





## **COVER PAGE AND DECLARATION**

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Student's Full Name:	Ahmed Mahmoud Kamel Zlabiah
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E-SIGNATURE:	Ahmed Mahmoud Kamel Zlabiah	
DATE:	15 October 2022	

EIU Paris City Campus

Address: 59 Rue Lamarck, 75018 Paris, France | Tel: +33 144 857 317 | Mobile/WhatsApp: +33607591197 | Email: paris@ciu.ac

EIU Corporate Strategy & Operations Headquarter

Address: 12th Fl. Amarin Tower, 496-502 Ploenchit Rd., Bangkok 10330, Thailand | Tel: +66(2)256923 & +66(2)2569908 |

Mobile/WhatsApp: +33607591197 | Email: info@eiu.ac

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#### Introduction

Organizational leadership is described as the organization's ability to lead the employees and group in attaining the organizational goals and objectives. organizational Leadership emphasizes properly understanding the organizational mission and aligning it with its strengths. The importance of organizational leadership can be laid down from the fact that traditional forms of management can no longer handle current dynamic market scenarios. The impacts of disruption and innovation are occurring and the efforts put up by the organization are not always enough. Hence, organizations need to consider innovative strategies and practices at every level so that the organization's future needs are effectively catered to. Organizational leadership is essential for an organization because it motivates the employees, and promotes a mindset that facilitates decision-making and problem-solving. Allows the leaders to focus on the organizational goals, and promote ethics and communication (Griffith, Baur & Buckley, 2019). A proper strategic plan is required for an organization to work by its mission. One of the other functions performed by human resource management is organizational leadership practices (Stor & Haromszeki, 2019). An emphasis on strong leadership is needed to achieve the optimum level of effectiveness. An organization deals with the expert tactics and psychology of humans. Hence, organizational leadership is vital for the development of abilities as well as skills that are important for an organization (Goparaj, 2018).

This report will focus on Amazon's leadership practices, present a critique of it, and a leadership strategy plan will also be developed for better departmental communication.

### Leadership practices in Amazon

Amazon highlights that the company remains accountable and responsible and in its everyday actions, the company upholds the leadership principles it follows. The organizational leadership practices or the leadership principles of Amazon highlight how the company carries out the business, how the customers are the centerpiece of the business, and how the leaders lead. This is also unique in terms of the culture that exists in Amazon. Furthermore, such principles also allow Amazon to pursue its organizational goals and its mission (Amazon.com, 2020).

### Amazon strives to become the best employer

This is an example of organizational leadership practice in which the leaders of Amazon strive to create a safe and productive workplace for the employers, which will also be diverse and high performing. The company emphasizes whether the employees can develop themselves, and how empowered they are. The leaders of Amazon have a vision and are highly committed to the individual success of the employees (Economy, 2019).

## Recruiting and developing the best employees

Organizations can raise the performance of the employees with every recruitment and every promotion it conducts successfully. The human resource department looks for potential employees with exceptional talents and the ones who will be able to work at every level of the organization. The leaders at Amazon emphasize developing and coaching employees to become the next leaders (Amazon.com, 2020).

### **Emphasis on invention and simplification**

Amazon's organizational leadership practice emphasizes invention and innovation from the internal team of the company. The team also focuses on simplifying the invention, and they do so by looking for new ideas, and also look for better inventions that are done outside Amazon (Economy, 2019).

#### Customers at the focal point

Amazon highly prioritizes the customers and then works from the back to the front. The main aim is to earn the trust of the customers and create loyal customers through their service. The company also pays attention to the market competitors, but customers from the priority of the company (Economy, 2019).

## Ownership as the organizational leadership practice

The leaders at Amazon are the owners of the company and their thinking process, as well as mindset, are geared towards long-term results and sacrifice short-term benefits. The leaders of Amazon represent the company and hence their commitments and efforts are bigger than any other stakeholders of the company (Amazon.com, 2020).

#### Communication

Amazon as a company highly values respectful treatment, candid speaking, and attentive listening. The leaders at the organization are highly self-critical and highly value performance as the only benchmark when comparing themselves with the best players in the market. Leaders think differently and they communicate it to the employees. The direction of the leaders is highly focused on favorable outcomes. The perspective of different thinking allows the company to serve its customer differently (Economy, 2019).

### **Delivering results**

At Amazon, the organizational leadership practice emphasizes delivering results. This means that the main focus of the company is on inputs, services, and products that are delivered promptly and with the right quality. Even if the company faces setbacks in certain situations, the company still looks to perform best all the time (Economy, 2019).

### High standards

Amazon always highly values high standards and the leaders at the company drive the team to achieve the highest standards. This is done through the highest emphasis on the quality of products, processes, and services. The product defects are minimized and any problem in the products gets fixed and which prevents further product defects (Amazon.com, 2020).

### Critique of the leadership practice at Amazon

### **Employee Empowerment**

The leaders at Amazon look strive to create a safe and highly productive workplace. The leaders focus on the aspects of empowerment and the development of the employees. Al-Ababneh (2017), states that the rapid and dynamic business environment has allowed organizations and their human resource department to look towards employee empowerment as an effective tool to manage and handle complex scenarios. The empowered employees are effective in handling the demands of customers, enhancement of the quality of service, maximization of profits, and improvement of business operations. However, according to Turkmenoglu (2019), the empowerment of employees disintegrates power within an organization. A large number of employees are empowered to decide on their own, and this results in power disintegration at the level of upper management. Secondly, it is also difficult

to manage the employee that is empowered because it can lead to conflict between the management and the employee. Furthermore, the lack of proper skills and competency will also prevent employees from taking effective decisions. This will lead to ineffective and inefficient decision-making.

## Workplace coaching

The performance of the employees can be raised to a higher level when organizations or employers play an active role in it. The leaders at Amazon focus on coaching employees and developing them for their future endeavors and outside the organization. Liu and Xiang (2020) state that the development of employees at the workplace is essential for the effectiveness of the organization and its success. An employee that receives the correct coaching and mentoring can engage more in challenging tasks and developmental activities. The workplace is considered an important management tool that is proven to be effective for the development of employees. Workplace coaching has been found to have a positive effect on the self-regulation of the employees, and the attitude of the employees toward work, wellbeing, and employee performance. However, it has been argued by Milner, McCarthy and Milner (2018), that managers associated with workplace coaching lack the proper coaching skills. The manager associated with workplace coaching is expected to apply the principles of coaching. However, these managers are not always equipped with the right form of knowledge and expertise in coaching. The managers mainly focus on the generic form of coaching instead of the coaching that is specific to the situation.

### Focus only on long-term goals

Amazon's organizational leadership practice emphasizes securing long-term results and sacrificing the short-term benefits arising from short-term goals. According to Bateman and Barry (2012), it is always easy for an organization to think about the future and long-term thinking provides a goal or a mission for the organization to work upon. Organizations that focus on long-term goals tend to create enduring institutions and focus on innovation, discovery, and other important achievements. In the business environment, organizations do need to focus on shorter-term results, but they pursue actions that are geared toward getting long-term value. It has been argued by Höchli, Brügger and Messner (2018), setting goals and achieving them is not an easy task. The goal-setting theory specifies that the setting affects the means of pursuing the goal. The goal-setting theory highlights the short-term goals

and organizations must focus on the short-term goals as well. Fulfillment of the subordinate goals allows greater motivation for the attainment of long-term challenges.

### Performance is the only benchmark

Amazon operates in a highly competitive market and the company emphasizes setting performance as the only benchmark when compared with the other players in the market. According to Dubey, Gunasekaran, Childe, Papadopoulos, Hazen, Giannakis and Roubaud, (2017), organizations are more inclined toward the development of business activities through performance management systems. These systems create a benchmark and allow proper means of comparing the operations, services, and other related domains. It is also important to mention organizational performance as a benchmark has become an effective tool and it facilitates the improvement of an organization. It has been argued by Erdil and Erbiyik (2019), conducting a benchmarking process is an expensive task. It is a highly exhausting and long process that needs careful planning, and preparation at each of the stages, along with an efficient team who will be carrying out the benchmarking process. If the team member selection is not done properly, it can lead to greater confusion and conflict. Hence, utmost care is needed when considering the formation of a benchmarking team.

#### New leadership strategy plan

### Current leadership style in Amazon and revision of the current leadership policy

Amazon is one of the largest companies in the USA and it is led by Jeff Bezos, who is also a remarkable entrepreneur. Solanki (2019), carried out an analysis of Jeff Bezos's leadership on the basis of the Managerial Grid Model (figure 1). The managerial grid model helps in the proper analysis of the leadership style of leaders of managers. The main dimensions of the model include the task concern and the people concern. The leadership style of Jeff Bezos is very similar to the team leader style of leadership. It is more inclined toward the autocratic form of leadership. Such a leadership style remains inattentive to the concerns of the employees and negligent of others' opinions. Furthermore, such a leader only prefers others to listen and agree with him. The decision-making in the organization is centralized because Jeff Bezos supervises the business operations and his charismatic personality has a positive effect on his subordinates. In Amazon, the autocratic leadership

style of Jeff Bezos allows Amazon to perform effectively. He is a charismatic and visionary leader allowing him to give purpose and direction to the organization.

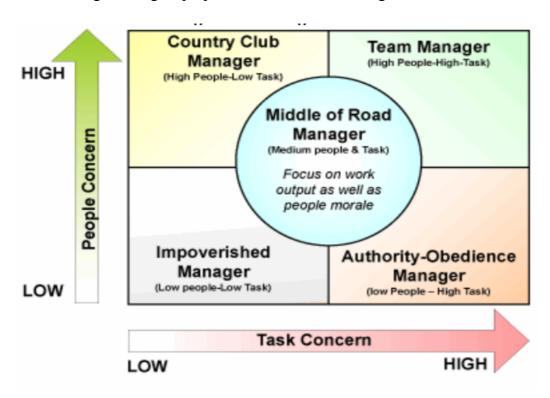


Figure 1: Leadership analysis of Jeff Bezos on the basis of Managerial GRID model [Reference: Solanki, (2019)]

Revision of the current leadership policy of Amazon will include an emphasis on the transformation leadership style. Nguyen, Mia, Winata, and Chong (2017), states that leadership style can have an influential effect on the control systems (its implementation), and strategic priorities of an organization. The authors have highlighted that the transformational leadership style is related positively to decision-facilitation information, decision-influencing information, rewards systems, managerial performance, and performance measurement. The transformational leadership style from the perspective of the subordinates seems more inspiring and charismatic. Transformational leaders are capable of holding a vision, commanding respect, infusing loyalty in the organization, and are highly influential and powerful. Transformational leaders can develop can reward mechanism and a control system that will focus on compensating and rewarding the subordinates, employees, or managers. One of the prominent traits of transformational leaders is to motivate and influence their followers so that they can work at their full potential (Faupel & Süß, 2019).

The transformational leadership style is highly effective in promoting the collective goals and the interests of the employees. Organizational performance and its association with transformational leadership are important in situations where companies are to attain competitive advantage and be innovative as well. The managers act as motivators who motivate their employees to be involved in gaining new knowledge and in the process of innovation. This allows the organization to launch new products. In this case, the practices of the human resource department and transformation leader work together to enhance the process of innovation and learning competencies (Para-González, Jiménez-Jiménez & Martínez-Lorente, 2018).

## Effect of transformational leadership style on company's culture

The Transformational leadership style acts as a builder of relationships and it facilitates an environment in which the follower and the leader can build better relationships. Increased engagement with the employees is possible through the transformational leadership style and the leader gains the field for better and effective engagement (Liang, Chang, Ko & Lin, 2017). The development of a relationship means that a relationship is formed between the subordinate and the leader in which the leader emphasizes the attainment of the business goals and the organizational objectives. The relationship between the leader and the follower also includes the development of interpersonal relationships. The development of better relationships and engagement between the leader and the follower will facilitate improved and enhanced performance (Lasrado & Kassem, 2020).

Transformational leaders are very responsible individuals and feel that they are morally obligated to the organization. This results in the development of a good relationship between the leader, organizational stakeholders, and followers. Leaders that follow the transformational leadership style have the skills to communicate effectively with their followers (Robbins & Davidhizar, 2020). The followers remain committed to the leader and become loyal in the long run. When followers have faith, trust and a clear understanding of the organization and their leader, the work outcomes of the follower reflect the same picture. The followers will feel more dedicated to the organization and they will put extra effort into their work, and look for innovative solutions to problems (Al Khajeh, 2018).

In an organization, a transformational leadership style facilitates binding of the employees. In this scenario, the manager or the leader will play a significant role in influencing the employees and their willingness to stay with the organization or leave it. If

the commitment of the commitment is more, fewer employees will be leaving the organization. Both explicitly and implicitly highlights that the transformational leadership style of the leader will bring changes in the policies of the organization, and it will not be limited to the policies of human resource management. When the transformational style is used, the commitment of the employees improved, irrespective of the cultural and ethnic background of the employees (Çelik, 2018).

## Departmental Communication plan utilizing 21st century technologies

A communication plan is described as a tool that is used by an organization to send out information to both internal and external stakeholders. The departmental communication plan is desired to carry out internal communication and effective communication between different departments of Amazon. The various steps followed in the formulation of the communication plan include the following:

## **Summary of the situation:**

The purpose of the communication plan is the introduction or change the existing leadership style into a transformational leadership style. The company will focus on the transformational leadership style and this needs to the communicated to all the concerned departments of Amazon as well as all vital internal stakeholders.

#### **Desired outcome:**

The desired outcome will be a change in the leadership style and the leadership practices prevalent in Amazon. The company will follow a transformational leadership style to infuse new engagement and motivation in the employees and other internal stakeholders. The company will be able to more effectively address customer issues, and employee concerns, increase employee engagement and increase employee participation in problem-solving.

### **Defining the audience:**

The communication plan is intended for the managers working at all levels of the organization, and employees working at the different departments of Amazon.

## The message to be communicated:

The leadership style of Amazon will change and a new leadership style will be introduced into the company. The new leadership style that will be embraced is the transformational leadership style. This is intended to improve employee engagement, commitment, employee productivity, and better relationships. In the long run, the transformational leadership style will allow Amazon to achieve its organizational objectives through the efforts of dedicated employees.

#### **Channels of communication:**

The 21st-century communication technologies that can be used for the departmental communication plan include video chat tools like Zoom, Google Workspace, and skype. Such platforms allow people to remotely connect and come face to face through video conference. The second communication channel that can be used includes instant messengers like skype, slack, Microsoft Teams, and Telegram. All these are tools that can be used to facilitate instant messages to the concerned employees and managers. The third communication tool that can be used for effective communication is team collaboration software. This software allows employees and managers to work as a team on a common project without being present physically in the same location. Different examples of team collaboration software include slack, notion, and confluence.

#### Timeline:

Every communication plan requires a deadline within which the communication needs to be delivered to the concerned parties. In this case, the information, messages, and communication are to be done within 1 month. A proper deadline will allow the delivery of the messages to the employees and managers within the planned timeline.

### Summary of the Networks within Amazon and their utility in future

Networks in an organization are described as business structures that contain multidisciplinary and small teams working towards the attainment of a common goal independently. Such networks in an organization do not come under the usual organizational format. The networks are structures that can handle issues and problems without the direct supervision of a leader or a manager. Within an organization, the networks act like specialized teams that complete tasks through an interative approach. When a team is created by the manager, members of the team first assess the task at hand, formulate a specific

strategy, and action plan adjusted to increase efficiency, and the plan are executed to meet its goals (Raybourn, Moulton & Hungerford 2019).

Small teams: Amazon commonly organizes small teams that include 8 to 10 employees. Such teams are capable of adding agility and flexibility to the work completion and facilitating issue handling. These small teams are quick to innovate and are autonomous bodies (Gaster, 2021).

Common culture: Amazon has a common culture that is prevalent in the entire organization. The principles of the culture emphasize customers and carrying out innovation to meet the needs of the customers (Slater, 2022).

Empowered employees: Amazon lays stress on empowering the innovators who are present in the form of innovators in every team and at every level. The employees are empowered to work on innovative ideas and even encouraged to create new ones. Hence, an environment of creativity is fostered at Amazon, because the company feels that innovation and creativity can move parallelly (Amazon, 2019).

Both the small teams and the common culture can be used by the organizational leadership to effectively focus on solving customer problems and formulate new and innovative products for the customers. The small teams can be tasked to work on the customer problem and design innovative solutions. On the other hand "customer first" culture throughout the organization will provide leadership with a means to prioritize customer and their issues. The leader can motivate the empowered employees to come up with new ideas against a new problem. This will facilitate Amazon to focus on customer-centric approaches. The empowered team can work on a hurdle innovatively. This will allow Amazon as well as the empowered employee to focus on the problem and use innovative means to approach it. The company can back the work of the network of empowered employees.

#### Conclusion

It can be concluded that Amazon's existing leadership practices emphasized employee empowerment, and workplace coaching, focus only on long-term objectives, and use performance as a means of conducting benchmarks. All these leadership practices have their downsides and can potentially cause issues for Amazon. The current leadership style in Amazon is analyzed through the leadership GRID model, and it highlighted the team leader type of leadership which is more inclined toward the autocratic form of leadership.

A new leadership strategy plan is formulated and it emphasized on effective usage of Amazon's network that will facilitate effective communication. The plan includes the evaluation of the existing leadership style in Amazon and a revision of the existing leadership policy. The recommended leadership style will influence the company culture. The new leadership style recommended is a transformational leadership style and this leadership style is effective in increasing employee engagement, and employee productivity. Transformational leadership also goes on to influence the company culture and it improves the company culture through a change in employee engagement, motivation, and productivity.

The main objective of the communication plan was to communicate and send information to the desired recipients. The plan included details of how the information will be shared and how its distribution will take place. Furthermore, the leadership style strategy plan focused on the usage of modern technologies, like instant messengers, team collaboration tools, and video chats. All this will facilitate departmental communication. Lastly, the networks (small teams and common culture) in the organization provided a common ground that can be utilized by the Amazon leadership.

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