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## LEADERSHIP EVALUATION AND ORGANIZATIONAL PERFORMANCE

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### ABSTRACT

This study examined leadership evaluation and organizational performance. Leadership has been the process of influencing, motivating and enabling others to understand and agree to contribute collectively to the effectiveness and success of the organization's shared objectives of which they are members. As organizations grow and expectations about their performances increase, demand for good leadership tends to multiply hence, the need for leaders to possess the right ability with valuable skill and leadership style so as to achieve the organizational performance of employees. The study looked at the following concepts; organizational performance, leadership, leadership evaluation, importance of leadership evaluation, criteria for leadership evaluation, different leadership styles (laissez-faire, autocratic, servant leadership style, etc.). The study concluded that leadership is related to the performance of employees and the participation of employees is important for organizational development. One of the reasons why there is a relationship between leadership style/approach and organizational performance is that it necessitates innovation-oriented competitiveness within today's concentrated and dynamic market and the creative destruction of reduced profit and competencies, in the face of such challenges, effective leadership can facilitate performance development. The study further suggested that working in unfamiliar environments can help leaders and experts approach decision making more creatively and playing a metaphorical game increases managers' willingness to experiment, allows them to resolve issues or problems more easily and creatively, and broadens the range of options in their decision-making processes. The goal of such games is to get as many perspectives as possible to promote unfettered analysis.

**Keywords:** Leadership, Leadership Evaluation, Organization, Performance.

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## **INTRODUCTION**

Leading effectively requires competence, skill and suitable leadership styles. There is a widely held belief that leadership is one of the factors that determines whether a group, an organization or even a nation will be successful. This is partly because a leader can have a strong influence on the behaviour and performance of group members (Amanchukwu et al., 2015). Leadership is viewed as the process of influencing, motivating and enabling others to understand and agree to contribute collectively to the effectiveness and success of the organization's shared objectives of which they are members (Yukl, 2013).

Leadership is therefore very important to the survival and effectiveness of organization's performance. As organizations grow and expectations about their performances increase, demand for good leadership tends to multiply. Leadership ability is a valuable skill and those who possess it reap high rewards. Therefore, from every indication, there seem to be a strong link between leadership style and performance of employees in an organization. Leadership style is the approach used by leaders to exercise their leadership functions. It is said to be a particular behavior applied by leaders to motivate their subordinates to achieve the objectives of the organization (Amanchukwu et al., 2015).

## **CONCEPTUAL CLARIFICATION**

### **Organizational Performance**

Organizational performance according to Ololube (2019) is the actual output/results of an organization obtained when measured against its intended outputs (goals and objectives). It has been observed that employees tend to put in their best, work effectively and efficiently if the work environment is conducive and the leadership and corporate executives demonstrate the flexibility that they often demand of their employees (Ololube, 2013). Organizational performance assesses how an organization is able to meet its stated objectives over time.

Organizational performance relates to how efficient, effective, relevant and viable an organization is. Amanchukwu et al. (2015) stated that organizational performance involves recurring activities that establish organizational goals, monitors progress towards goals and makes adjustments to achieve the goals more effectively and efficiently. Effectiveness is the measure of the degree to which the organization's service offered meet the customer's expectations. Efficiency is the utilization of the resources within appropriate cost structures; relevance is the ability to adapt to changing environments to satisfy the stakeholders' current needs, while viability is the ability to maintain sustainable operational base for meeting obligations as they fall.

Ololube (2019) pointed out that the demographic characteristics have an influence on whether employees will be committed to their work or not. He observes that how well the employee performs, how many years they are ready to dedicate in service and how well they act in the best interest of the firm's objectives heavily depends on how much the organizations take care of the needs that are related to their demographic characteristics. Workplace demographic characteristics as the variety of differences between people in an organization including race, ethnic group, gender, age, education background, tenure, personality, cognitive style, and organizational function. Demographic characteristics are personal statistics on information such

as gender, age, education level, income level, marital status, occupation, religion, birth rate, death rate, average size of family, average age at marriage (Ololube, 2007).

## **Leadership**

Leadership has been defined as a body of people who lead and direct the activities of a group towards a shared goal. It refers to the ability to lead, direct and organise a group (Ololube, 2017). Leadership is the process of directing the behaviour of others towards the accomplishments of some objective. It is a dynamic process at work in a group whereby one individual over a particular period of time, and in a particular organisational context, influences the other group members to commit themselves freely to the achievement of group tasks or goals.

Yukl (2013) asserted that leadership emerges in interactions between persons in a team, group or organization that has a collective personality. However, the epicenter of collective leadership is the coordination process that leads collective members to task success by sharing in leadership qualities between collective members. All these coordination processes are dynamic in nature: on the one hand, these are processes where interactive influences among individuals make them work together as a collective; and on the other, they are processes where the collective as a social system operates and responds with respect to environmental dynamics.

In the view of Ololube (2019), leadership in is the limit of an organization's administration to set and accomplish stimulating and intriguing objectives, make a quick and conclusive move when required, beat the opposition, and rouse others to perform at their most elevated level they can. It processes social influence, which maximizes the efforts of others towards the achievement of a goal. Leadership provides companies with a vision for the future through change. Additionally, it makes sure there is alignment to strategy regarding the operational activities and the stakeholders accordingly, understand them in order to implement the vision. Leadership ensures successful motivation in order to overcome the challenges of change (Yukl, 2013).

## **Leadership Evaluation**

Leadership evaluation is a crucial aspect of assessing and enhancing organizational performance. Evaluating leaders allows organizations to identify strengths, weaknesses, and areas for improvement within their leadership structure. By doing so, they can make informed decisions about leadership development, succession planning, and overall performance improvement. Organizational performance is the 'transformation of inputs into outputs by achieving certain outcomes. With regard to its content, performance informs about the relation between minimal and effective cost (economy), between effective cost and realized output (efficiency) and between output and achieved outcome (effectiveness)' (Aboyassin & Abood, 2013).

Leadership evaluation provides a systematic approach to measure and assess the effectiveness of leaders in achieving organizational goals. It helps identify leadership competencies, behaviors, and practices that drive success and those that may hinder progress. Effective leadership evaluation contributes to improved decision-making, employee engagement, innovation, and overall organizational performance. Involvement in decision making is the degree at which employers allow employees to involve in organizational decision-making and encourage them to make contribution (Ololube, 2019). Employee involvement in decision-making process gives each employee the opportunity to contribute their opinions, and also share

their knowledge with colleagues; this also improves employee-employee and manager-employee relationship and its encouraging teamwork among workers (Adler & Reid, 2008). Somech (2002) found out that, involving employees in decision making is the best thing ever in achieving organizational performance or goals while some researchers think involving employees in decision-making is a risk on the organization.

Therefore, the participation is an organizational mechanism, gives employees the right to make decisions and the matching amount of responsibility so that they feel aware of contributing to organizational performance with the participation in hand, their motivation increases, which brings about both individual benefits and organizational effectiveness (Kim, 2002). Cadwallader et al. (2010) found that several variables determine the relationship between employees' participation in decision making with organizational climate; including well-organized teamwork, good communication, etc.

Ladd and Marshall (2004) stated that participation in decision-making is vital to employees and, alongside job satisfaction, and affective organizational commitment, is valued by them. Employees believe they're happier, due to participation in decision-making, and therefore, the organization also gains through the positive impact on task and performance effectiveness. Therefore, participation is an organizational mechanism, giving employees the proper to form decision and therefore the matching amount of responsibility in order that they feel conscious of contributing to organizational performance, which brings about both individual benefits and organizational effectiveness (Kim, 2002).

Involving employees in decision-making making is the neatest thing ever in achieving organizational performance or goals. Aliyu (2019) stated that employee involvement in decision-making will reduce staff absenteeism, increase individual commitment, improved performance, increase job satisfaction, employees feel as being part of the organization, and this raise their degree of worth importance within the organization.

### **Importance of Leadership Evaluation**

- Leadership evaluation helps organizations identify effective leaders who can drive performance and achieve strategic goals.
- It provides feedback to leaders, enabling them to enhance their skills and align their behaviors with organizational objectives.
- Effective leadership evaluation fosters a culture of accountability, transparency, and continuous improvement within organizations.

### **Evaluation Criteria for Leadership**

- Competencies: Assessing leaders' competencies, such as strategic thinking, communication, decision-making, and relationship-building skills.
- Strategic Thinking: Strategic thinking involves the ability to analyze complex situations, anticipate future trends, and develop long-term plans and strategies to achieve organizational goals. Effective leaders with strong strategic thinking skills are able to align their actions with the organization's vision, make informed decisions, and adapt to changing circumstances. Strategic planning was designed to assist with preparing a company's future by providing an opportunity to circumvent or curtail the impact of

unforeseen or sudden events. In the same breath, implement the company's goals and objectives.

- **Communication:** Communication is a critical leadership skill that involves the ability to convey information, ideas, and expectations clearly and effectively. Leaders must be able to articulate their vision, provide feedback, listen actively, and foster open and transparent communication channels within the organization. Strong communication skills help build trust, inspire and motivate employees, and promote collaboration and teamwork (Ololube et al., 2016; Ololube et al., 2019).
- **Decision-making:** Decision-making is the process of selecting the best course of action from available alternatives. Leaders are often faced with complex and ambiguous situations that require sound judgment and the ability to evaluate risks and benefits. Effective decision-making involves gathering relevant information, considering different perspectives, and making timely and well-informed choices (Aliyu, 2019; Ololube, 2013).
- **Team-building:** Team-building refers to the leader's ability to create and develop high-performing teams. Leaders who excel at team-building understand the strengths and weaknesses of team members, foster a positive and inclusive work environment, promote collaboration, and encourage the development of interpersonal relationships. Effective team-building contributes to improved communication, increased productivity, and enhanced employee satisfaction and engagement.
- **Adaptability:** Adaptability is the capacity to adjust to new conditions, changes, and challenges. In today's fast-paced and dynamic business environment, leaders need to be flexible and responsive. They must be open to new ideas, embrace change, and be willing to take calculated risks. Adaptive leaders can navigate uncertainty, lead their teams through transitions, and make necessary adjustments to achieve desired outcomes (Ahiazu & Ololube, 2016).

Developing and honing these skills is crucial for leaders to drive organizational success. By focusing on strategic thinking, communication, decision-making, team-building, and adaptability, leaders can effectively guide their teams, foster innovation, and navigate the complexities of the business landscape:

- **Performance Metrics:** Evaluating leaders based on performance indicators, such as financial results, employee satisfaction, team performance, and innovation.
- **Behavior and Culture:** Evaluating leaders' behavior in terms of ethics, integrity, inclusivity, and their ability to foster a positive organizational culture.

### **Benefits of Leadership Evaluations**

Leadership evaluations are important because they aid in self-improvement and the overall improvement of management in a workplace. Here are benefits that regular evaluation offers:

- **Helps identify weaknesses:** An evaluation can help identify weaknesses. Assessing the performance of leaders may reveal lacking skills or other areas where they can improve. This aid in leadership development because you can use the results to create training resources or opportunities that can help develop skills and strengthen any weak areas. For

example, if an evaluation shows that leaders aren't meeting deadlines, then you can develop training for time management skills.

- **Identifies processes that are effective:** Leadership evaluations also help identify strengths. By performing this type of assessment you may identify what processes in the workplace result in the best outcomes for development. Evaluations can also show leaders which methods are most effective in guiding their team. Knowing what processes are effective helps to repeat these actions for better outcomes.
- **Highlights skills you can develop:** As a leader, these evaluations help you to learn what skills you might focus more on developing. If you aspire to be a leader, evaluations may help identify which skills to add to your skill set. It's helpful to improve your skills and develop new skills because doing so may improve your career opportunities. Developing skills also help you become more efficient and accomplish bigger goals.
- **Creates learning opportunities:** Leadership evaluations create learning opportunities for leaders and other employees at the company. For example, professionals may discover how to assess their own performance by providing feedback on leadership. Team members may also learn how to better communicate expectations, goals and requirements after performing an evaluation.
- **Assists in developing better leaders:** One of the primary benefits of leadership evaluation is that they help in developing better leaders in a company. This is because evaluations show leaders what they're doing well and what they can do better. Regular evaluations can ensure that leadership constantly improves. Since effective leadership impacts the company's ability to accomplish goals, improving leadership is vital. Good leaders also help to create a better work environment and may increase job satisfaction for all employees.

### Steps to Take when Evaluating Leadership

When evaluating leadership and leadership development plans is essential to completing company goals and achieving growth. Here are five steps to evaluate leadership:

- **Determine who the evaluation affects most:** Before you evaluate leadership and leadership programs in the workplace, consider who is a stakeholder in this assessment. Stakeholders are executives and other leaders who use the results of the evaluation to implement changes and develop goals. Identifying stakeholders can help you determine the most critical attributes to evaluate.
- **Identify the criteria for leadership in your workplace:** It's important to know what your leadership development goals are to perform an evaluation. One way you can identify goals is by determining the criteria for leaders in the workplace. Learn what the expectations are for leaders. This may include production goals, employee interactions or other measurable outcomes.
- **Determine how to collect data:** There are many ways to collect data when performing an evaluation. For example, you may create an assessment for leaders to complete, or you could create surveys for employees to provide feedback on leadership in their departments. Consider the goals of your evaluation and the metrics you want to measure when choosing a method of data collection.

- **Make conclusions from data:** Once you gather enough data you can evaluate your findings and interpret the information to make conclusions about leadership and leadership programs. This can help you determine strengths and weaknesses. The data may also show progress toward your leadership goals.
- **Find ways to implement conclusions and improve leadership:** Use the conclusions of your evaluation to make improvements to developing leadership within the workplace. For example, you may conclude that if leaders spend more time engaging their team, they'd meet production goals quicker. Then using feedback from employees you could develop and implement a plan for leaders to become better at engaging their team members. Your evaluation may highlight a need to provide better training for leaders with a greater emphasis on providing leadership opportunities to other team members. You can still find ways to improve even if the evaluation shows that leaders are meeting goals. In this case, you may adjust goals so that the leaders can accomplish more.

## Methods of Evaluation

There are several methods you may use to evaluate leadership and personal development. Here are some common methods:

**Keeping Logs:** Logs are official accounts of actions or observations. A log on your own performance or on the performance of leaders in the workplace can help track progress and is a reliable source to identify areas where improvements may be necessary. A benefit to using a log is that they're structured. You can determine what to record in the log based on what attributes of leadership development you may be evaluating. For example, if evaluations often assess productivity, it's helpful to log tasks that leaders complete.

- **Self-reporting:** Self-reporting is a helpful method to use for evaluation because it helps leaders perform self-reflection on their performances. In performing a self-assessment, a leader may identify what they feel they do well and they can identify areas in which they want to improve. Learning self-reflection is also an effective way to develop self-awareness and may encourage constant improvement and evaluation.
- **Collecting Feedback:** Feedback from team members is another method to evaluate leadership. Sometimes, collecting the opinions of those directly affected by leaders is the most effective in evaluating their performance. To collect feedback, you can develop a survey of guided questions for team members to complete. If you receive a request to provide feedback, try to be thoughtful and offer constructive criticism. Feedback presents an opportunity to make suggestions for improvements and offer praise.

## How to Implement Effective Leadership Evaluation

- **Clear Criteria and Expectations:** Establishing clear evaluation criteria aligned with organizational goals and expectations.
- **Ongoing Feedback and Coaching:** Providing leaders with regular feedback and coaching to support their development.
- **Calibration and Standardization:** Ensuring consistency in the evaluation process by training evaluators and using standardized assessment tools.

## **Evaluation of Different Leadership Styles as it Affects Organizational Performance**

### **Laissez-faire Leadership Style**

Laissez-faire is a French phrase that means let it be and describes leaders who allow followers to work without supervision (Ololube, 2017). It is the kind of leadership where the leader is inactive, rather than reactive or proactive. The laissez-faire leadership style, also known as the “hands-off” style or free reign, is one in which the leader provides little or no direction and gives followers as much freedom as possible. It means leaving subordinates to complete tasks and jobs in the way they choose without adherence to any strict policies or procedures. Leaders who adopt the laissez-faire leadership style exercise little control over their subordinates and let the subordinates have freedom to carry out their assigned tasks without direct supervision (Amanchukwu et al., 2015). True laissez-faire is in fact no leadership style because the leader has almost no influence over the group.

### **Autocratic Leadership Style**

Autocratic leadership style, also called coercive or dictatorship, involves the leader retaining as much power and decision-making authority as possible (Ololube, 2019). In other words, autocratic leadership involves absolute, authoritarian control over a group; such a leader is characterized as domineering. In autocratic leadership style, the leader determines policy and assigns tasks to subordinates without consulting them. Authoritarian leadership is gained through punishment, threats, demands, orders, rules, and regulations. The subordinates working under autocratic leaders carry out the leader’s directives without asking questions and there are no group inspired decisions. The leader centralizes authority in decisions making and supervises work in close detailed manner than in general form.

### **Transactional Leadership Style**

The transactional leadership style was pioneered by Burns (1978). Transactional leadership is exchange of the relationship between the leader and the subordinates (Ahearne, 2000; Al-Abrrow, 2013). Transactional leadership involves an exchange process that results in follower compliance with leader request but not likely to generate enthusiasm and commitment to a task objective. The leader focuses on having internal actors to perform the tasks required for the organization to reach its desired goals (Alizor, 2012). Transactional leadership as the leader’s attitude towards identification of followers’ needs and aspirations, and clearly demonstrates the ways to fulfil these needs in exchange of performance of followers (Ololube, 2017).

### **Authentic Leadership**

Appropriately named, authentic leadership focusses on the authenticity of the person in charge as well as their actual leadership (Ololube, 2019). Authentic leadership draws from psychological positivism. Leaders and followers should focus on positive traits as opposed to negative traits. Authentic leadership requires and necessitates an organizational structure that is highly developed. An authentic leader is one who treats his followers with respect and shows reliability and consistency in thoughts, words and actions. Furthermore, leadership under authentic

principles is far different from where this research journey began. The theories are moving towards leadership being a social construct that integrates all aspects of group dynamic and the environment and other non-tangible factors (Ololube, 2017).

## **Servant Leadership**

Servant leadership is another approach arising from the transformative approach. The servant approach emphasizes caring of subordinates. In this context, the leader focuses more on the needs of the follower (Amanchukwu et al., 2015). The needs of the follower take priority over the needs of the organization. Some researchers have suggested that servant leadership allows opportunities for followers to rise to the level of leaders. Further, if leadership is considered a function in the modern era, then the leader and follower roles should be interchangeable as the situation dictates.

## **CONCLUSION**

Leadership is the most important driving force to increase the performance of the organization. In addition, leadership is the effectiveness attained by means of reaching the organizational outputs and objectives, which are indicators for the quality of the leadership. Leadership is related to the performance of employees and the participation of employees is important for organizational development. One of the reasons why there is a relationship between leadership style/approach and organizational performance is that it necessitates innovation-oriented competitiveness within today's concentrated and dynamic market and the creative destruction of reduced profit and competencies, in the face of such challenges, effective leadership can facilitate performance development. In addition, to understand the effects of leadership on performance, it is important that leadership play a key role in developing the performance of the organization. The improvement of organizational performance requires the development of management, and a sustainable competitive advantage requires leadership.

## **Suggestions**

Working in unfamiliar environments can help leaders and experts approach decision making more creatively. For instance, when we put retail marketing professionals in several military research environments for two weeks. The settings will be unfamiliar and challenging, but they will share a primary similarity with the retail environment: In both cases, the marketers will have to work with large volumes of data from which it will critically identify small trends or weak signals. They will discover that there was little difference between, say, handling outgoing disaffected customers and anticipating incoming ballistic missiles. The exercise will help the marketing group to learn how to detect a potential loss of loyalty and take action before a valued customer switch to a competitor. By improving their strategy, the marketers will be able to retain far more high-volume business.

Games, too, can encourage novel thinking. We can create a game played on a fictional planet that will be based on the culture of a real client organization. When the executives "land" on the alien planet, they will be asked to address problems and opportunities facing the inhabitants. The issues they will encounter will be disguised but designed to mirror real situations, many of which will be controversial or sensitive. Because the environment seemed so

foreign and remote, however, the players will find it much easier to come up with fresh ideas than they otherwise might have done. Playing a metaphorical game increases managers' willingness to experiment, allows them to resolve issues or problems more easily and creatively, and broadens the range of options in their decision-making processes. The goal of such games is to get as many perspectives as possible to promote unfettered analysis.

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