COPING WITH LEADERSHIP CHALLENGES FOR ORGANIZATION SURVIVAL AND GROWTH

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Abstract
This paper generally seeks to explain the reason why it is difficult for most organisations in Nigeria to operate at optimal level of productivity. It particularly sees ineffective leadership as the bane of most Nigerian organizations. Besides capturing the theoretical issues surrounding the concept of leadership, it distinctly clarifies the differences and relationship between leadership and management. Its major contribution is the detailing of the unique responsibilities and challenges organizations face as they grow especially in this era of globalization.

I.0 Introduction

The subject of Nigeria's struggle to develop and transit from developing country to developed country has been fraught with controversies, dilemmas and ironies. These ironies and controversies stem from the fact that given the huge human and natural resources profile of the country, it is still worrisome why she has not made remarkable progress in her march towards development.

Available statistics show that Nigeria, with a population of about 140 million is the most populous country in Africa and one-sixth of the black population in the world. Nigeria has a young population and produces about 200,000 graduates on annual basis. She is the 8th largest oil producer and has the 6th largest deposit of natural gas in the world. There are abundant mineral deposits most of them are yet to be exploited and some of them are largely underutilized. Current assessment show that barely 40% of the arable land is under cultivation (Soludo, 2007). With

this rich resources profile, it is surprising as it is disturbing that Nigeria is yet to utilize these for the benefit her citizenry.

Given the above scenario, it is safe to assume that the bane of the nation's development is absence of effective leadership to envision where she ought be and move her towards the desired path of development. This view is supported by excerpts on the factors behind Singaporean economic revolution as said by the Leader of the reforms and reported by Yew (2000: 689) as follows:

> A united and determined group of leaders, backed by a practical and hardworking people who trusted them, made it possible. Did I expect an independent Singapore, with a GDP of $3 billion in 1965, to grow 15 times to $46billion in 1997 at 1965 dollars and to have the highest per capita GNP in the world in1997-------- -------the industrial society is giving way to the one based on Knowledge. The new divide in the world will be between those *with knowledge and those without…….We stand a better chance …with the best man or woman for the job, especially as leaders in government.*

In Nigeria, there are a number of environmental changes that have not only increased the need for leadership, but have brought about dramatic transformation of what we call leadership (Abraham, 2003). For instance, the combined factors of 'Globalization' and 'Deregulation' have increased and will continue to increase the level of competition in all sectors of the global economy with the increased ripple effects and implications on the management of organizations in the domestic economy.

Further, the demands and expectations of various stakeholders to organisations have changed dramatically lately. Consumers and clients being serviced now require sophisticated goods and services that are compliant to the advancement in technology. Employees, no longer settle for anything as working conditions and remuneration. Some of them angle for part ownership and increased stake in the business. Stakeholders are not left in the fray of those whose expectations are increasing. They require increased return on investment and business growth (Ezeh and Onodugo, 2004). All these bring pressure to bear on the management of organizations.

It is against this background, that this paper seeks to explore the responsibilities and challenges facing leadership as they pursue organization growth. To this end the paper will pursue its objectives using the following outline:

- Theoretical and conceptual framework of leadership.
- Challenges of leadership in a bid to make organization grow.
- The responsibilities of leadership towards organization growth.
- Building capacity for organization growth
- Generic strategies for organisation growth.

2.0   THEORETICAL CONSIDERATIONS

2.1   Leadership Defined.

Leadership is simply the ability of the manager to influence subordinates to strive willingly toward realizing group goals (Onodugo, 2000). Seen in this context, one is tempted to think that leadership is an exclusive preserve of managers as they perform their organizational roles. This is why Hersey et al (1998) sees leadership as the "process of influencing the activities of an individual or a group in effort towards goal achievement in a given situation". The above definition brings out certain important points. First, the activity cuts across all organizations whether formal or informal, business or socio-political, etc; wherever anybody is trying to influence another person or group of persons, then leadership is taking place (Haiman and Hilgert, 1987). It is clearly evident that without effective leadership, organizational activities would be un-coordinated and devoid of unity and direction

Second, leadership is a process, which comprises an ever-changing interplay of relationship amongst the leader, the led/follower and the situation. This simply implies that leadership is a dynamic process which must be adapted to the changing needs of supervisor, the work group and the varying situations in the environment for it to be successful. For instance, what makes for successful leadership during the war may fail woefully during the time of peace and vice versa. To succeed therefore, leaders must adapt their style to the situation rather than expect the situation to adapt to their style. Under this model, the leader must continually scan the environment to know what traits and skills that are required in a given environmental context to influence the subordinates and adopt them. This is what is generally called *the law of the situation.* It requires the delicate balance amongst the leader's skills, the led and the context or the situation.

2.2   Leadership and Management Compared

At a glance, one may easily see management and leadership as one and the same thing. In most cases, it is often used interchangeable by some scholars in the literature. However, there are some technical differences between the two of them.

The first difference is in the area of scope. Management is a kind of leadership, which influences subordinates towards the attainment of organisational goals. Leadership is broader in this case in that it entails influence of an individual or group regardless of the reason(s) and the nature and type of group (Haiman and Hilgert, 1987). The reasons for the influence may be personal or group, may or may not be congruent with organisation goals. The other flipside in this group sees management as broader than leadership. This is because management combines not only human resources but others such as material and money as they pursue organisation goals (Akpala, 1990). This is unlike leadership whose influence is limited to human beings.

The second difference lies in the approaches to doing their jobs. Bennis (1994:12) shows that management approach to influence is more conservative and normative, while that of leadership is more dynamic and responsive. Below are excerpts from his works:

The manager administrates; the leader innovates. The manager is a copy; the leader is an original. The manager maintains; the leader develops. The manager focuses on systems and structure; the leader focuses on people. The manager relies on control; the leader inspires trust'.

Table 2.1 Comparing Management and Leadership

	Management	**Leadership**
Creating an agenda	Planning and Budgeting Establishing detailed steps and timetables for achieving needed result and then allocating the resources necessary to make that happen.	Established Direction Development a vision of the future, often the distant future, and strategies for producing the changes needed to achieve that vision.
Developing a human network for achieving the agenda.	Organizing and staffing Establishing some structure for accomplishing plan requirements, staffing that structure with individuals, delegating for carrying and providing policies and procedures to help guide people, and creating methods or systems to monitor implementation.	Aligning people communicating the direction by words and deeds to all those cooperation may be needed so as to influence the creation of teams and coalitions that understand the vision strategies, and accept their validity.
Execution	Controlling and problem solving monitoring result vs. plan in some detail, identifying deviation and then planning and organizing to solve these problems.	Motivating and inspiring energizing people to overcome major political, bureaucratic and resource barriers to change by satisfying very basic, but often unfulfilled, human needs.
Outcomes	Produces a degree of predictability and order, and has the potential of consistently producing key results expected by various stakeholders (e.g, for customers, always being on time; for stakeholders, being on budget)	Produces change often to a dramatic degree, and has the potential of producing extremely useful change (e.g , new product that customers want, new approaches to labour relations that help make a firm more competitive)

Sources: Reprinted with the permission of the Frees press, a member of Paramount Publishing from A Force for Change: How Leadership Differs from management by John .P. Kotter, 1990.

A careful analysis of the foregoing discussion on the differences between management and leadership reveals that one can be a manager which imbues in such a person with formal authority to influence others; but is short of the charisma to actually influence subordinates in

real life situation. On the other hand, one many not occupy management position and yet have the natural skill to influence others (informal authority). It is our position, that management is most effective when they also have the leadership skills to influence subordinates. To highlight some of these leadership skills that are essential for effective management of organizations is an integral part of the goals of this paper.

2.3   Are Leaders Born or Made?

There has been an age long controversy as to whether leaders are made or whether they are born. Put differently; are genetics and early childhood experiences responsible for emergence of leaders? Or are other later life exposures and experience responsible for making leaders?

Earlier studies opined that there are certain traits and characteristics that make for successful leadership. This was christened 'Great Man or Trait Theory'. The list of these traits includes *inter alia* things like intelligence, initiative, imagination, enthusiasm, optimism, individualism, courage, originality, communication ability, fair play, etc.(Apkala, 1990; Hiaman and Hilgert, 1987). With the passage of time however, it became clear that this approach to identifying what makes leadership effective is deficient. In response, two other approaches were evolved to fill the gaps. The first is the 'Power- influence approach', which attempts to explain leadership effectiveness in terms of the source and amount of power possessed by the leader and how he exercises it. The second is the 'behaviour approach' which tries to identify activities or pattern of behaviour that makes for effective leadership. In other words instead of seeking to know what effective leaders were, the last two approaches sought to understand effective leadership by what they did and how they did it (Wesly and Yuki, 1984; Ile, 1999).

Over the years, the sharp divide of extreme positions is beginning to taper into convergence. The growing consensus is that leaders are both made and born. Most researches agree that certain character traits such as intelligence, energy and social potential are genetic. It is beginning to emerge that these traits in themselves are necessary but not sufficient to make one effective leader. It is believed that a combination of experiences and the environment are necessary to water these leadership potential to blossom to fruitfulness. It is the latter that is making the study in leadership relevant. Otherwise, if the assumption that leaders are only born holds sway, then there is no need for studies in leadership.

2.4   Leadership Skill and Competencies

A synthesis of the works done by Edgar (1968), Wexley and Yuki (1984) and Nwoko (2000) produce the following as the skills and competencies required for effective leadership:

Cognitive Competency: This entails following:
▪ Judgment – ability to understand the situation and make the right choices.
▪ Foresight – ability to peer into the future to interpret trends
▪ Initiative – ability to think ahead and act rather than to react.
Adaptation Competency: This is a behavioural skill, which enables the leader to move things in the right direction. It includes:

- Energy- This is the ability to display drive, which sees things happen. They are hard workers.
- Self –confidence- This is ability to believe oneself and his abilities.
- Optimism – This is the belief that the outcome of any endeavour will be favourable.

Interpersonal Competency: This entails communication skills that enable the leader put across his intention and retain the zeal of the led till the objectives being pursued are achieved.

Technical Competency: This entails knowledge about methods, processes, procedures and techniques for conducting the activities of the leaders' work unit.

The use of these competencies depends on the leader, his level in the organization and the situation facing him. For instance, cognitive and conceptual skills are useful when dealing with things and ideas, while adaptation and interpersonal skills are required mostly in dealing with people. Again, cognitive skills are required more when one is at the top of the organization hierarchy and would find technical and interpersonal skills more useful at the lower/supervisory level of the organizational level.

3.0   Challenges of Leadership towards Organization Growth

Growth is not an easy thing to come by. Everyone, nay, every organization, desires to grow. However, growth comes along with its challenges which leadership must face and surmount if it must grow. Below are some of these challenges:

1. **Challenge of Managing Competition:** Business organisation naturally co-exists with others as they pursue their mission in an industrial setting. Each player is locked in competition with the others in seeking to get and retain the attention of the market. Except where the market is not fully reached with the products, for a firm to grow it would almost always have to diminish the market size of the other competitors. This is not an easy task and a tall order for leadership of organisation to cope with.

   Further, certain environmental factors have made this challenge more daunting. They are:
   - Globalization
   - Deregulation of most sectors of the Nigerian economy.
   - Advancement in information technology.

2. **The Challenge of Management of Change and Uncertainty:** Human beings by nature operate better in an atmosphere of certainty, predictability and stability. Paradoxically, the environment in which businesses operate is anything but stable. The rule is change. This variableness has been there but has assumed a turbulent profile lately. The premise for projection and planning quickly changes soon after the planning. Demands and expectations of the stakeholders – government, society, employees, market, etc – are more than ever before, very volatile. So a major challenge that faces leadership across organizations is to acquire the skill of maintaining focus amidst change and direction in the face of chaos.

3. **The Challenge of Innovation:** The twin forces of globalization and advancement in Information Technology have made innovation the rule of competition across various industries. To survive, let alone growing, leadership has the onerous task of creating and introducing new products. For organisations, which desire leadership in the market, this is a must. In the face of increase in the expectation of customers and the high technology-driven society, anything short of new products and new methods of delivering them will not suffice. This challenge requires huge amount of money set aside for research and development activities.

4 **Challenge of Maintaining Industrial Harmony among Organisation Members:** growth comes with increase in complexity. It also makes the work environment take in more people with diverse backgrounds, opinions and proclivities. All these will lead to conflict of interests. Growth inevitably comes with control problems. The tendency for cliques and sectional groups with diverse interest to emerge becomes very high. All of this will thrust the leadership with the challenge of attaining industrial harmony. That is why, the larger the organisation the more the leadership requires integrative and industrial relations skills.

5. **The Challenge of Building Capacity for Growth:** Growth comes with demands for increased capacities in various areas. Diverse skills and expertise are required as organisations grow from small to big organisations. Capital needs grow tremendously as well. Ask the managements of banks in Nigeria, what it is like to move from N2b to N25 capitalization and you will discover that it is not fun. At certain level, consultants were required to do certain level of accounting, auditing, training and recruitment. All these provide one form of challenge or the other to the leadership.

6. T**he Challenge of Meeting the Demand of the various stakeholders:** As organisations grow, their activities start impacting on a wider spectrum of people. Growing organisations attract the attention of government and the communities where they operate more than smaller ones. Diverse persons and group who finance the organisation take greater interest in the welfare of the organisation than they should have ordinarily. All these stakeholders make claim on the organisation in one way or the other. Governments ask for more tax revenue, the community demands that the organisation be more socially responsible, and yet workers and shareholders ask for increment in salaries and dividends. These conflicting demands of the various stakeholders become a major source of challenge to the leadership of such organisations.

4.0   Challenges of Leadership in a Growing Organization: Grenier's Perspective

Greiner (1972) identifies five stages of which a growing organization must pass through and the corresponding challenges that face leadership at each stage:

Phase 1	Phase 2	Phase 3	Phase 4	Phase 5
				Crisis of what?
			Crisis of RED TAPE	
		Crisis of control		Growth through collaboration
	Crisis of autonomy	Growth through Delegation	Growth through 4 coordination	
Crisis of Leadership	Growth through 2 Direction			
	Growth through (1) creativity.			

Young	Age of the organization	Mature

Fig3: Greiner's five stages of growth
Source: Greiner, L.E.(1972) Evolution and Revolution as Organization Grow, Harvard Business Review, July/August, 1972, Pp 37-46.

Stage 1: Creativity Stage.
This is the earlier stage of the organisation. This stage is characterized by the ability of the founders to create products and services. But as the organisation grows, the entrepreneurial orientation of the founders becomes insufficient to cope with the management responsibilities that follow. This conflict leads to the crisis of leadership. To solve this requires strong management that will be accepted by both founders and workers. This leads to the next stage.

Stage 2: Growth through Direction.
During this stage, the new manager centralises the organisation through direction. Over time however, the lower level managers start feeling uncomfortable with the over centralization and thus begin an onward search for autonomy. This sparks off the crisis of autonomy. The quest for more freedom takes the organisation to the next stage.

Stage 3: Growth through Delegation.
At this stage, decentralization occurs which sees to it that strategic business units, divisions and subdivisions are created. This heightens motivation at the lower level management. However, it generates a feeling of loss of control on the part of top management. This generates a crisis of control leading to the next stage.

Stage 4: Growth through Co-ordination
During this stage, the organisation goes through centralization, which will be resisted by those who have tasted freedom, then settles for co-ordination. This entails crafting procedures and policies that will ensure uniform implementation of programmes across the whole organisation. This leads to the crisis of red tape. To solve this problem, the organisation moves on to the next epoch.

Stage 5: Growth through Collaboration.
During this stage, rigid adherence to procedure gives way to spontaneity and flexibility. This is achieved through teams and other social groupings in the organisation.

These stages of growth and the challenges therein can be of immense help to leadership of organisation who are interested in growth.

Leadership Responsibilities for Organisation Growth

For leaders to move organisation along given line towards its destination, they must perform the following responsibilities.

Visioning and proactivity: Leaders must peer into the future to interpret with clarity the direction the organisation should head in order to attain its objectives. In practical management language, it entails birthing of clear mission statement and crafting strategic plans. No organisation can grow beyond the vision of the leadership. This is what Steven Covey (1989) calls 'Proactivity' – taking initiative and dictating what happens rather than reacting to things after they have happened. These documents (mission statement and strategic plans) will encapsulate the kind and the level of growth that should be pursued.

Aligning others to the vision. Sequel to vision development is the task of getting other organisational members to share the vision. This is very critical. A failure at this point will jeopardize, or downrightly hinder the attainment of the vision. People are not motivated to put in their best unless they fully understand and own the vision. To do this effectively, leaders must 'lead from the front'. They should match their words with positive corresponding behavioural actions that are in line with the professed vision.

Mobilizing resources for the pursuit of the vision: Once the vision is shared and accepted by organisation members, the next responsibility of leadership is to mobilize the resources for the pursuit of the vision for the growth of the organisation. Resources span human, financial and other capital goods like buildings, machines, etc. This is vital because growth is synonymous with capacity building which mirrors the resource profile of an organisation.

Motivating staff into action: This is a very vital responsibility of leadership when it comes to organization growth. It is necessary to craft vision, share it and mobilize resources for its pursuit, but if the staff who will implement the vision are not sufficiently motivated to run with the idea, then the likelihood of realizing the essential thrusts of the vision will be remote. So a vital aspect of the leaders' role is to motivate workers. Another word for motivation is empowerment. This

could come in the form of good pay, participation in decision making, facilities to work with, praises, challenging job, to mention but a few.

Evaluation and control: It is the responsibility of leadership to pause in the course of the work to appraise things and ensure that everything is working towards the desired goal. Distraction and bottlenecks are identified and done away with; where necessary, corrective actions are taken to move things in the right direction.

6.0   Generic Strategies for Organisation Growth

Growth strategies usually involve the means and ways to attain significant increases in performance objectives (Thomas, 1988). These objectives in a typical business organization include, but not limited to, increase in market share, sales, profit, etc. There are basically two broad categories of growth strategies. According to Wheeler and Hunger (2000) they are called concentration and diversification. On the other hand, Thompson (1993) calls them internal and external growth strategies respectively. The three types within these two broad classifications are discussed below as follows:

Intensive Growth Strategies: This is one of the internal strategies which lead to expanding the market coverage of the products of the same organisation. This can be achieved via the following media:
- *Market penetration*: this is usually used when new products are being introduced or when the same products are taken to new markets. It entails entering into markets that are hitherto under the control of other competitors. In most cases people penetrate by lowering the price variable so as to attract the loyalty of customers who used to be with other providers.
- *Product development***:** this is substantial modifications or additions to an organization's present products or services to increase their market penetration within the same market group (Harrison,1994)
- *Market Development:* this entails an organization finding entirely new markets for its existing products. In some cases, it might require extending the products to various areas and regions where the products were not hitherto in use.

Integrative Growth Strategies: This is one of the external growth strategies which essentially occur when an organization *widens* the horizon of its operation by doing what others used to do, it has three variants:
- *Backward integration*: This happens when an organization either acquires or does what its suppliers used to do. A typical example is when a bakery firm decides to invest in manufacture of flour which is its major factor input.
- *Forward integration*: This occurs when an organization takes over the activities of its distributors. This can be done by acquiring the firms that used to distribute or form a parallel distributional channel.
- *Horizontal integration:* This entails a firm acquiring or merging with one or some of its major competitors. The merger between former Standard Trust Bank and UBA Plc is a typical example of horizontal acquisition.

Diversification Growth Strategies: This is another external growth strategy and entails branching out into new product manufacturing entirely. It has three types:

- *Concentric Diversification*: This is the type of branching out that is not a clear departure from the previous product line and/or market. An example of this is if a bank diversifies into a mortgage or an insurance firm. Though a new service line from banking they belong to the same industry and make use of the same expertise.
- *Horizontal Diversification:* This happens when an organization branches out into an entirely different technologically based product line but meets a complementary need of the same target market. A restaurant may add bar to its service line for example.
- *Conglomerate Diversification:* This is a diversification that requires marked departure from the present market, product line and technology of the company in question. An example is when a bank branches out into motor car manufacturing.

7.0 Concluding Remarks

Organisations have a soul reflected by its leadership. It is the wheel which drives organisation to its destination and creates the milieu of enthusiasm, optimism and inspiration among organization members as they collectively pursue joint goals. It has been the missing link in the governance of the nation and indeed, most Nigerian organisations. The consequences of poor leadership are too fatal for any organization, nation or group to ignore.

This paper had as its main thrust, to look at the challenges and responsibilities of leadership to organisation growth. The reason for this skew-ness in the treatment of the concept of leadership is that the increased world-wide integration of business activities in a phenomenon aptly called 'globalization' has brought in its wake the need for innovation and growth as a key to survival in the comity of competing global business world. Tips espoused in this paper will help readers a great deal in providing leadership to their respective organisations.

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