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MGT560 Leading Organization – Leadership Critique

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Introduction:

Leadership can be defined as the process of social influence through which the leader of a group of people encourages their workforce to do their best. It consists of the leader's ability to motivate an organisation's human resources towards attaining common goals and objectives. The leader sets the vision, mission, and strategies, which helps the organisation inbuild and sustain a strategic advantage over its competitors. The leader is also considered a romantic model who influences followers who want the same abilities in the future. Leaders are found and required in most aspects of society, from business to politics to region to community-based organisations. An effective leader possesses the following characteristics: self-confidence, strong communication and management skills, creative and innovative thinking, perseverance in the face of failure, willingness to take risks, openness to change, and levelheadedness and reactiveness in times of crisis. Leadership is a process, not a position. It's "the action of leading a group of people or organisation."



FIGURE 1: LEADERSHIP

1. Report describing the organisation’s leadership practices:

The report aims to identify the importance of leadership in the company. The concept of leadership and effective communication will be highlighted in the report. It has been found that “Gulf Services co” has lacked proper leadership effort for over 15 years. This report will identify the current leadership style of “Gulf Services co” and the issues it is facing. Furthermore, the information would also identify the main points concerning the company’s drawbacks and failures.

Company Overview:

Our case scenario concerns “Gulf Services Co”, which specialises in trading industrial equipment in the gulf region. It was established in the Sultanate of Oman in 1977 with moderate growth that matches the development in Oman. Over the years, the company has become the sole agent in Oman for multiple international brands (Makita – Power tools), which is the primary business & (Calpeda, Grundfos, Wilo, Sharp – Water Pumps), (Mitsubishi, Korvan – Panel Water Tanks), and many other safety products. All these products are mainly used in construction sites.

The company gained a considerable market share due to its value-driven strategy and leadership. However, with the advent of time, “Gulf Services Co” had declined in its leadership efforts as it lacked the clear vision to fulfil the company’s purpose. In the past 15 years, the management has been changed multiple times, which causes instability in company goals and vision. It has been identified that “Gulf Services Co” had several opportunities to develop under its leaders. It has been found that the company didn’t create its position in the market; hence most of its customers still don’t know the products “Gulf Services Co” provides.

Current leadership style:

The leadership style of empowering existing division heads to lead the company must be more effectively implemented. Though there are several definitions of Leadership, the basic meaning of Leadership is to make better results in the presence, which would leave an impact in the absence of the leader. The leader must greatly influence the company and the team members. Leadership is a real job that comprises standards and followers who surround the leader. The company has always been in turmoil with weak leadership. Despite the multiple efforts by the company’s founders, they couldn’t find the right CEO for the position. Various leaders for the company, such as the CEO, managed the profits and participated in failed acquisitions of new products and brands. Neither of the CEOs recently appointed could create a new way for the success of the company and the proper management of the employees. It has been found that the employees are unaware of the next two-year plan, which indicates that there is no leadership being implemented at the company. It has also been found that the employees felt they were unaware of what they were supposed to work on. They didn’t have the slightest idea of the project or its outcomes. Employees have stated that the CEO hardly guide them or creates a vision to follow. They need to ensure that there is proper implementation of the plans and a leadership style that the employees follow. “Gulf Services Co” faces multiple issues, among

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which communication is the main drawback. It has been noticed that communication plays a critical role in the development of the company, and in the absence of this, it is difficult to manage the risks. Companies face threats, and they can only be handled if there is a proper framework and risk management by the company's employees guided by the leader. It has been found that the company has been facing issues with the failure to communicate, inquire, manage, and internally report. This indicates that the lack of leadership has costed the company crisis in the internal stakeholders, customers, and even the clients. Moreover, the company also needed to take advantage of the ever-changing trends and advanced technology ex: online sales and marketing campaigns. In addition, “Gulf Services Co” failed to create an identity for its niche and often was under the shade of being the agent for selling power tools products only and not more than that. And this proves that the leadership efforts were not helpful. It has also been found that “Gulf Services Co” considers itself the jack of all trades but not a specific expert in a single segment. In recent years, the company cannot maintain its growth rate with the increasing competition and employee turnover. The main challenge to the company is to have a cost saving-effective strategy through the most efficient use of resources to achieve profitability, sustainability, and operational excellence. Therefore, the company must restructure its leadership practices to streamline the procedural guide to become more efficient and profitable.

Issues with current leadership style

Executive turnover: The company has been in a turmoil since multiple years as the CEO, CFO and other senior leaders keep on changing their positions. Moreover, to sustain the leaders in the market, the management has increased their salaries which has raised concerns in the company. The leaders are unable to manage the company and create future results because the employees need help to make up the profits. Though this issue doesn't directly coincide with leadership, implementing plans is the leader's responsibility.

Restructuring and layoffs: It has been found that (Gulf Services co) has undergone substantial restructuring efforts, and this includes releases. This has been done to streamline its operations and improve its financial performance across the organisation. Moreover, these issues have been identified by customers across the industry. The company has attracted criticism from some employees and stakeholders who believe it has impacted its long-term prospects. It was the leader's responsibility to ensure that the proper employment system was followed and that there were no issues of lay-offs.

Quality control problems: The company has faced criticism for quality control with some of its products. These issues have led to return of the products by the clients, warranty related claims, and other costly expenses incurred by the clients, which have impacted the company's financial performance and reputation. It has been found that the machines either didn't perform up to the mark or had multiple issues while being used. This is perhaps because the leader has not given the employees the required training to know the applications of specialized machines.

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2. Criteria for evaluating leadership practices:

Score grades for evaluating leadership practices are as below:

Score	Grade
1	Poor
2	Fair
3	Satisfactory
4	Good
5	Excellent

Criteria	Key characters	Score	Reason
Anticipate	The ability to detect threats and opportunities	2	The current management is eager to achieve higher sales numbers regardless of the customer's ability to pay the due amounts on time, which has led to increasing bad debts.
Challenge	Patience, courage and an open mind solve the problems and set higher targets	4	The current management is splitting the sales targets into more minor achievements focusing on profitability and liquidating old stocks rather than the number of sales.
Interpret	The ability to analyse the data	4	Work with team members to reach ideas for solving problems.
Align	The ability to find common ground between stakeholders	4	Building trust with the owners, suppliers, and customers.
Serving Others	Care follower's	4	Flexibility in work conditions, dress code, and vacations.
Respect/Justice	Showing respect to all levels of employees	5	All staff is treated equally and respectfully.
Charisma	Able to influence followers	4	Leaders are beloved because they have solid and respectful charisma.
Fairness	Fair and performance-based compensation -	4	rewards with the different types of contributions that employees make. Promotion based on seniority in lower-level jobs. Merit and background for higher-level. Promotions either level change or

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			financial benefits.
Self-managed and effective teams	Creating and nurturing high-performance teams	2	Team meetings are minimal
Providing security to employees	Being in a stable organisation gives the feeling of security about the employee's job.	3	Changing the management is always linked to changing the 2 nd managerial level.
Selective hiring: Choose the appropriate candidate	hire the most qualified candidate because they will be your asset to the business.	3	Multiple staff has been hired with fewer qualifications which led to work disturbance.
Equality	Creating flat and standard benefits	4	The organisation is applying benefits based on the staff group category. Ex: insurance package, purchase of phone and limit, mode of travel and allowances.
Planning	The ability to think about the future and schedule the required activities	2	They need better planning in multiple sectors—customer visits, stock taking, and quarterly financial statements.
Problem-Solving	Problem-solving skills are the ability to identify problems, brainstorm and analyse answers, and implement the best solutions	3	It takes so long to solve the problems, which makes the staff even forget that problem exists.
Decision Making	The ability to take decisions	4	The management has the full authority to take immediate decisions.
Direct Communication	Freedom to reach top-level management for work-related discussions	5	All the offices are glass transparent; the top management office is always open for all the staff.
Confidence in subordinates	Giving the subordinates the freedom to take decisions whenever it's needed	5	Management usually encourages employees to take decisions to get things done.
Delegation of authority	Trusting the subordinates to do part of the leader's responsibilities	5	Management gives more responsibilities and tasks to subordinates willing to learn and work harder.
Technical Knowledge	Understanding the business model	4	Leaders can understand the market needs and have good experience in management tools.

From my point of view, the leadership of “Gulf Services Co” essentially revolve around preserving the period of customer satisfaction, accelerating product sales, improving the capability and productivity of the workforce, and maintaining company growth.

3. A Propose new leadership strategies:

The transformational leadership approach can be implemented to improve the company’s overall performance. The level of work involvement increases if there is a positive impact on the individual’s contribution. This increases employee performance, improves organisational citizenship behaviour, and improves job satisfaction.

Transformational leadership is one of the most potent leadership styles wherein the employee’s well-being is considered the leader’s top priority. It has been found that the leaders who use this leadership style in the business often have high levels of support and growth from each team member. This also directly corresponds with the ability to create a vision and motivate the employees to abide by it. Under the transformational leadership style, the employees feel valued and considered at a significant level.

Transformational leadership comprises encouraging, motivating, and inspiring employees. This increases the creativity and innovation in employees, thus leading to the achievement of the objectives. This starts with the leader setting an example at the executive level through a strong sense of corporate culture. This instantly increases employees’ independence and creates a sense of ownership of the company’s values. It has been found that transformational leaders are mainly responsible for bringing change into the business through innovation. Transformational leadership is helpful in technology companies with a considerable need for employee development and creativity.

It has also been found that transformational leaders inspire and motivate the workforce to micromanage and motivate the workforce through the trust-building process. This leadership style includes training the employees to take authority over the decisions and assigning them to work according to their job (White, 2022). Under this leadership style, the leader aims to increase creativity and enhance the ability to solve issues. It also trains the employees to find new solutions for the problems which might arise in the future. They help the employees to become the best versions of themselves.

3. B Benefits of the company’s leadership style for the company’s culture:

Though the concept of transformational leadership is applied in almost every industry, companies must create a distinct market advantage. The importance of implementing transformational leadership in trading companies is increasing due to the advent of the latest developments in the industry. “Gulf Services co” needs to adopt transformational leadership to gain its digital transformation in the market. It has been identified that trading companies need to reinvent their strategic advantage to improve their goals. “Gulf Services co” needs to adapt to the changing technology in the market, requiring constant innovation and strong leadership. This can only be

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achieved through expanding the leadership and implementing the transformation across the organisation.

The leaders in “Gulf Services co” ought to be responsible enough to implement leadership in the organisation. Transformational leadership comprises inspiring and motivating employees to achieve digital transformation. Under transformational leadership, the leaders embrace change and growth. It has been found that transformational leaders are responsible for digital transformation, which eventually leads to increased levels of innovation in the company.

The main benefits of Transformational leadership:

To identify the gaps

Transformational leadership helps the leader to identify the existing gaps which create issues in the company. It has been determined that transformational leaders tend to spot the gaps and issues of the company. They solve the problems to achieve the vision of the company. Hence, “Gulf Services co” needs a transformational leader who works for the company’s betterment. Transformational leaders are talented enough to identify future gaps and help the company solve them.

Creating passion

The main essence of transformational leaders is that they create passion in the company. They ensure that the employees recognise their power and improve it for the betterment of their job and the achievement of their goals. It has been identified that leaders work to achieve the vision and imbibe a culture of passion. The main issue at “Gulf Services co” is that the employees need more power due to a shortage of creativity and innovation. Hence, the main aim of transformational leaders is to ensure that employees recognise their passion and work towards achieving goals.

Creating learning environment

Another primary purpose of the transformational leaders at “Gulf Services co” is to create a leadership culture. “Gulf Services co”, a company focusing on resource optimisation, strongly requires a transformational leader to create a learning environment. These leaders ensure that the employees adopt a learning culture that is detail oriented and that they achieve the goals as planned (Lee, 2021). The company can increase employees' trust and personal growth by appointing transformational leaders at “Gulf Services co” (Futcher, 2019). It has also been identified that they bring positive change in the company and increase motivation levels through performance improvement. Since “Gulf Services co” didn’t have proper leaders since the beginning, it perhaps needs intellectual stimulation. It is possible to implement intellectual stimulation as the company needs longstanding beliefs to work on. This includes creating a long-term plan backed by creativity, critical thinking, and problem-solving.

3 . C Better departmental communication plan that utilises 21st-century technologies:

Information technologies have experienced rapid advancement that can be seen in worldwide applications. This facilitates fast-growing human interactions and achieving dynamic leadership of organisation development, efficiency, and cross-functional relationships, as well as the intra- and inter-organization transmission of data that leads to more straightforward resolution of conflicts and reduces the time and effort needed to complete transactions. For enhancing responsiveness and increasing productivity, communication is no longer face-to-face and allows diverse team members; however, information can be discussed over the phone, social media, email, or any other web or mobile applications. (Mohamed, 2020)

Innovations such as mobile technologies and cloud computing have narrowed the distance between individuals and organisations, increasing the opportunities for organisations to enter the global market. As a result, improving the profit and reduces operational costs.

Steps for implementing new leadership communication practices:

- Determine the improvement required.
- Invest in training sessions.
- link the job requirements to the required training.
- Be patient while introducing new technology. Break it into small steps.
- Build social connections across the team while learning something new.
- Experienced staff mentor other employees and encourage collaboration between the team.
- Share with the employee the importance of implementing new technology and what benefit they will get from enhancing their skills.
- Learning new technology should be an ongoing engagement initiative.

Applications used in the workplace:

- Landlines directory: can be used inside the organisation over the IP directory.
- Email: this is the most common tool to communicate with your colleagues, managers, customers, and vendors.
- Mobile phones: most companies provide their staff with mobile phones, on-net calls, and short CPN numbers.
- ERP system: allow the integration flow of information across different departments and functions. It also manages critical parts of operations, including accounting and resource management.
- Virtual events: since the coronavirus pandemic, the need for applications that can provide distance meetings to be in place has risen. This application has filled the requirements by

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offering video calls, instant messages, and file sharing—ex: zoom application, Microsoft teams, google meet, and many other applications.

- Whatsapp application: it's normal nowadays that every team has created WhatsApp groups for more accessible communication and delivering messages to the entire team simultaneously. Also, it can allow sending voice messages, files, photos, links, etc.
- Inhouse portal: ex: office chat is also used for lighter use of instant messages and recorded training sessions.
- Social media: Though the company doesn't have a wide presence on social media, most of the clients browse social media, and they find your post. The leader must use social media platforms like LinkedIn and Twitter to connect with colleagues and share information.
- Digital signage: tv screens in waiting areas, canteen, and entrance. Most useful for visitors to be aware of safety guidelines and important messages.

3.D Networks within org and how they might be better utilised by leadership in future.

The leaders of the company can build a community of leaders who can collaborate and support each other, and this would help the leaders to innovate the offerings. The company must Utilize social networks, such as LinkedIn or any other trading social media platforms, to connect with a broader network of professionals and participate in online bets.

Mentorship programs – The leaders at the company must develop mentorship programs that connect employees with experienced leaders in the company. They can provide guidance, feedback, and support as they develop their leadership skills. Moreover, these leaders must organise networking events, such as conferences and workshops, which bring leaders in the industry to share knowledge and create multiple growth opportunities.

Collaboration initiatives: The company's leaders must participate in collaborative initiatives, such as industry groups. This would bring together companies and leaders to work on common goals and ambitions (Gratton and Erickson, 2007). The leaders must encourage leaders within the company to share their knowledge and experience with other through training sessions and other forms of knowledge transfer. The leaders must build a strong network of leaders, and industrial companies can create a culture of collaboration and innovation. This should also facilitate support for the development of leaders within the organisation.

Leadership development programs: It is essential to have leadership development programs that provide employees with the training, resources, and support they need to grow in their job roles (Das, 2019). This can include management training and mentorship programs. This also includes identifying high-potential employees, providing them with development opportunities, grooming them for leadership and providing them with proper training roles. Empowering employees to take ownership of their work and solve problems is to be done so they can develop their leadership skills.

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Conclusion:

Leadership refers to creating a culture of accountability, where team members feel empowered to take ownership of their work, make decisions, and solve problems. A leader must be able to inspire and motivate their team and create a work environment that increases collaboration and growth. Effective leadership is essential in the industrial sector, where the demands and challenges of the industry increase with each passing day. Here, the leader must have a strong understanding of the industry, as this will help make informed decisions that would help achieve the company's goals. These leaders must be capable of identifying the changing market conditions, as the industrial market is volatile.

Developing better leaders is a significant difficulty facing the present global corporate environment, and a need for more competent leaders is one of the most considerable development barriers. Successful leadership development in a particular organisation impacts organisational growth and profitability. "Gulf Services co" has used operations management analysis to determine the areas which need improvement and identify the operational guide to streamline its operations through cost-efficient manufacturing processes and reducing the production defects to improve the growth rate with the consideration of implementing better alternatives to the traditional trading techniques to ensure sustainability.

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