The influence of leadership skills on organizational management: a conceptual review

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ABSTRACT

In today's extremely competitive and dynamic economic world, great managers are a necessity for any corporate organization. Leadership is a concept that is a multifaceted and complicated phenomenon, and It is found that the leadership style is having a direct relationship with organizational management and organizational performance. With this view in mind and based on Katz's leadership theory, this conceptual paper proposes that a skills-based view of leadership recognizes the true potential of leaders suitable for impactful organizational management. To be successful, people merely have to put in the effort to acquire the qualities of a good leader. This is promising for those who want to succeed but lack the qualities or intrinsic skills advocated by the other leadership philosophies. A skills-based leadership theory makes it simple to choose a manager by making a list of each candidate's abilities in crucial areas.

Keywords: Katz's leadership theory, leadership philosophies, leadership style, organizational management, skill-based leadership

1.0   BACKGROUND

In today's extremely competitive and dynamic economic world, great managers are a necessity for any corporate organization. A commercial organization must prioritize finding, developing, and keeping brilliant individuals. Each good and productive leader includes several talents that have allowed him/her to operate effectively in various managing positions. An individual requires a certain collection of information, abilities, behaviors, and attitude to be productive in a variety of roles and different kinds of organizations. This type of skills, abilities, behavior, and mindset is referred to as competence (Nienaber, 2010). The most important aspect that affects how workers feel about their work and how they behave. More particularly, their loyalty to the business is their leadership style (Amanchukwu et al., 2015). Organizations require workers who are dedicated to their profession as they can assist the organism's functioning in the economic rivalry.

The focus is on how managers in organizations may get an efficient leader behavior to meet predefined objectives. For an organization to succeed, leadership development and job satisfaction have indeed been viewed as essential elements (Rad & Yarmohammadian, 2006). The researchers determined that a variety of organizational contextual information, such as

pay, job control, job stability, career attitudes, and management, affects job satisfaction. Organizational leaders may influence employees' job contentment, dedication, and performance by using the right leadership styles.

Leadership is a concept that is a multifaceted and complicated phenomenon (DePree, 1989). It's been described as a habit, attitude, talent, method, obligation, expertise, managerial position, leadership position, influential connection, trait, and aptitude (Northouse, 2007). Leadership, according to John Maxwell, is influence (Maxwell, 1998), and "Leader is the potential for collaboration to send nerve impulses", said Kotter in 1990. Good leaders are those who assist others when they're being led according to Robert Greenleaf (Bennis & Nanus, 1997). Peter Drucker also stated that a leader is somebody who has supporters (Drucker, 1999). Nevertheless, some articles contend that socialization mechanisms are a form of leadership.

It is found that the leadership style is having a direct relationship with organizational management and organizational performance (Liao et al., 2015). A competent leader gives the group guidance and guides members towards the achievement of objectives. Similarly, to this, workers who are satisfied with the job are more inclined to exert extra thought into the tasks they are given and seek organizational goals. The researchers determined that a variety of organizational contextual information, such as pay, job control, job stability, career attitudes, and leadership, had a relationship with job satisfaction. Organizational leaders may influence employee work satisfaction, dedication, and productivity by using the correct leadership styles.

The value of strong leadership in preserving operations similarly cannot be overstated. Ample incentives, a favorable working environment, compensation, and proper management relations all help to attain this goal. Planning and designing tasks are also highly important for organizational success. Although there are contrary opinions, some academics have concluded that one of the most prevalent issues impacting organizational performance in commerce as well as other institutions is bad worker attitudes, inefficiencies, and generally incompetent leaders.

The request for Robert Katz's leadership techniques from 1955 is taken into account in the study, in accordance with the different theories. According to Robert Katz (1991), great leaders should possess three important technical skills: industry knowledge, social (or human relations) expertise, and intellectual acumen. For support innovation to be maximized, executives must possess a certain set of technical skills. On either hand, it examines how the Mckensy 7S model of business leadership is used in the cultures of China and Malaysia, as well as how this impacts the management success of each enterprise.

2.0   THE ISSUES AND CHALLENGES
It is identified that organizational management plays an integral part in business success. It is identified that the business managers and the administration part of the company should understand that human resources within the business organization are the key components of businesses and that they should be thought of it as being indivisible from the company.

But the question is, to what level do stakeholders understand that workers are the lifeblood of organizations and therefore should sufficiently continue to improve at their highest level of the industry? The leadership behavior/style in most organizations, which believes that workers might be handled in any manner due to the country's high unemployment rate has contributed

to the struggles workers confront in their places of employment. Typically, it results in reduced performance of the employees.

With the direction of bad managers and leaders, team morale tends to decline, and workers become less loyal to the organization and know less about its mission, which often results in a lesser quality workforce and slower progress. The management of the business is difficult, and it is not focused on the business goal. However, the output of the business impact of better leadership over the business management can be highly impacted by the organizational culture and the learning opportunities. Bad leadership and poor leadership skill practice within the company or organization are costly. Leadership may be prevented from coming up with new ideas and solutions by a poor leadership style. Of all of these factors, the leaders' substandard leadership has always been the main reason for the company organization's failing administration and performance.

3.0   LITERATURE OUTLOOK
3.1   Leadership Skills
Leadership potential refers to the qualities and skills that people possess and use to support running businesses, directing initiatives, and directing people towards goals. CEOs must have good leadership qualities in order to implement resources efficiently to achieve the goals and strategies of the company and to make significant decisions on such decisions (Ollila & Yström, 2016). Key leadership traits include the ability to inspire, clearly communicate, and share value.

On the other hand, leadership skills may define as the leader's ability that can be used to achieve goals. From the theoretical perspective, a variety of leadership theories have arisen that concentrate on the methods, qualities, personalities, and contextual approach to leadership, which has made governance the much more researched component of organizational culture on a worldwide scale (Ahmar, Rofiq & Hadiwodjojo, 2014). The area of leadership is receiving increasing attention, and behavioral scientists and social psychologists started to investigate the potential effects of management styles and the factors that are employed to forecast leader behavior. Since that is the responsibility of leaders to accomplish goals, it is presumed that leadership ability and tactics will transfer into the concerted action of the others and the output of the subordinates (Kasie, Gideon & Gloria, 2018). Here, approaches stand in for the actual actions by the leadership to achieve goals (Oghojafor et al., 2014).

The development of a more concentrated leadership model, as well as the growth of an individual's leadership abilities, will enhance the management culture of the organization. Enhancing organization effectiveness is to make sure that procedures are well, and the organization regularly tracks, evaluates and enhances its efficiency to enhance outcomes for the business stakeholders. Great performance, according to Sibley et al., (2011), calls for perfection across the board, as well as in leadership, efficiency, adaptability to changes, continuous improvements, and skill development. Effectiveness connects organizational objectives to its actions. According to Timothy et al. (2011), the degree to which an organization's leaders participate in utilizing available assets equally relies upon how its managers (leaders) comprehend.

3.1   Organizational performance
The capacity of an organization in achieving goals like large profit, great product, massive market position, solid financial outcomes, and longevity within a predefined period utilizing

the applicable strategy for action is referred to as organizational efficiency. The term "performance of the business organization" was described by McCloy, Campbell, and Cudeck (1994) as "those behaviors or acts considered significant to those aims of the stated organization in the issue". They went on to say that performing itself might be considered the activity itself rather than the results, repercussions, or result of behavior (Kasie et al., 2018).

Despite having a broad meaning, the term "performance of the organization" is commonly employed. Even though the notion depends on a number of carefully chosen factors unique to each organization, it is difficult for specialists to concur on what worker performance truly entails because there is no widely agreed definition (Kasie et.al, 2018). Assemble the published evidence on the technological, social, psychological, and financial aspects of business success to come to a proper description.

An organization is comprised of several resources which are used efficiently and produce wealth and power for the company, such as a physical structure, machinery, the skills and knowledge of its personnel, conventions, cultural practices, and values. There is more complication and ambiguity in the environment (Oghojafor et al., 2014). This has an impact on how well an organization operates. Factors and trends that affect how well the company performs include consumerism, environmental protection, evolving rules, increased knowledge and newer inventive technology, growing specialization and interdisciplinary collaboration, and evolving organizational structure.

A corporation nowadays must constantly contend with both internal and external factors. These factors push the business to adapt and succeed to satisfy the needs imposed by the very aggressive environment in which it operates. For the team to operate well, it must resist these environmental factors. Additionally, the organization must demonstrate its efficacy for the community by its performances to rationalize its presence in society. The company is also able to demonstrate its effective operation while enhancing its reputation throughout its performance. Additionally, the business must maintain and enhance performance since doing so will provide it with a competitive edge.

The conversion of raw materials into finished products for the attainment of success is known as organizational performance. The link between efficient price and actual output (efficiency), and between production and the accomplished result is one of the topics covered by the performance of its substance (effectiveness). The practice of enhancing both the organization's productivity and the happiness of its personnel via deliberate initiatives is related to organizational performance (Oghojafor et al., 2014). It speaks about the organization's total performance or outcomes as compared to its expected outputs, aims, and objectives. There are four different forms of organization performance indicators, including (i) capital market results, (ii) finance and accounting outcomes, (iii) organization consequences, and (iv) human capital outcomes. Changes in an employee's performance have an impact on human resource outcomes.

The measurements for company effectiveness rely on who is asking questions and why success has to be measured, as Kanter and Brinkerhoff (1981) suggest. Experts must assess and report organizational effectiveness for a variety of reasons, including to demonstrate that shareholders' funds are being used wisely, to direct management and decision by highlighting problem areas, and to start comparing the performance of the various features, initiatives, and individuals, and to exert control.

On the other hand, several other definitions are identified concerning the performance of the business. Aydiner et al. (2019) identified that professionals are constantly seeking methods to improve upon past performance, irrespective of the goal of assessing the performance of the organization or the meaning of the terminology selected. A variety of treatments are acknowledged as being beneficial when taking into account the various levels of quality evaluation. Whitelock (2018) identified that business performance is highly dependent on the business's ability to enhance its level of capacity. The objectives and goals established by the impact on organizational culture are used to gauge how well an organization performs. The organization's production performance, financial results, product promotion, and investor achievement are used to 's assessed. Strategy and decision heavily rely on measuring performance, which establishes a connection between strategy intention, the competitive landscape, and revenue. It is getting progressively harder for the business to actively monitor and sustain its performance for the competitive edge in the present changing situation.

All areas of productivity that are important for the organization's continued survival as much both for its performance and expansion must be covered by efficient productivity measurements. A performance measuring system must incorporate metrics than money. It must take into account the direction the company is headed in as well as the firm's capability, strategic approach, and advantages and limitations. Three competencies connected to operating efficiency serve as a foundation for a competitive edge. A business strategy, close customer relationships, and operational effectiveness are three of them. Service innovation describes the rivalry based on the new technologies in goods and services. In terms of the level of customer satisfaction and retention, client closeness is related to competitiveness.

3.2   Skill sets leadership theory

When Robert Katz released his article "Skills of an Effective Administrator" in the *Harvard Business Review* in 1991, the skill sets leadership theory became a well-known idea. Katz's first-hand observation of managers at action and field study in management served as the foundation for the study. In the essay, he made the argument that three fundamental people qualities, social, and conceptual—are critical for efficient administration or leadership. He determined that the three skill sets listed above were the most crucial ones shared by and regularly employed by the CEOs (Gray & Callahan, 2008).

Personal differences, competencies, and leading results are the three skills components of this paradigm defined under the skill-based leadership theory of Robert Katz (1991). It also implies that these abilities are shaped by environmental factors and career experiences (Katz, 1991). Theoretical abilities are likely most crucial at the upper levels of management when it is necessary to make policy judgments, long-term plans, and large-scale decisions. Because there is no official training program to teach individuals about management to use this theory, the skills theory is not employed in an applied leadership situation. Leadership theories make an effort to summarize what makes an effective leader as well as how to spot individuals who'll be able to effectively lead a business or a group. The abilities leadership theory, one of the main ideas, contends that good leaders have a certain set of skills that they have honed.

Katz recognized three abilities as the fundamental personal characteristics required for governance: technological, social, and philosophical. technical expertise in the area, interpersonal communication abilities, and conceptual clarity in establishing the vision (Algahtani, 2014).

There is different empirical evidence that may be found concerning the application of Katz's leadership theory. Griffith, Baur & Buckley (2019) identified that businesses see successor management and leadership training as two separate project-based organizations. Strategic planning refers to the establishment and execution of lengthy strategies that handle transitions in senior management positions. Conversely, in past years, academics and professionals have pushed for a new, all-encompassing strategy that views the organization's structure. Companies should aim to construct internal management streams that range from entry-level workers to leaders instead of viewing succession planning and leadership training as clearly distinct efforts. It suggests the emergence of iterative invested capital in international body leadership programs via distinguishable, interpretative phases to take advantage of potential benefits involved in conducting comprehensive leadership pipelines and to address practical concerns associated with risk and talent development.

Goleman (1998) incorporated it as a subset of team leadership. He found that job satisfaction, instead of abstract thinking, accounted for 90% of the distinction in efficacy between top performers and ordinary senior-level leaders, making it twice as crucial as other skills when tried to apply to all levels of jobs within the corporate structure. The empirical evidence shows that each talent is required for good leaders to possess, however, the precise figure of each skill varies depending on the angle inside the management structure. Technical expertise is increasingly crucial at higher levels of administration (Katz, 1991). As a leader advances in the organizational structure, he or she depends further on the technical skills of subordinates than on their technical capabilities (Hicks & Gullett, 1975).

4.0   CONCLUSION

Human resources are necessary for all top management. Conceptual abilities are likely most crucial at the upper levels of management when it is necessary to make policy judgments, long-term plans, and large-scale choices. A skills-based view of leadership recognizes that anybody becomes a leader, which is one of its main advantages. To be successful, people merely have to put in the effort to acquire the qualities of a good leader. This is promising for those who want to succeed but lack the qualities or intrinsic skills advocated by the other leadership philosophies. A skills-based leadership theory makes it simple to choose a manager by making a list of each candidate's abilities in crucial areas.

The present conceptual paper reviews the contemporary leadership ideas that apply to organizational management. Then it postulates on Robert Katz's theory of leadership to gauge the influence of leadership skills on the current scenario of organizational management and operation. The ideas suggested in this paper may provide practical insight to academia as well as to those concerned about organizational management. Future studies may take them ahead through empirical research.

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