On the Evaluation of the Enterprises’ Leadership Effectiveness

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Abstract: Enterprises’ Leadership Effectiveness (ELE) is the performance and the outcomes that have been achieved after the enterprises leadership have been performed. To achieve joint effort, build system trust and build learning organization is the three fundamental way to achieve enterprise leadership. Leading joint effort is an important way to achieve leadership effectiveness; system trust is the basis for achieving the success of enterprise leadership; learning organization is the guarantee of achieving leadership effectiveness. The effectiveness evaluation of enterprise leadership requires the multiple criteria of openness. In order to meet the requirements of various objectives, leadership performance evaluation needs not only focusing on performance, attitude, behavior, cognition; but also needs an open, macro mentality formulated multiple standards according to different requirements.

Introduction

Generally, Effectiveness means good performance and efficacy that have been expected. The leaders and the groups of leaders purposely implement leadership on the objectives and environment, and achieve the leadership effectiveness (Pei Daxing, 1986). Enterprises’ Leadership Effectiveness (ELE) is the core of enterprises’ management. To achieve ELE is the first choice of the enterprises to strengthen themselves, and to rescue from the crisis. At present, world political, economic environment are complex; economic globalization, information technology is becoming more and more obvious, enterprise boundaries blurred; how to implement ELE to realize the goal of enterprise becomes more prominent. This article has dealt with the evaluation of ELE from the route of leadership achievement point of view. The second part traces back to some literature on leadership. Part 3 focuses on the route of leadership effectiveness implementation. Part 4 is about the evaluation of leadership effectiveness. And the last part is our conclusion.

Literature Review

From the leadership behavior, the leader of the mental model, leadership thinking, Naniel F·Pinnow (2008) has argued that how to improve leadership effectiveness through the promotion of learning the personal charm and personal influence. Stephen P·Robbins (2009)has pointed out five variables to study ELE: the leadership performance; leaders’ qualities and styles, the characteristics of followers, the leaders’ behavior and leadership situations. Lapid-Bogda Ginger (2010) discussed the different personality types on leadership effectiveness of the ascension of the problem through the combination of personality and professional ability. Paul Mayor has proposed five pillars of leadership: specific thoughts, plans and balance, enthusiasm and desire, confidence and trust, and the implementation of the responsibility; and has analyzed the leadership and the effectiveness of leadership. Bill George has studied leadership effectiveness from the virtue, style, and pattern of leaders. And Hill and his collaborators have reviewed the literature of leadership effectiveness (1986-2011), have concluded and defined the judging standard of leadership effectiveness.

From the above, we know that most studies on leadership effectiveness have dealt with the
influencing factors, judging standards and scopes. However, they have little mentioned how to improve ELE. So this article will propose the route of improving leadership effectiveness.

The Route of Achieving ELE

Leading Joint Effort is an Important Way to Achieve Leadership Effectiveness

**Leading Joint Effort.** Many researchers believe that the core of the enterprises' leadership should focus on the leaders themselves. In fact, the implementation of the enterprise leadership depends on the leading joint effort. Leading joint effort is the synergy that emanate from the people, environment and resources correctly, in order to achieve the desired goal. The element of the people includes the leadership, the subordinate and stakeholders of the enterprise. Environment refers to the comprehensive environment, included the soft environment, which is related to the enterprise's goal. Resources refer to material resources related to the achievement of leadership. In the condition of social licensing, scientific construction, configuration. These three elements play the greatest synergy, the production is conducive to the realization of the enterprise objectives of the force.

**Leading Joint Effort Composition.** The formation of the leading joint effort requires a high degree of matching between the leader and the follower. Leadership ability formation, is mutual recognition and fit between the leader and the follower in teamwork, in the aspects of target, methods, personal ability and quality (collaborative leadership and shared leadership research have been studied). Leaders should match their leadership behavior, leadership style with their subordinate. And followers must have the ability and the willingness to come from the heart of the business requirements, which means that there is a high degree of readiness. The relationship between the degree of preparation and the leadership has a positive correlation, and the situation theory proposed by Dr. Paul has been discussed. And the relationship between the degree of preparation and the degree of matching and the results of the leadership in the practice and research shows that it has a positive correlation.

![Graph](image.png)

**Figure 1. The relationship between readiness and match.**

The formation of leading joint effort needs "watering down". Factors that influence the formation of leadership effectiveness are very complex, which includes team members on a common vision of recognition, a leader and a follower. In addition, it also includes the situation and tendency of the development of things.

The achievement of leading joint effort needs the transformation from “me” to “us”. Leading joint effort is not the ability of individual, but the collective ability of the people involved matter or organization.

**Maximization of Leading Joint Effort.** Maximizing Leading joint effort is the joint efforts of the enterprise and its environment as a whole to form the maximum tension. The gap between the Leaders and subordinates must be very small or not exist. They should not only to maintain a high degree of matching, but also must be a high level of matching. In practice, a lot of business leaders are very good, but the operation of the enterprise is very bad. One reason is that the matching degree is not good enough. Because in the team, the ability level gap between team members and leader is too large, resulting in not forming a cohesive force.
The degree of voluntary of the subordinates influences the degree of the realization of the leading joint effort. The realization of the leading force can be realized according to the voluntary, and it can also be realized through the external factors. Voluntary can not only reduce management costs, save resources and has higher efficiency, but also can stimulate the potential that the employees have. The external force or other factors can also achieve the leading joint effort, but the cost is high, and it is difficult to continue, because the mood of the employees is often more depressed.

System Trust is the Basis for Achieving the Success of Enterprise Leadership Effectiveness

System Trust. Trust which is the core of the contemporary economic activity is one of the three leading factors in the enterprise. Leonhard Sprung (2004) pointed out in the next few decades, trust will be the central issue in the management field. Trust scale is the only explanation for economic development. Trust is the basis for the leadership of the staff of the enterprise. At present, the world becomes more and more virtualization, the organizational boundaries are more and more fuzzy, trust plays a more and more important role.

System Trust Building. System trust building is a very complicated problem. It can be influenced by both realistic conditions, and historical, cultural and traditional ideas. In reality, in the absence of key to keep external binding and environmental stability conditions, the establishment of a trust system is the human factor, namely the leader and the follower must to have a good "practice"—both human practice and ability to practice. Inside the enterprise, once the trust of the "penetration and transmission" is built, it will slowly accumulate as a corporate culture. This trust play the role of "Occam's razor", the doubts of the risks and additional cost remove from the system, so as to reduce the cost and cohesion, to realize the leadership effectiveness.

We can view system trust as figure 2. This system is like a fixed trust rope fixed table with three legs, or called fixtures. with the fixtures, superior, intermediate, junior can constitute a real system. If one of the three legs does not believe in their own organizations, leading to tissue fixation rope or a fixture damage, can not play the role they should play, the other two legs wouldn't have completed their goals, the organization will immediately die.

Learning Organization is the Guarantee of Achieving Leadership Effectiveness

The construction of learning organization is the organization foundation and organization guarantee for the realization of ELE. The results of the enterprise leadership is completion degree of the enterprises’ objectives after the leader, the manager and the executive in a certain environment have integrated all the resources. The key to the realization of enterprise leadership is the environment of the enterprise and the people. Efficient leadership must have an efficient leadership decision-making team, management team and implementation team. Those three are not mutually separated from each other. Due to the current social information is huge, the need for high quality, high talent to build the enterprise is very prominent.

Learning organizations should have the following principles. Firstly, learning organization should have its own internal training. Whether it is the leader and followers, in addition to learning management knowledge, leadership knowledge, skills, their practice should strengthen the quality of human nature, temperament training. Secondly, learning organizations should View the environment inside and outside the enterprise with a systematic view. Another factor which affects
ELE achievement is that enterprise is an organization needs having various relations with the outside world, how to ensure the success of the enterprise and the outside is indispensable. Lastly, Learning organizations should transform the value of the leaders. As the leader of the enterprises, the leader should put the customers, employees and shareholders of the order.

The Evaluation OF ELE

There are some different opinions on how to evaluate the leadership effectiveness, we should have some premises before evaluating.

The Premises before Evaluating ELE

In order to study the evaluating ELE, we can have table 1 to illustrate.

Table 1. The organizational structure of studying ELE.

<table>
<thead>
<tr>
<th>The premises of evaluating leadership</th>
<th>The index</th>
<th>The categories of index</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Who evaluate?</td>
<td>The resources of leadership measurement</td>
<td>Self-report, Senior, subordinate, colleagues</td>
</tr>
<tr>
<td>(2) What the pattern of evaluating?</td>
<td>The categories of data</td>
<td>Survey, interview, observation, data base, company records</td>
</tr>
<tr>
<td>(3) What the domain of evaluating?</td>
<td>The categories of leadership effectiveness</td>
<td>Performance, attitude, behavior, cognition</td>
</tr>
<tr>
<td>(4) What the time period?</td>
<td>Division of time</td>
<td>Short term, long term, horizontal, vertical</td>
</tr>
<tr>
<td>(5) What the organizational scope?</td>
<td>The scope of leadership</td>
<td>Individual, group, unit, organization</td>
</tr>
<tr>
<td>(6) What the organizational level?</td>
<td>The level of leadership</td>
<td>Senior management, middle management, management, mix</td>
</tr>
</tbody>
</table>

Those 6 problems are the premises of evaluating ELE. They have solved the problems like who, how, when, what etc, and have defined the boundaries and the domain, have underpinned the evaluating problems.

The Factors of Evaluating ELE

After solving the premises, we can have the following factors to evaluate ELE, those are Performance, attitude, behavior, cognition. We can have table 2 to illustrate.
Table 2. The factors of evaluating ELE.

<table>
<thead>
<tr>
<th>domain</th>
<th>categories</th>
<th>The examples</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>tangible</td>
<td>Bankruptcy; sales growth; market value; profit; return on sales, return on investment</td>
</tr>
<tr>
<td></td>
<td>Intangible</td>
<td>The evaluation of others</td>
</tr>
<tr>
<td></td>
<td>performance</td>
<td>Annual performance ranking</td>
</tr>
<tr>
<td></td>
<td>Ranking</td>
<td>Innovation ranking</td>
</tr>
<tr>
<td>attitude</td>
<td>attitude</td>
<td>Cynicism; recognition; organizational commitment; satisfaction; self-esteem; trust</td>
</tr>
<tr>
<td></td>
<td>motive</td>
<td>Effect; empowerment; licensing; self reconciliation; intrinsic motivation</td>
</tr>
<tr>
<td></td>
<td>emotion</td>
<td>Tired; worried, depressed, complaining, psycho pressure</td>
</tr>
<tr>
<td>behavior</td>
<td>Unit progressive</td>
<td>Cooperation, communication process, change action, people's behavior</td>
</tr>
<tr>
<td></td>
<td>Civilian behavior</td>
<td>Organization five factor model, helping behavior, and social behavior</td>
</tr>
<tr>
<td></td>
<td>Self-report</td>
<td>Personnel changes, personnel, and the influence of the upper level.</td>
</tr>
<tr>
<td>cognition</td>
<td>conscious</td>
<td>An atmosphere; a leader's original line; support that can be conscious of; the organization structure; the mental model.</td>
</tr>
</tbody>
</table>

Besides those factors, we need developing multiple criteria to meet the objective of a variety of considerations according to different conditions.

Firstly, Identifying multiple standards and judging their achieving extent. The goals of different enterprises vary, the factors to evaluate ELE vary. The effectiveness should not only evaluate from the factors above, but also from the environment index, political index.

Secondly, the achieving extent of the synergy between the followers and the leaders. The achievement of the leadership is the interaction outcome between the followers and the leaders. If the synergy between them is not enough, the success of the leadership should not happen.

Thirdly, judging from the quality recognition of goal progress. It concerns with the leadership has strengthen the members of the team, the commitment of the team and the trust to achieve the goal of success.

Besides, we should also recognize the law, institution, culture, and customs may influence the leadership evaluation.

**Conclusion**

Enterprise leadership effectiveness is the achieving extent of the original target of the enterprise through the synergies of people, resources and environment. The way and guarantee to realize the ELE are to realize the leading joint effort, establish the system trust and establish the learning organization. In order to better achieve ELE, Only through the synergy of leading force; only on the basis of trust, the enterprises can ensure Pareto optimality of people, resources, and environment, so as to form a leading joint effort, and maximize the leading joint effort, complete business objectives. The establishment of learning organization is the organization guarantee for the realization of enterprise leadership. The evaluation of the leading effect can be considered from three aspects, which are the comprehensive index and the degree of realization, the realization of the synergy between the leader and the follower and the quality of the target process.

We can have the following policy recommendations from the above: There are not any simple answers about the evaluation on ELE. The choice of justifiable standard depends on the goal and the evaluators’ value. In a certain period, there should be different standards.
References:


[3] Bill George, Peter Sims, Peter Sims, David Gergen; *True North: Discover Your Authentic Leadership*; Publisher: Jossey-Bass; 1 edition (March 9, 2007), pp. 546-50


