ABSTRACT

Leadership is the most important facet of management. The concept of leadership has evolved through centuries. It developed into 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. A multitude of factors contribute to a right leadership style. Since leadership is multifaceted, it becomes a complex subject of research.

Organisational success is affected by a host of factors, but leadership is one that influences it decisively. In present day business world, organisations are exposed to a far more complex and dynamic environment. They are required to interact with a host of competing factors, both internally and externally. The leader is expected to crystallize and determine the course of action to lead the organisation in the right direction and to ensure success in the dynamic business scenario. This situation demands more than ordinary leadership for ensuring organisational success.

Strategic leadership is the leader’s ability to anticipate, envision, maintain flexibility, and empower others to create strategic change. Strategic leadership is multifunctional. It helps organizations cope with changes that seem to be increasing exponentially in today’s globalized environment. All managers throughout the organisation should be strategic leaders to effectively formulate and implement business-unit and corporate-level strategies. Different models have been developed to represent various dimensions of Strategic Leadership. Available literature shows a gap of research on the effects of these dimensions on organisational success, especially in Oil & Gas Industry in general, and in United Arab Emirates in particular. The present study tries to fill this research gap.

The present study seeks to measure the relationships of two of the dimensions of strategic leadership on organisational success. These dimensions are: developing the human capital, and developing and sustaining an effective organisational culture. Team Effectiveness was assessed for the first dimension; where as Organisational
Learning was measured to assess the second. Further, the effect of three demographic variables: age, job grade, and educational qualification were also explored under the present study. Three Key Performance Indicators (KPIs) were considered to measure organisational success.

2. Contents of the Thesis

The thesis is divided into six chapters.

Chapter 1 provides a conceptual framework of the study. This include concepts on leadership, including definitions, styles, and models. The chapter also presents a discussion on strategic leadership, different models and its dimensions. The chapter discusses the rationale of the present study.

Chapter 2 contains a brief account of Abu Dhabi’s oil industry, and Abu Dhabi Marine Operating Company (ADMA – OPCO). A brief idea on the background of ADMA – OPCO in terms of its evolution into the present state as well as its organization is given. Various aspects of human capital, health, safety and environment (HSE), production and operation in the organization are also detailed in this chapter.

Chapter 3 presents a critical review of literature and studies already available on the subject of research. The themes covered in the chapter include leadership, strategic leadership, team effectiveness, organisational learning, and finally organisational success. Articles, journals, research papers, and other relevant documents were studied to cover the work done by other researchers in these areas. More than 200 such references were quoted. The literature reviewed by the researcher more or less confirmed that no study has been conducted to find out the effect of the two selected dimensions of Strategic Leadership: Developing Human Capital, and Developing and Sustaining an Effective Organisational Culture, especially with reference to Oil and Gas Industry in United Arab Emirates. Hence the researcher could find a research gap which was tried to be filled through the present study.
Chapter 4 details out an idea on the research methodology adopted for the study. Need and objectives of the study are described. Based on the research objectives fourteen hypotheses were postulated. A conceptual construct of the study is presented showing the different variables and their possible inter relationships. Population and samples of the study are explained, along with profile of the respondents. Non probability sampling method was employed for the present study. The chapter also gives details on the two research instruments used for the study, Team Effectiveness Assessment Measure (TEAM) and Organisational Learning Diagnostics (OLD). The chapter also highlights the limitations of the study.

Chapter 5 presents results and a discussion on the results. The chapter presents data analysis and interpretation on the effects of Team Effectiveness and Organisational Learning on Organisational Success. Three Key Performance Indicators (effective oil capacity, environmental protection, and people development) were studied as measures of organisational success. The chapter also provides an analysis on the effects of the three demographic variables; age, job grade and educational qualifications on team effectiveness and organisational learning. SPSS was used for data analysis. 167 valid responses were tabulated and computerised. The data entry was done as per the requirement of SPSS. Suitable charts and diagrams illustrating correlation between the variables were generated with the help of Microsoft Excel.

Chapter 6 presents a summary of the findings of the study. The chapter also provides managerial implications of the results. The chapter brings out the value added by the study in terms of contribution to the knowledge on team effectiveness, organisational learning, organisational success, and strategic leadership. The chapter also presents a brief discussion on future directions of research.

3. Research Objectives

The present study has the following objectives:

1. To examine the extent of prevalence of Strategic Leadership as assessed by two of its key dimensions namely, team effectiveness and organisational learning.
2. To examine the association of these two dimensions of strategic leadership, namely team effectiveness and organisational learning with selected demographic variables.

3. To assess the impact of strategic leadership on organisational success, as measured through Key Performance Indicators (KPIs).

Based on the above mentioned main objectives, the following hypotheses were formulated for the study:

1. **H1**: Age has a positive influence on Team Effectiveness.
2. **H2**: Growth in Job Grade positively influences Team Effectiveness.
3. **H3**: Educational background influences Team Effectiveness positively.
4. **H4**: Team Effectiveness positively influences Productivity.
5. **H5**: Team Effectiveness positively influences Environmental Protection.
6. **H6**: Team Effectiveness has a positive influence on Human Capital Development.
7. **H7**: Age has a positive influence on Organisational Learning.
8. **H8**: Growth in Job Grade positively influences Organisational Learning.
9. **H9**: Educational background influences Organisational Learning positively.
10. **H10**: Organisational Learning affects Productivity positively.
11. **H11**: Organisational Learning positively influences Environmental Protection.
13. **H13**: Team Effectiveness influences Organisational Success positively.
14. **H14**: Organisational Learning has positive effect on Organisational Success.

Four types of variables were studied in the present research: demographic variables (namely, age, job grade, educational qualification), team effectiveness (measured by task clarity, cohesion, autonomy, confrontation, support, collaboration, accountability), organisational learning (measured by innovation, implementation, stabilization), and organisational success (as assessed through Key Performance Indicators (KPIs) namely, effective oil capacity, oil spill, and human capital development).

Professional employees at the job grades of 13 to 16 of ADMA – OPCO, form the population of the study. The job grades for the employees are governed through a competency based assessment mechanism, but not on length of experience in the
company. Out of thirty divisions, eighteen divisions were selected for the study based on judgement. A sample of 208 professional employees from these eighteen divisions was selected on the basis of purposive sampling. This approach was taken to ensure representation to all relevant divisions, thus employing one of the non-probability sampling.

4. Results and Discussions

4.1 Overall Results

Effects of components of team effectiveness, as a representation of strategic leadership: team effectiveness which represented the first dimension of strategic leadership is having two main aspects: team functioning and team empowerment. Cohesion, confrontation, and collaboration are components of team functioning, whereas task clarity, autonomy, support, and accountability are the components of team empowerment. On analysis, it became evident that in the organization under study, there exist positive relationship between seven components of team effectiveness with age, job grade and educational qualifications, in general. The analysis proved an increase of these components proportionately with the growth of age, job grade and educational qualifications of the employees in the organization. However two components, Autonomy and Support, were of less significant compared to other five components.

Effects of components of organisational learning, as a representation of strategic leadership: organisational learning was measured to represent the second dimension of strategic leadership, i.e., developing and sustaining an effective organisational culture. Organisational learning has three components: innovation, implementation and stabilisation. Mean values of Potential for Organisational Learning Index (POLI) analysed with SPSS were used for the study. The study revealed positive influence of age, job grade and educational qualifications on the three components of organisational learning. An increase in the components of organisational learning was evident proportionately with the growth in age, job grade and educational qualifications of the employees. However the third component of organisational learning, Stabilisation, is less significant compared with other two components. Also,
even though the trend shows a general growth of the components with the educational qualifications, Innovation is proportionately less significant in employees with Post Graduation.

The overall findings supported the positive influence of strategic leadership on organisational success.

4.2 Relationships between the selected three demographic variables on Team Effectiveness and Organisational Learning.

The study revealed a positive relationship between the age and team effectiveness as well as organisational learning, in general. The results of the analysis proved that, higher the age of the employee, better the values of team effectiveness and organisational learning. The mean values for team effectiveness for the age groups of 25 to 35, 35 to 45, and 46 and above were 140, 148 & 152, respectively, showing a positive influence. Mean values of Potential for Organisational Learning Index (POLI) for the same age groups were 89, 87, and 94. Though the value of POLI for the age group 36 to 45 was not proportionately high, the results shown a general trend of positive influence of age on organisational learning.

The study proved that higher the job grades of the employees, higher the team effectiveness as well as organisational learning, in general. Mean values of team effectiveness for job grades from 13 to 16 were 142, 150, 146, and 161. Though the value for the job grade 15 was proportionately low, the results shown a general trend of increase by increase in job grade. Likewise mean values of Potential for Organisational Learning Index (POLI) for the same job grades were 86, 91, 90, and 97. This result indicates a positive influence of job grade organisational learning, with an exception for job grade 15, which was less significant.

Result of the study proved a positive relationship of educational background and team effectiveness as well as organisational learning. The mean values of team effectiveness for educational qualifications of diploma, degree and post graduation were 144, 145, and 151 respectively, showing a positive influence. Mean values of Potential for Organisational Learning Index (POLI) for the above educational
qualifications were 88, 89, and 90, which proved a positive relationship of educational background and organisational learning.

Thus, the results proved that the three selected demographic variables having positive influence on team effectiveness and organisational learning.

4.3 Relationship of Team Effectiveness and Organisational Learning with Organisational Success

Findings of the study on the effects of team effectiveness and organisational learning on organisational success show positive influence. Three Key Performance Indicators (KPIs): production capacity, environmental protection, and human capital development were measured representing organisational success.

The results of the study revealed that, higher the job grade, greater is the team effectiveness. This has very positive influence in achieving team objectives and thus the Key Performance Indicators (KPIs). Target KPIs for effective oil capacity for the years 2007, 2008 and 2009 were studied. The Mean target KPI was 539 MBD where as the actual achievement was 542 MBD. The results show a positive influence of team effectiveness on production capacity, which is a measure of organisational success.

Mean KPI for Environmental Protection (Oil Spill) for 2007, 2008 and 2009 was Not More Than One Spill for each year. The actual was 0.33, which is lower than the allowable limit, showing an achievement. Thus the results show a positive influence of team effectiveness and environmental protection, and in turn organisational success.

Mean values of the target people development KPIs and achievement for the years 2007, 2008 and 2009 were studied. Mean target value was 7.66 where as mean value of achievement was 11.5. This shows a positive influence of team effectiveness and people development, and thus organisational success.

Similarly, the study revealed positive influence of organisational learning and organisational success. Result of the study shows that higher the job grade, greater the organisational learning, in general. This shows the positive influence in achieving
team objectives and thus divisional KPIs. In general, the other two selected demographic variables, age and educational background, also have demonstrated positive influence on team effectiveness and organisational learning.

4. Recommendations and Directions for Future Research

The study revealed a positive effect of strategic leadership on organisational success. There are various managerial implications based on the findings of the study. Seven components of team effectiveness have shown a positive trend with the growth in age, job grade, and educational qualifications, in general. The result could be utilised to further strengthen the team effectiveness present in the organisation. The results would form valuable information on conceptualising, formulating and conducting team building exercises. The components that indicated low significance could be focused more when these measures are being carried out. The results also could be utilised to formulate criteria for training need analysis and to develop course contents.

Three components of organisational learning also have shown a positive relationship with the growth of age, job grade as well as educational qualifications. As organisational learning is an important factor of organisational culture and a necessary element in developing 'learning organisation' the results could be used in strengthening the systems already in place. The results would be beneficial to focus attention at different age groups, job grades and people of different educational background, in terms of organisational learning. The third component, stabilisation, requires special focus, as this was of less significance.

Though components of team effectiveness as well as organisational learning were found growing with the educational qualifications, they were found less significant for people with diploma, as their educational background. The result could be utilised to formulate measure to foster both team effectiveness and organisational learning for this segment. The results could also be used as a spring board, in educational development of employees in the organisation. On a priority basis, they could be sent for higher studies. This will facilitate organisational learning and in turn success.

Components of team effectiveness and organisational learning were found showing a positive growth with job grades, but these components for job grade 15 were found
less significant. The results could be further pursued to identify the reasons for this low values and could be rectified through appropriate measures.

The finding supports previous studies that revealed the facilitating nature of heterogeneous teams. The teams in the organisations could be better organised, so that each team will form a good mix of employees in terms of their age, job grade, educational qualifications as well as expertise. This would facilitate better team performance and learning.

The present study points towards the scope of further research on the subject. Research on the effect of more dimensions of strategic leadership could be conducted. Study involving more organizations would reveal better understanding of the subject. Study covering broader respondent base would provide more insights. Research covering both public and private sector enterprises also could be carried out. Research studies measuring more demographic variables like years of experience, culture, family type, language, nationalities etc. would reveal more insights into the area of research.

The study provides important theoretical contributions expanding on previous knowledge on the two selected dimensions of strategic leadership. For advancing the field, this work is one of its kind directly linking organisational learning and team effectiveness through a mediating effect of strategic leadership, particularly in oil & gas industry as well as in UAE. More over, methodology and results of the present study could be used as a spring board for future research.