Chapter-1

Conceptual Framework

1.1 Introduction

The concept of leadership has evolved through centuries. It developed in its present form through the exemplary contributions of various scholars and real life leaders. There are many conceptual variations of leadership, based on context and practice. Twenty-first century is marked by concerns of growing complexities of organisational and business environment. It offers a tough challenge for the leaders at all levels. Every successful organisation has a leader behind it. That leader is expected to crystallize and determine course of action to lead the organisation in the right direction and to ensure success in the dynamic business scenario. A multitude of factors contribute to a right leadership style. Since leadership is multifaceted, it becomes complex subject of research.

A leader is the one who exercises authority and leads making decisions in the team (Dubin, 1951). Leaders are identified and accepted by the followers. Good leadership is not to enforce it on others (Sanford, 1950). Leader functions as a change agent in the team and bring in facilitating environment for better team performance (Cattel et al, 1953). A leader initiates, organizes, clarifies, questions, motivates, summarises, and formulates conclusions (Bass, 1954) and in turn helps the team to solve its problems within (Hemphill, 1954). The leader has initiative, perseverance, integrity, humour, tact and compassion. He acts as a role model and expresses capabilities to absorb difficulties (John Adair, 1998). He has character, courage, capability for communication. Good Leadership is not possible without proper communication (Karan Kharab, 2003). Leadership and management differ from each other. Leadership is not a replacement for management (John P. Kotter, 1988). Leadership and management are realized as two distinctive and complementary systems of actions in an organisation. Both are fundamental for any organisation. As business operations become more and more complex, technological advancement alone will
not suffice for organisational success. It requires Human Capital under efficient leadership, which empowers the former to bring results (Scott Hartz, 1999). The leadership ensures free thinking, generation of innovative ideas and superior performance. This type of leadership is essential for organizational success.

Strategy referred as plan of action, is integral and indivisible attribute of leadership. Making an organisation successful is based on the strategy tactics which evidently links with leadership dimensions. Developing a shared view of what the strategy means is essential to achieve desired business outcomes, which needs to be supported by an efficient organisational culture. Senior leadership of organisation needs to align with business strategy and culture which emphasize the need of analyzing leadership at the levels of strategic dimension.

Organisational success is affected by a host of factors, but leadership is one that influences it decisively. Leadership affects employee attitudes and motivation directly. Leadership is a top driver of employee engagement and organisational effectiveness (Towers Perin). Research studies also conclude that employees continue to find their leaders' behavior and performance wanting in a number of key areas that are vital for organisational success. Virtually all studies of leadership point to the importance of two concerns which effective managers must balance and integrate (Yukel, 1998). One is about people - how to involve, motivate, enlighten and even inspire them to achieve organisational success. The other is on task accomplishment – how to structure it in order to achieve efficiency.

The present chapter is divided into three sections. First section presents an overview of concept of leadership, leadership models, and various leadership theories. Second section focuses concept on Strategic Leadership, different models as well as its dimensions. Third section deals with Organisational Success. This is followed by the summary which attempts to crystallize ideas in a nut shell.
1.2 Leadership: Concept, Models and Theories

This section of the chapter presents a discussion on concept of leadership, different leadership models and various theories on leadership.

1.2.1 Leadership: Concepts

There are varied perspectives in defining leadership. These perceptions are based on various aspects like exerting influence, motivating and inspiring, helping others to realize their potential, leading by example, selflessness and making a difference.

Leadership is a process by which a person influences others to accomplish an objective. It directs the organisation in a way that makes it more cohesive and coherent. A leader is the one who influences team activities towards goal setting and goal achievement (Stogdill & Coons, 1957). The leader influences team actions and its decisions (Katz & Kahn, 1978). The leader make the team accept his influence voluntarily (Graham, 1988), and he sets the vision which the entire team is motivated to achieve (Nadler, D.A & M.L. Tushanan, 1990). Leaders carry out this process by applying their leadership attributes, such as beliefs, values, ethics, character, knowledge, and skills. Positioning oneself as a supervisor or manager gives the authority to accomplish certain tasks and objectives in the organisation, makes one the boss, but not necessarily a leader. Leadership differs in that it makes the followers want to achieve high goals, rather than simply bossing people around (Donald, 2010). Good leaders are able to motivate their followers. They have profound effect on achieving organisational goals in terms of productivity (Liberson & O’Conar, 1972).

Leader is someone who has followers (Drucker, 1996). The leader should have influencing power on his followers, (Maxwell). This conceptualisation moves beyond the position the leader is occupying, in influencing others. Indirectly, it takes into account a leader’s character, since without maintaining integrity and trustworthiness, the capability to influence will not exist.
Leadership is a function of knowing oneself, having a vision that is well communicated, building trust among colleagues, and taking effective action to realize own leadership potential (Bennis). This view focused more on the individual capability of the leader.

Action centered leadership inspires others through leader’s own enthusiasm, commitment and the ability to instill enthusiasm to other people. Different approaches to effective leadership attempts to integrate interlocking concepts of Task, Group and the Individual. The leader must have personality and character (Adair, 1998). The leader must possess integrity, wholeness and a moral sense.

The effectiveness of the leadership at all levels of the organisation depends on the perceptions people have of the "state of leadership". Effective leadership builds trust in followers which in turn make them engage in the work and the organization. Such leadership brings organizational changes and ensures that such transitions occur with an inclusive and collaborative perspective. Therefore various elements play vital roles in leadership. Four key factors in leadership are presented below (U.S. Military Leadership, 1983).

a) **Follower:** Different styles of leadership are required to lead people of varied nature. For example, a new hire requires more supervision than an experienced employee. A person who lacks motivation requires a different approach than one with a high degree of motivation. The leader must know his people.

b) **Leader:** The leader must have an honest understanding of who he is, what he knows, and what he can do. Also, it is the followers, not the leader who determines if a leader is successful. If they lack trust and confidence in their leader, then they will be uninspired. To be successful, he has to convince his followers, that he is worthy of being followed, but not himself or his superiors.
c) **Communication:** The leader leads through two-way communication. Much of it is nonverbal. For instance, when he "sets the example," that communicates to his people that he would not ask them to perform anything that he would not be willing to do by himself. What and how he communicates either builds or harms the relationship between the leader and his followers.

d) **Situation:** All the situations are different. What the leader does in one situation will not always work in another. He must use his judgment to choose the best course of action and the leadership style, needed at each situation. For instance, the leader may need to confront an employee for inappropriate behavior, but the results may prove ineffective, if the confrontation is too late or too early, too harsh or too weak.

Various forces affect the above mentioned factors. These forces include the relationship of the leader with his colleagues, the skill of the followers, the informal leaders within the organization, and the organisational structure.

### 1.2.2 Leadership: Models

Various models discussing the leadership in an organisation are aligned with ongoing organisational trends in which ‘leaders’ may not be ‘managers’. The models extend the application at the individuals, working at various levels of organisational levels. The models also incorporate research findings regarding leader complexity to the base level of organization, thus make it clear that every situation calls for a different approach or behavior. Two key models that attempt understanding leadership are the *Four Framework Approach* and the *Managerial Grid*.

#### 1.2.2.1 Four Framework Approach

Leaders display leadership behaviors in one of four types of frameworks, i.e., Structural, *Human Resource, Political, or Symbolic* (Bolman, 1991). The style can either be effective or ineffective, depending upon the chosen behavior in certain situations. Following is a brief description on these frameworks.
a) **Structural Framework:** according to this framework, in an effective leadership situation, the leader is a social architect whose leadership style is analysis and design. While in an ineffective leadership situation, the leader is a petty tyrant whose leadership style is devoid of details. Structural Leaders focus on structure, strategy, environment, implementation, experimentation, and adaptation.

b) **Human Resource Framework:** The leader as per this framework is a catalyst and servant whose leadership style is support, advocate, and empowerment in an effective leadership situation. While in an ineffective leadership situation, the leader is a pushover with the style of abdication and fraud. Human Resource Leaders believe in people and communicate that belief; they are visible and accessible; they empower, increase participation, support, share information, and move decision making down into the organisation.

c) **Political Framework:** In an effective leadership situation, the leader is an advocate, whose leadership style is coalition and building, according to this. While in an ineffective leadership situation, the leader is a hustler, with a style of manipulation. Political leaders clarify what they want and what they can get; they assess the distribution of power and interests; they build linkages to other stakeholders, use persuasion first, and then use negotiation and coercion only if necessary.

d) **Symbolic Framework:** as per this framework, in an effective leadership situation, the leader is a prophet, whose leadership style is inspiration. While in an ineffective leadership situation, the leader is a fanatic or fool, with a style of smoke and mirrors. Symbolic leaders view organisations as a stage or theater to play certain roles and give impressions; these leaders use symbols to capture attention; they try to frame experience by providing plausible interpretations of experiences; they discover and communicate a vision.
This model suggests that leaders can be put into any one of these four categories and there are times when one approach is appropriate and times when it would not be. Any one of these approaches alone would be inadequate, thus one should strive to be aware of all four approaches, and not to rely on one or two. For example, during a major organisation change, a structural leadership style may be more effective; while during a period when strong growth is envisaged, the visionary approach may be better. It would be beneficial to understand that each leader tends to have a preferred approach, in the mean time to be conscious of the limitations of favoring just one approach.

1.2.2.2 Managerial Grid

Leadership could be explained by plotting the ‘concerns’ of the leaders on two axis, as per Managerial Grid (Blake et.al, 1985).

"Concern for people" is plotted on the vertical axis and

"Concern for task" is along the horizontal axis.

Both the axis has a range of 0 to 9. The notion that just two dimensions can describe a managerial behavior has the attraction of simplicity. Most people fall somewhere near the middle of the two axis. However, by going to the extremes, that is, individuals who score on the far end of the scales, we come up with four types of leaders with the ranges of concerns as shown within the brackets:

- **Authoritarian** (9 on task, 1 on people)
- **Team Leader** (9 on task, 9 on people)
- **Country Club** (1 on task, 9 on people)
- **Impoverished** (1 on task, 1 on people)
These four types of leaders are briefly described below.

**Authoritarian Leader (high task, low relationship):** People who get this rating are very much task oriented and are hard on their workers (autocratic). There is little or no allowance for cooperation or collaboration. Heavily task oriented leaders display these characteristics: they are very strong on schedules; they expect people to do what they are told without question or debate; when something goes wrong they tend to focus on who is to blame rather than concentrate on exactly what is wrong and how to prevent it; they are intolerant of what they see as dissent (it may just be someone's creativity), so it is difficult for their subordinates to contribute or develop.

**Team Leader (high task, high relationship):** This type of person leads by positive example and endeavors to foster a team environment in which all team members can reach their highest potential, both as team members and as people. They encourage the team to reach team goals as effectively as possible, while also working tirelessly to strengthen the bonds among the various members. They normally form and lead some of the most productive teams.

**Country Club Leader (low task, high relationship):** These types of leaders predominantly encourage the team to accomplish its goals. Conversely, they are almost incapable of employing the more punitive coercive and legitimate powers. This inability results from fear that using such powers could jeopardize relationships with the other team members.

**Impoverished Leader (low task, low relationship):** A leader who uses a "delegate and disappear" style, as they are not committed to either task accomplishment or maintenance; they essentially allow their team to do whatever it wishes and prefer to detach themselves from the team process by allowing the team to suffer from a series of power struggles.

The most desirable place for a leader to be along the two axis at most times would be a 9 on task and a 9 on people - the Team Leader. However, the other three types
should not be entirely dismissed. Certain situations might call for one or the other three or combinations of them to be used.

1.2.3 Leadership: Types

Leaders inject inspiring confidence and trust in subordinates, getting maximum cooperation and guiding activities to achieve the goals of the organisation through different leadership styles. By these styles, the leader makes people to follow and to do willingly the things required to do. In general, they utilize a spectrum of no less than seven ways of leading and managing, ranging from opportunist style to the "alchemist" style of leading (Torbert, 1991).

1. *Opportunist* - Wins any way possible: Good in managing emergencies and sales.

2. *Diplomat* - Avoids overt conflict: Good in bringing people together.


4. *Achiever* - Meets strategic goals: Good in managerial roles, action and goal oriented.

5. *Individualist* - Interweaves competing personal and company actions logics: Good in venture and consulting roles.

6. *Strategist* - Generates organisational and personal transformations: Good transformational leaders.

7. *Alchemist* - Generates social transformations: Good at leading society-wide transformations.

A compilation of different leadership styles enumerated by various research studies shows another set of leadership styles (Carlisle, 1987). These include: autocratic, democratic, exploitative, consultative, participative, production centered, and employee centered.
Charismatic leaders differ in behaviour compared to other type of leaders (Conger & Kanuango, 1988). Various styles demonstrated by such leaders include ‘envisioning’ by providing a motivating vision, ‘energising’ by creating excitement and confidence, whereas leaders with ‘enabling’ style show empathy and personal support.

Situations necessitate using one or more of the above styles or even a combination of them to get the optimum or desired output from the followers.

1.2.4 Leadership: Theories

A review of the leadership literatures reveals an evolving series of ‘schools of thought’ from “Great Man” and “Trait” theories to “Transformational” leadership. While early theories tend to focus upon the characteristics and behaviours of successful leaders, later theories begin to consider the role of followers and the contextual nature of leadership (King, 1970)

Table 1-1 provides a comprehensive idea of various leadership theories and its evolution.
<table>
<thead>
<tr>
<th>Leadership Theories</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>Great Man Theories</strong></td>
<td>Based on the belief that leaders are exceptional people, born with innate qualities, destined to lead. The use of the term 'man' was intentional since until the latter part of the twentieth century leadership was thought of as a concept which is primarily male, military and Western. This led to the next school of Trait Theories.</td>
</tr>
<tr>
<td><strong>Trait Theories</strong></td>
<td>The lists of traits or qualities associated with leadership exist in abundance and continue to be produced. They draw on virtually all the adjectives in the dictionary which describe some positive or virtuous human attribute, from ambition to zest for life.</td>
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<tr>
<td><strong>Behaviorist Theories</strong></td>
<td>These theories concentrate on what leaders actually do rather than on their qualities. Different patterns of behaviour are observed and categorized as 'styles of leadership'. This area has probably attracted most attention from practicing managers.</td>
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<tr>
<td><strong>Situational Leadership</strong></td>
<td>This approach sees leadership as specific to the situation in which it is being exercised. For example, whilst some situations may require an autocratic style, others may need a more participative approach. It also proposes that there may be differences in required leadership styles at different levels in the same organisation.</td>
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<tr>
<td><strong>Contingency Theory</strong></td>
<td>This is a refinement of the situational viewpoint and focuses on identifying the situational variables which best predict the most appropriate or effective leadership style to fit the particular circumstances.</td>
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<tr>
<td><strong>Transactional Theory</strong></td>
<td>This approach emphasizes the importance of the relationship between leader and followers, focusing on the mutual benefits derived from a form of ‘contract’ through which the leader delivers such things as rewards or recognition in return for the commitment or loyalty of the followers.</td>
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<tr>
<td><strong>Transformational Theory</strong></td>
<td>The central concept here is ‘change’ and the role of leadership is envisioning and implementing the transformation of organisational performance.</td>
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*Source: (King, 1970)*
Table 1.1 illustrates the evolution of leadership theories over a period of time, from Great Man to Transformational. These leadership theories can be summarized as a framework that based on each theory's focus and approach (Jago, 1982).

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**Jago's Framework of Leadership Theories:**

**Table 1.2 Jago’s Framework of Leadership Theories**

<table>
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<tr>
<th>Focus</th>
<th>Approach</th>
<th>Universal</th>
<th>Contingent</th>
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<tr>
<td>Focus On Traits</td>
<td>Leader Traits Theory</td>
<td>Fiedler's Contingency Theory</td>
<td></td>
</tr>
<tr>
<td>Focus On Behaviors</td>
<td>Early Behavioral Theory</td>
<td>The Path-Goal Theory</td>
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</table>

(Source: Jago, 1982)

"Focus" refers to whether leadership is viewed as a set of traits or as a set of actions.

**Focus on Traits:** Theories with such a focus see leaders as having certain innate or inherent personality traits that distinguish them from non-leaders. These personality traits are supposed to be relatively stable and enduring.

**Focus on Behavior:** Theories with this type of focus see leadership as observable actions of the leader instead of personality traits. "Approach" is concerned with whether a particular theory or model of leadership takes a universal or a contingent perspective.

**Universal Approach:** This approach believes that there is a universal formula of the traits or behavior for an effective leader. In other words, the universal approach assumes that there is "one best way" to lead in all situations.

**Contingent Approach:** Contrary to the universal approach, the contingent approach does not believe the "one best way" formula. It believes that effective leadership depends on the specific situation.
In an organisation where there is faith in the abilities of formal leaders, employees will look towards the leaders as role models. This is true during the time of change as well as stability. During change, employees will expect effective and sensible planning, confidence, effective decision-making, and effective communication. During the change implementation phase, employees will perceive leadership as supportive, concerned and committed to their welfare, while at the same time recognizing that tough decisions need to be made. During the period of stability, leaders need to work on conceptual levels to set still higher goals as well as organising resources for their achievements, both materials and empowered Human Capital.

Next section of the chapter provides concept on Strategic Leadership, different Strategic Leadership models and its dimensions.

1.3 Strategic Leadership

This part of the chapter describes concept on Strategic Leadership, different Strategic Leadership models and various dimensions of Strategic Leadership.

Strategic Leadership is a complex, multi-faceted capability that has many nuances and subtleties, making it difficult to easily codify. (Sorcher, 2002). A strategic leader is one who makes strategic decisions that commit the entire organization to a given course of action. Strategic leadership is about making these strategic decisions (Pelletier, 1997). Strategic leadership is the leader’s ability to anticipate, envision, maintain flexibility, and empower others to create strategic change as necessary (Byrd, 1987).

Strategic Leadership can be described as a person’s ability to anticipate, envision, maintain flexibility, think strategically, and work with others to initiate changes that will create a viable future for the organization (Christensen, 1997). It is important to have the human element in the concept, as relationship between individuals and organizations is the driving force that facilitates actions (Hitt & Ireland, 2002).
Strategic Leadership is multifunctional, involves managing through others, and helps organizations cope with change which is increasing exponentially in today's globalized environment (Huey, 1994). It requires the ability to accommodate and integrate both external and internal environment forces, and to manage and engage in complex business situations. Firms use the strategic management process successfully through effective strategic leadership (Hitt and Keats, 1992).

The very essence of leadership is to have a vision. It's got to be a vision the leader articulate clearly and forcefully on every occasion. Leaders who can set vision, and break them down into manageable goals which would then cascaded as operational objectives are vital for the organization. Strategic leaders have the insight and focus to work out ways of achieving the vision. They are able to persuade their followers to accept these goals and objectives.

Leaders who think strategically are able to picture a range of possibilities several stages ahead of the current phase of organizational development. Like a good chess player, it was said of Napoleon's leadership, that he could envisage several steps ahead, with the various permutations of competitive responses. Strategic leaders have a great understanding of timing - have the patience to wait until the timing is right to make a major intervention, yet have the boldness to strike decisively when the moment is right. They, and their organizations, are alert and ready to seize any opportunity.

Leaders whose current work is future focused are more likely to be working strategically: who invest their time in developing people and capability for the future of the organization as well as managing the current needs of the organization. A strategic leader is willing to work with others in alliances and agreements to make significant intervention than either party would be able to make alone.

Strategic Leaders are role models for their followers. They work with the team and think not in terms of "I", but "we". They understand their job well, to make the team function. They accept responsibility and don't sidestep it, but "we", the team, gets the credit of achieving the goals (Druker 1996).
All managers throughout the organization should be strategic leaders, to some extent, to effectively formulate and implement business-unit and corporate-level strategies (Hitt, Ireland, and Hoskisson, 1995). Strategic Leadership can be practiced at all levels within an organization (Hitt and Ireland, 2002).

1.3.1 Strategic Leadership Models

Various authors dealt with Strategic Leadership from many perspectives. However Adair and Hitt have approached the concept in the dimensions point of view. This section of the chapter describes two Strategic Leadership models, with its dimensions.

**Strategic Leadership Model - 1**

Strategic Leadership has seven different dimensions in its operation (John Adair, 2002). The Figure 1-1 shows Strategic Leadership model by Adair, with seven dimensions.

**Figure 1.1: Strategic Leadership Model 1**

Adapted from: "Effective Strategic Leadership", (Adair, 2002)
In the above model John Adair visualises seven dimensions of Strategic Leadership as follows:

1) Purpose / Vision: to provide direction for the organisation as a whole.
2) Strategic Thinking and Planning: to get strategy and policy right.
3) Operational / Administration: making it happen (overall executive responsibility).
4) Organisation Fitness to Situational Requirement: organizing or reorganizing (balance of whole and parts).
5) Energy, Morale, Confidence: releasing the corporate spirit.
6) Allies, Partners, Stakeholders, and Political: relating the organisation to other organisations and society as a whole.
7) Teaching and Leading the Learning, by Example: choosing today's leaders and developing tomorrow's leaders.

**Strategic Leadership Model - 2**

*Figure 1.2: Strategic Leadership Model -2*

Adapted from: *Strategic Leadership* (Hitt, M.A, 2000)
Concept of Strategic Leadership also could be explained in a similar manner, with slightly different set of dimensions as discussed by Hitt M.A. The model is illustrated in Figure 1.2. Strategic Leadership dimensions according to the model presented by Hitt are described below:

1. Determining Strategic Direction:

Determining strategic direction involves developing a long-term vision of the firm’s strategic intent. The strategic direction needs to project five to ten years into the future. There should be philosophy and goals. The vision needs to reflect the image and character the firm seeks to achieve. Ideally, long-term vision has two parts: a “Core ideology” and an “Envisioned future”. Together, the vision provides a clear picture on the future direction of the organisation.

2. Exploiting and Maintaining Core Competencies:

Core competencies are resources and capabilities of a firm that serve as a source of competitive advantage over its rivals. Leadership must verify that the firm’s competencies are emphasized in strategy implementation efforts. Firms must continuously develop or even change their core competencies to stay ahead of competitors.

3. Developing Human Capital:

The knowledge and skills of the firm’s entire workforce are capital resource that requires investment both in training, development and knowledge management. The organizations need to understand the importance of knowledge sharing, innovation and learning curve. They need to facilitate this process so that the Human Capital is empowered and becomes the real competitive advantage for the organisation.

4. Developing and Sustaining an Effective Organisational Culture

Organisational culture is the complex set of ideologies, symbols and core values shared through the firm that influences the way business is conducted. Changing a
firm's Organisational culture is more difficult than maintaining it. It needs constant and cautious efforts. Effective strategic leaders recognize when change in culture is needed. Shaping and reinforcing culture requires: effective communication, problem solving skills, selection of the right people, effective performance appraisals, and appropriate reward systems.

5. Emphasizing Ethical Practices

Effectiveness of processes used to implement the firm’s strategies increases when based on ethical practices. Ethical practices create social capital and goodwill for the firm. There are various measures that could facilitate ethical practices. Actions that develop an ethical organisational culture include establishing and communicating specific goals to describe the firm’s ethical standards, continuously revising and updating the code of conduct, disseminating the code of conduct to all stakeholders to inform them of the firm’s ethical standards and practices, developing and implementing methods and procedures to use in achieving the firm’s ethical standards, creating and using explicit reward systems that recognize acts of courage, and creating a work environment in which all people are treated with dignity.

6. Establishing Organisational Controls

Controls are formal, information-based procedures used by managers to maintain or alter patterns in Organisational activities. Controls help strategic leaders to build credibility, demonstrate the value of strategies to the firm’s stakeholders, and to promote and support strategic change.

Balanced Scorecard could be used as a framework to verify that the firm has established both strategic and financial controls to assess its performance. This help to prevent overemphasis of financial controls at the expense of strategic controls.

Four perspectives of balanced scorecard are financial, customer, internal business processes, and learning and growth.
The models discussed on Strategic Leadership illustrate the concept on the basis of dimensions. Each dimension is important, but might vary from context to context of business environment. Effective practice of the appropriate dimensions is necessary for the organisation to become successful.

1.4 Organisational Success

Organisational success, in usual practice is the measure of profit an organisation is creating within a particular time period. Organisational success is also understood have taken place when an organisation has utilized the resources under its possession to its full potential. It also indicates that the goals determined are accomplished within the stipulated time. Though the concept is narrowed down to the above discussed levels, organisational success is a broader concept, which have more dimensions. Many times it might become difficult to measure the real success, as the attainments are both tangible as well as intangible. Again it become broader in the sense, the success the organisation achieves is by interacting with complex sets of internal as well as external factors.

Organisational success also could be viewed in relation to the targeted and achieved goals, reflecting efficiency and effectiveness. Efficiency is doing things right where as effectiveness is doing the right thing. Efficiency also considers cost, process and quality. Effectiveness focuses more on human capital, organisational values, and structures (Reddin, 1987, Drucker, 1955).

Productivity and performance also could be viewed as measures of success (Partap & SK Srivastava, 1985). Success also could be function of intervening variables like motivation, morale, skills in leadership, communication, conflict resolution, decision making, problem solving and short range goals. A measure of character and the quality of the organization with appropriate indices also leads to measuring organisational success (Likert, 1958).

Organisational Productivity Model (GeorgopJous and Tannenbaum, 1957), Goal Model (Price, 1972); Goal Optimisation model (Richard M Steers, 1976), Goal-
attainment Approach Etzioni (1960), Internal Process Maintenance Model (Bennis, 1966), System Resource Model (Seashore and Yuchtman, 1967), Organisational Interaction with Environment Model (Friedlander and Pickle, 1976), and Legitimacy Model (Miles and Cameron, 1982) are various models available to measure organisational success. Each model is based on different set of criteria of measurement. Single or a combination of them could be used as situation demands.

Key Performance Indicators (KPIs) are the measurement tools in performance driven organizations. They also act as both guidelines to monitor performance. Key Performance Indicators, also known as Key Success Indicators (KSIs), help an organisation define and measure progress towards Organisational goals. Key Performance Indicators are quantifiable measurements, agreed to beforehand, that reflect the critical success factors of an organisation. Whatever Key Performance Indicators are selected, they must be quantifiable (measurable). Key Performance Indicators usually are long-term considerations. It is critical to limit the number of Key Performance Indicators, to those factors that are essential to the organisation reaching its goals. It is also important to keep the number of Key Performance Indicators small for focused attention on their achievement.

1.5 Summary

The concept and practice of leadership have evolved over a period of time. Various Leadership models and frameworks encapsulate the essence of this growth and suggest the leadership behavior patterns. Leadership theories illustrate the change in concept from ‘leader with innate qualities’ to the ‘change agent’ who transform an organisation by empowering.

Strategic leadership is the leader’s ability to anticipate, envision, maintain flexibility, and empower others to create strategic change. All managers throughout the organisation should be strategic leaders to effectively formulate and implement business-unit and corporate-level strategies.
Different theories and models discussed and elaborated establish that there are various dimensions of Strategic Leadership based on unique situation of an organisation. Each dimension of Strategic Leadership plays important role in organisational success. The vision setting being the foremost important, other dimensions of Strategic Leadership would follow it. Based on the same assumption that the vision setting is already completed and in place, the author has taken two dimensions of strategic leadership. This approach helps the study more focused as well. The two selected dimensions of Strategic Leadership are deemed to be crucial for attainment of the vision that already in place, and to lead the organisation to success.

The two dimensions of Strategic Leadership selected for the present study are:

- Developing the Human Capital and
- Developing and Sustaining an Effective Organisational Culture.

As a measure of Human Capital Development, Team Effectiveness was studied whereas for Developing and Sustaining an Effective Organisational Culture, Organisational Learning was assessed.

As the organisation selected to conduct the research is a performance driven, operating company under a parent organisation, Key Performance Indicators (KPIs) were considered for measurement of Organisational Success. Elements of three KPIs of the selected organization were assessed.

A brief overview of Abu Dhabi's Oil Industry and an introduction of Abu Dhabi Marine Operating Company (ADMA – OPCO) are presented in the next chapter.