

A Case Study of Leadership: Modern Day Organization

Khairul Shahida Shabi, Mohamad Farid Shamsudin, Moses Sekindu

Business School/ Universiti Kuala Lumpur, Malaysia

ABSTRACT: *Organizations play a very important role in societies. In entire life, we have been dealt with organizations, small or large, public or private. Organizations formed by human beings sometimes even control us, dominate society, stifle development or progress, promote growth and change, alter our environmental conditions, and at the same time fulfill our human and societal needs. Their role is multidimensional and dual in nature, they can contribute to the progress and satisfying human needs, but at the same time they can be a major obstacle in fulfilling accomplishments. They are a powerful instrument in governance and the promotion of democratic values. Initially organizations were simple in structure and management, but as they grew larger they became sophisticated and complex in structure and function, requiring managerial skills and techniques beyond the comprehension of many people. Now here comes the role of the leader who could filter the negative traits and thus direct the organization towards optimism.*

KEYWORDS - *change management, democratic, governance, managerial*



1. INTRODUCTION

The case is written for MBA on Management and Organizational Behavior, leadership and strategy implementation. The case can be taught towards the end of a Management course to learn about organization and its behavior. This case can be used in the segment focusing on action and leadership.

2. CASE REVIEW

The case study is taken based on Ugandan Company (AK Investments) which situated in the Industrial area, constructing and producing cable machines for industrial applications. This company is a leading performer in the market and constantly has to find innovative technical solutions to stay in that position. When the study was conducted, the company had about 60 employees' in three countries, including Uganda. The founder of the company Mr Alex was, at the time of this study, still active as a leader of the company, although his son was formally the chief executive officer (CEO).The organization has a structure of self-managed teams and an organizational culture with the express aim to promote the possibilities of the employees to develop their skills and influence their work situation. According to market surveys, the company has had a better economic performance than other comparable companies (Market Manager, 2004).

2.1. Strategies of the Company

The founder of the company has consciously developed and refined the culture and the structure of the organization since it was established in the 1990s. He claims that 'my business idea is basically honesty'. He assumes that all individuals want to do something meaningful, take responsibility and grow in their career and works. He thinks that this is the best promoted by freedom, appreciation and participation. The philosophy of the founder permeates both the structure and the culture of the organization. It is also reflected on the company build up. A new factory building was constructed in 2003. The major parts of this building are made of glass, meant to symbolize a pure flow of communication. The idea is that the shaping of the building should promote the participation of all employees and promote an open and honest communication.

The founder of the company is actively communicating the values of the organizational culture to the employees. He is taking a central role in the meetings with all the employees. In his communication he is often using metaphors, such as 'geese flying in delta formation', related to the organization of the company.

He spends a lot of time talking about the importance of the employees being alert and taking responsibility, emphasizing that it is the responsibility of the employees to make the company profitable and to find sustainable solutions. An observation was made when Mr Alex the founder of the company together with all the employees formulated the quarterly goals of the company. The employees made their contributions when they were asked to, and the founder decided if he thought that a contribution was worth writing down.

During the meeting, a picture of the company's economic turnover was shown, and Alex talked about where money needed to be saved. He encouraged the employees to work with the quality of the products to change a negative trend. The final version of the goals was typed out and handed to all employees during the next coffee break. A respect but also a certain distance to the founder of the company was expressed by the employees interviewed. They believed that a prerequisite for the company's organization of work was a leader who raised the awareness of the employees' own responsibilities for work performance. All the persons interviewed described the frequent communication in the company as something positive and an important condition for their work. The employees felt motivated by what they perceived as a good atmosphere in the organization. They felt that their contributions were appreciated. According to the CEO, they try to have a straight and honest communication in the organization, where everyone should be aware of the situation of the company.

2.2. Innovations by the Leader

The leader of the company has decentralized structure which has no formal hierarchy no foremen and no time clocks. Instead, it is organized in self-managed teams. In these teams, the employees are expected to take initiative, try new things, take responsibility, adapt and co-operate. It is a mental development, you are developing mentally, it is not only machines, and you are also developing as an individual. You always learn something new all the time. There I is no limits are set, you can decide yourself in what pace and all that. There is also an ambition to avoid professional divisions in the company. For example, the employees take turns in managing the reception and cleaning the workplaces. According to the CEO, the practical work experiences of the employees are more important than their formal education. Therefore, it is important for the company to have a work environment where the employees can learn, develop and take responsibility.

Employees who are unwilling to step outside their professional limits and want to have a clear working division are not suitable for this company. The work of the self-managed teams is goal-oriented. A structured schedule is used for setting annual and quarterly goals of the company, and the employees are involved in this process. The employees are also setting their own goals every week

according to the schedule. The quarterly and annual goals were described in the interviews as reminder of what is expected by the individual, an eye-opener, rather than financial goals or goals for production. At coffee breaks every day at 9 AM and 2 PM, where all the employees are expected to participate. These breaks are used as information meetings. A bell rings in the building to call attention that the meetings are taking place. A flipchart and an overhead projector are always present to be used at these occasions.

3. DISCUSSION QUESTIONS

- 3.1. Discuss the roles of a leader in a Modern day organization
- 3.2. What are the Observations in AK Investments' leadership strategy?
- 3.3. What are the qualities of a good leader in a Modern day organization?

4. CONCLUSION

The case study has outlined the optimism approach implied by the leader in managing and motivating the man power in current industry expectation. Most of the processes and progress influenced by the team management as well in order to perform in organization besides understanding the environment that affected by technology and innovations.

REFERENCES

Books:

- [1] Ahmedabad Management Association. (2004). *Creating Innovations: Leadership Challenge*.
- [2] Ahmedabad Management Association. (2005). *Inspiring Innovations*.
- [3] Goleman, D., & Macmillan Audio (Firm). (2013). *Working with emotional intelligence*. New York: Macmillan Audio.
- [4] Shah, S. (2007). *The Gift of Leadership*. Oasis Publication.
- [5] Stephen P. Robbins. (2001). 9th edition by Stephen P . Robbins San Diego State University. *International, Prentice Hall*.

Journal Papers:

- [6] Vasudevan, H., & Mahadi, N. (2017). A case study of Organizational Behaviour and Resistance to changes in Malaysia ' s Commercial Banking Industry. *IIUM Journal of Case Studies in Management*, 8(1), 24–34. Retrieved from <http://journals.iium.edu.my/ijcsm/index.php/jcsm/article/view/29/12>