, and would be responsible for creating the work team, setting up meetings and determining the timelines. The leaders could also then make the assignment of ownership public, to increase the owners’ feeling of personal accountability. Leaders should also set clear expectations to the owner for updates and reports on the progress of the project for maximum productivity, creativity and efficacy.
2. It is essential for leaders to clearly define his vision and initiatives. When employees are not clear of what the team is really trying to accomplish, it often affects productivity. The ultimate goal or deliverable of each project should then be emphasized and communicated to all employees and identifying the gaps and tasks that are needed to be put in place in order to achieve the goal.
3. Leaders need to utilize their resources efficiently to maximize on their productivity capabilities. Saving costs through employing more unqualified and low cost workers may not necessarily raise productivity. They should also demonstrate a strong support in allowing their employees to acquire new skills and knowledge, and be individually productive.
4. Leaders play an important role in maintaining or improving their employees’ job satisfaction. They would need to keep a close pulse on employee’s morale, and taking specific actions to improve productivity. Leaders need to set appropriate examples and inspire their subordinates to ensure that the organization’s objectives are met. This further impacts the productivity of an organization, while employees who experience job satisfaction are more likely to be productive and less likely to leave the organization.
5. A frank communication promotes a trustworthy relationship between the leader and his employees, which helps to get issues solved quickly and competently. Leaders would also need to show their appreciation towards their employees for high productivity.
6. Innovation is one of the key factors that impacts the productivity and growth of an organization. Leaders must 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 supports and promotes innovation to their employees would create and re-invent new markets, products and services, which would contribute to the organizational growth

7. Performance incentives, recognition in the form of monetary awards, could also be given to employees, based on their performance for positive impact on productivity. Employees would be judged based on the quality of their work, productivity, time lines, and discipline.

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