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LEADERSHIP THEORY

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Question 2

Introduction

Leadership is an essential part of organisational success because leaders are responsible for executing major business operations. Moreover, leaders have the responsibility to establish a connection between the employees and the organisational goals. The influence of leadership in an organisation is multifaceted, therefore, it is important for an organisation to adopt an effective leadership model.

Discussion

In the present scenario, employees are to be provided with certain freedom and voice and a silent leadership model must be eliminated from the workplace of an organisation. Considering the present business and workplace environment, the most effective leadership model that needs to be implemented in organisations is servant leadership. Servant leadership theory propagates that the objectives of the leader must surpass his individual objectives, rather the objectives of the leader should be directed towards ensuring the well-being of the organisation and the employees (Pawar et al. 2020). This implies that leaders have to make decisions that serve the best for both the organisation and the employees.

Moreover, under servant leadership, employees feel valued and heard and this feeling of being valued and heard directly enhances their work performance and productivity. The major benefit of servant leadership is that people feel valued under this leadership. Organisations that follow this leadership model get the support of the employees at an optimum level because under this leadership the employees feel that their organisation values their position and cares for them. According to the observation of Zhang et al. (2021), under servant leadership, employees get the

opportunity to develop their skills and knowledge. Employees by utilising these opportunities develop their skills and contribute their best to their organisation.

Servant leadership theory further stresses the importance of employee engagement through effective communication. An organisation that follows the servant leadership model, directs its efforts towards communicating with the employees and ensuing enhanced employee engagement. Employee engagement is necessary for the organisation in the sense that it keeps the employed motivated and engaged. As per the views of Chua & Ayoko, (2021), the employees when they feel engaged and motivated work with more determination, which leads to organisational success. Moreover, it has been found that under effective leadership employees get the opportunity to learn and improve their skills in the relevant field. Apart from that, it has been identified by many scholars that servant leadership is essential to create organisation harmony and consistency.

The collective efforts of the employees are necessary for maximum organisational growth. It has been supported by Khan et al. (2021) that under servant leadership, employees learn to work collectively and they learn the art of working in a team with cooperation and collaboration. Moreover, studies show that leaders are responsible for synthesising the individual goals of the employees into organisational goals. This becomes possible under servant leadership because leaders who follow the principles of servant leadership understand the needs and requirements of the employees. Therefore, they can communicate effectively with the employees to draw an interrelation between the individual goals of the employees and organisational goals. Servant leadership is further required in the present-day organisation to retain valued employees. It has been argued that Kurdi & Alshurideh (2020) retention of valued employees is essential for the sustainable development of the organisation, therefore with the help of effective leadership

the interest and attention of the valued employees must be retained. Today's market is highly competitive and employee strength is an essential part of the competitive edge in the market (Dirani et al. 2020). The Principles of servant leadership support employee retention because at the heart of this leadership theory lies the development of the employees and the organisations. Under servant leadership, employees get the opportunity to grow and their performance and contribution to the organisation also get recognised, therefore, they do not wish to switch their jobs.

ASDA is one of the leading retail companies in the UK, the current market share of the company is 13.4% of the total retail market of the UK. In terms of market share and revenue, ASDA comes in the third position just after Tesco and Sainsbury's. Moreover, ASDA's sustainable growth in the market suggests that the company in the coming years will capture more market share in the UK. ASDA follows a servant leadership model, which implies that the company values its employees and makes the employees feel valued and heard within the organisation. ASDA employs over 145,000 employees and the major strength and competitive edge of this company lie in the fact that the employees of this organisation are dedicated and work with full determination to achieve their individual goals as well as organisational goals.

The servant leadership style of ASDA has been helping this company to engage all the employees and make them feel valued. In fact, the employees who are working in the organisation are of the view that their organisation cares for them and they are satisfied being a part of ASDA. The leaders at ASDA properly communicate with the employees and the leaders try to meet the needs and requirements of the employees. The support that ASDA gets from the employees due to its strategic leadership model has proven to be immensely beneficial for its sustained growth in the highly competitive retail market of the UK.

Conclusion

To conclude this study, it can be stated here that leadership is an integral part of organisation success. Presently, the most effective leadership theory is the servant leadership theory because the principles of this theory support the growth of both organisations and employees at the same time. ASDA by leveraging the benefits of the principles of servant leadership theory to ensure sustainable business growth.

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