

**HIGH PERFORMANCE LEADERSHIP AND ITS INFLUENCE ON
FINANCIAL GROWTH IN INDIAN CORPORATES**

by

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FINANCIAL GROWTH IN INDIAN CORPORATES**

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Dedication

This study is dedicated to

- My parents - my father late Mr. B Sankaran and my mother Mrs. Sukanya Shankar who always encourage me to keep learning, gain knowledge and educate people to transform lives.
- My dear children – Shrey & Svara to inspire them to keep learning and keep growing in their life and career.
- Corporate leaders and teams in enabling their high performance leadership journey to maximize their growth and the financial performance of the business.

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ABSTRACT

HIGH PERFORMANCE LEADERSHIP AND ITS INFLUENCE ON FINANCIAL GROWTH IN INDIAN CORPORATES

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2025

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In today's competitive era, there are umpteen challenges faced by corporate leaders in achieving their financial targets. The leaders are also held accountable and responsible for any drop in financial performance to the Board of Directors as well as to the shareholders of their organization. Every business seeks to grow at a fast pace and wants sustainable profits.

Normally, the Chief Executive Officer (CEO) or the Managing Director (MD) alone is pulled up for the poor financial results. However, while the CEO / MD is the specific point of contact, they can deliver only when they have an efficient and capable leadership team to support them. This being the case, what capabilities will enable the leadership teams to contributing to improved financial performance of the business is the objective of this study.

Therefore, embarking on this study to deep dive into the four main parameters of leadership capabilities which are leadership drive, leadership skills, leadership analytics and leadership impact. This is being achieved through a survey conducted on Indian corporate leaders and their reporting manager across various industries.

The results of this study reveals interesting insights which is being coined as “Organizational Insights of Leadership (OIL)”. This reveals how the four parameters lead to high performance in leadership. It further reveals leadership expectation gaps within organizations’ which needs to be bridged in order to achieve the peak performance of the leadership team. The study also talks about ways and means to bridge this leadership expectation gap and further shares the necessary steps that can be taken by the leadership team to improve the financial performance of the business.

To conclude, corporates need to work around growth strategies to develop leadership capabilities that will enhance the financial performance of the business. This will result not only in improved business performance leading to better financial results but also enable the leaders to feel good about themselves, their contribution to the business and result in higher efficiencies.

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CHAPTER I: INTRODUCTION

1.1 Introduction

The introduction to this study is divided into two parts – A) The chapter wise organization of the study and B) Key components of the study.

Part A: Chapter wise organization of the study

This study is conducted into 6 different chapters – these are introduction, review of literature, methodology, results, discussion and the last chapter is summary, implications and recommendations. Brief details of each chapter is as below.

Chapter 1: Introduction

This chapter has been organized in 5 different parts. In the first part, the main pillars of the study have been defined. That apart, it also includes what is high performance, what are the different challenges faced by corporate leaders, the significance of the leadership team and the competencies of the leadership team. In the second part, the research problem is stated such as what are the various capabilities that can enable high performance of leaders, which will translate to better financial performance of the business, the fact that while a leader is responsible for the financial performance of the business, a leader alone cannot achieve the targeted numbers as it is a team effort, the need to assess the capabilities of the entire leadership team that can provide organisational insights on leadership and the importance of the leadership team to get to know their blind spots. In the third part, the purpose of the research has been discussed including the understanding the competencies of the leadership team, the direct and indirect key drivers of financial success, understand the

collective impact of the leadership team at the organisational level and arrive at the organisational impact of leadership. In the fourth part, the significance or criticality of this study is explained along with how the results can enable leadership development, the capabilities of leadership team and their impact on financial performance, identify leadership competencies to set the right organizational culture. In the fifth section, research questions are discussed in detail. A chapter conclusion has been added to the end of this chapter 1.

Chapter 2: Review of literature

This chapter is organized into 4 different sections. In the first section, the literature review is covered. In the second section, the theoretical framework has been explained. In the third section, the theory of reasoned action is illustrated. In the fourth section, the summary for the literature review is drawn.

Chapter 3: Research Methodology

This chapter has been segregated into 9 different sections. The first section includes the overview of the Research Problem. The second section constitutes operationalization of Theoretical Constructs. The third main section is related to research purpose and questions – the objectives of study is covered in this section. The fourth section covers the Research design with discussion involving quantitative element, qualitative element, the integration of the two elements and the interplay of leadership capabilities and the financial performance of the business. The fifth section covers the population and sample and the sixth section is about participant selection. The seventh section is about instrumentation and the eighth section is regarding data collection procedures. The ninth section covers the

nuances of data analysis. The last two sections, which are the tenth and eleventh sections covers the research design limitations and the chapter summary.

Chapter 4: Results

This chapter has been segregated into five main sections – one for each research question. Finally, the chapter is completed with a summary of findings and a conclusion.

Chapter 5: Discussion

This chapter has been segregated into two main sections. The first section is the high level discussion of result. In the second section, discussion has been covered against each of the research questions.

Chapter 6: Summary, implications and recommendations

This chapter has been segregated into 4 main sections including summary, implications, recommendations for future research as well as conclusion to the study.

Part B: Key components of the study

What is High Performance?

Corporates want high performance. So do the shareholders. Leaders want to build high performance teams. Employees want to be part of high performance organisations. There is almost no one who actually says no to high performance. So what is high performance and what does it take for leaders to build high performance team and a high performance organisation? While there is so much talk on high performance, do leaders

display high performance in their leadership behaviour? Like how culture flows from the top, high performance also flows from the top. So unless leaders display high performance in their leadership, the rest of the team members may not always be on the path of high performance.

High performance can be defined as achieving superior results by performing at a high standard as per the set targets. It is not surprising that corporates seek business growth, high performance and attractive financial results irrespective of their domain, size and nature of business. “High performance standards - Organizations can no longer survive over time by just "getting by." Global competition has raised the bar on the level of quality in products and service that is expected.” (Bradford & Robin, 2004).

Challenges faced by Corporates

Despite the economic challenges, industry gloom, inflation, global crises, political turmoil etc. business are expected to perform, excel in quality and deliver superior financial performance regardless of the challenges faced. Results is what matters and results speak for themselves. In such a scenario, who will deliver high performance and the desired growth? More importantly how can the business achieve it?

The significance of the leadership team

The desired growth can be delivered by the people working in the corporate, as they are the ones who have the capacity to navigate growth in the path strewn with various challenges. As the growth navigator, it is the leader and his (or her) leadership team of the

Corporate, who have the power to make or break the business growth through their actions (or inactions).

The capabilities of the leadership team over and above the domain expertise, where the leaders exhibit high performance in their leadership behaviour is what will propel the business ahead. The leadership team holds the power of decision making, which needs to be exercised in the best interest of the business to enhance the business performance. And thus the leadership capabilities are the differentiating factor that can lead to the success of the organisation.

The leader and the leadership team are under pressure for superior financial performance by not only the Board of Directors but also by the shareholders. And for the leadership team to manage and produce the targeted numbers, the leaders need to go beyond their domain knowledge so as to contribute to the success of the business. They need to have the right strategy in place as well as an efficient team to implement the strategy and execute the proposed actions to deliver the required results.

“While leaders need analytical competencies such as those associated with strategy, finance and all the planning processes, research on Emotional Intelligence (as reported by Goleman, “What Makes a Leader?”, HBR, 1998) suggests it is increasingly the “soft” skills that differentiate those who are highly successful from those who just get by. This shift in emphasis is largely due to a series of fundamental changes in organizations over the past decades.” (Bradford & Robin, 2004).

Importance of having competent leadership team to drive high performance

Corporates strive for high performance culture and in building high performance teams. And this can be achieved only when there is high performance in leadership by the leaders of the Corporate. High performance leads to high profits (Sumesh, 2021).

The rest of the organisation will follow suit if the leaders exhibit high performance in their behaviour and actions. It is because culture flows from the top and like we know, culture eats strategy for breakfast. Thus the root cause for striving for better and higher growth is high performance capability of the leadership team, which will translate to the targeted results of profitable growth of the business. And this will create win-win for the business, leadership team, employees as well as the shareholders.

While the main leader (usually the Chief Executive Officer or the Managing Director) may be the best person to drive and achieve the targeted results of the Corporate, due to their high levels of efficiency and being well equipped, this alone would not suffice. Because a leader needs a strong leadership team to deliver the vision of the leader, drive growth and give the best of their capabilities for business growth and success. It needs to be a team effort to achieve the business goals as cumulative performance is greater than the performance of any single leader, however great the individual maybe.

Thus to build a high performance team, it takes some additional ingredients compared to a normal team. The following table illustrates the difference between a normal team and a high performance team.

Table 1.1

Difference between a normal team and a high performance team

	Team	High Performance Team
Leadership	Single leader	Shared leadership
Ownership	Individual	Mutual
Purpose	Specific	Highly focused
Development	Some	Continuous development
Meetings	Let's discuss a problem	Let's make decisions and act on them
Relationships	Good	Strong and deep
Aspiration	More than sum of individuals	Beyond expectations
Size	Varies	<8

Source: <https://kinetik.uk.com/how-to-create-and-re-deploy-high-performance-teams/>

Thus when the spirit of the organisation is striving for high performance and having the requisite attributes as listed above, can the business achieve high performance by imbibing it as part of their culture. For this transformation to happen from a normal team to a high performance team, the leadership team needs to drive this change and ensure it is implemented across the various departments of the organisation.

Therefore it is essential to have a competent leadership team to support the organisations' leader in driving, growing and scaling the business to the next levels by not only building and nurturing high performance teams but also by displaying high performance leadership.

1.2 Research Problem

“Large organizations in the United States endure a 30%-50% failure to achieve profitability. Senior executives' lack of strategies to ensure profitability diminish

performance and economic growth.” (Owusu-Boadi, 2019). And this is not just the case in United States but also globally with varying percentages of failure. The reasons for the failure to achieve profitability differ for each business and its specific challenges, ranging from global economic crisis to capabilities and competencies of the leadership team.

Considering the given scenario of umpteen business challenges as well as what the business is expected to achieve, what needs to be done by the leadership team to ensure they are capable to deliver the expectations? In other words, what are the various capabilities that can enable high performance of leaders, which will translate to better financial performance of the business, that can result in higher top line growth and more importantly consistent and sustainable bottom line growth?

Alsamydai and Alensour (2016) asserted that strategic leadership creates innovation and competitive advantage for organizations. This again substantiates the pivotal role of the leaders in contributing to the business growth and successfully achieving the targeted profitability.

The resource based view theory is used to analyze the financial performance of organizations based on market comeption (Patidar et al 2016). According to the resource based view, organizations may achieve higher performance and sustainability by applying their high classed resources and capabilites such as strategic leadership. Thus this again showcases the neccesity to have the right capabilities of the leadership team in corporates to drive high performance and achieve the targeted profitability.

Limitations, delimitations, and assumptions

Although a leader is responsible for the financial performance of the business, a leader alone cannot achieve the targeted numbers as it is a team effort. A leader is only as successful as the team. It is the contribution of the entire team that results in the actual performance of the business.

While there are studies that talk about the leadership skills of the leader of the organisation, there is a need to assess the capabilities of the entire leadership team that can provide organisational insights on leadership of each particular corporate entity. While leaders want high performers in their team, are leaders exhibiting high performance in their leadership capabilities? How is the company performing based on the collective leadership capabilities? Is the organisation leveraging on the strengths of its leadership team? What are some of the weakness of the leadership team and how are they being addressed?

Thus there is a need to identify the various capabilities of not just the leader of the organisation but of the entire leadership team. What are the various capabilities that the leadership team possess that can result in enabling better financial performance of the business? That is what is the core essence of this study.

Further a leader may assume that he / she has these essential leadership capabilities. But everyone has blind spots. And to get to know the blind spots, we need someone to call it out to us and in an authentic manner. Also irrespective of whether it is a blind spot or not, the leadership teams' boss may have their own opinion or perspective or assessment of each person in the leadership team. Many times due to poor communication as well as due to expectation gap, this is sometimes overlooked and not discussed openly. This

happens especially because in senior level leadership team members come along with many years of experience as well as a huge bundle of ego.

Thus there arises an inherent need to identify common crucial leadership capabilities in the corporate leadership teams that can enable high performance leadership as well as contribute to better financial performance of the business and its growth. This can in turn also provide insights into the leadership performance.

1.3 Purpose of Research and Objectives

As the leadership team plays a significant role in moulding the growth of an organisation, the action (or inaction) by each leader impacts the business of the Corporate. Hence there is a need to analyze the essential competencies of the leadership team that builds high performance teams, which in turn can contribute to superior financial performance. High performance teams are known for creating exponential growth. So how does it translate at a collective level in the organisation to result in improved financial performance is what this study will focus on.

Key high performance leadership traits

There are many high performance leadership traits that contribute to the financial success of a business. At a high level, they can be classified as direct drivers and indirect drivers. There is a need to understand the direct and indirect key drivers of financial success of the Corporate. This includes direct drivers such as having growth vision, make strategic decisions, define and track important analytics, effective resource management capabilities, analytical skills etc. The indirect drivers include aspects such as adaptability quotient, emotional intelligence, agility, ability to innovate, inspire, risk taking etc.

Even if the leaders have these direct and indirect drivers, how does it collectively impact the organisation? And what can be done to improve the financial performance?

Considering the above matters and the research problem as stated in point 1.2, the various purposes of this research can be summarized as follows:-

- **Leadership team capabilities** - To identify the different key capabilities of the leadership team of a corporate, that contributes to business profitability
- **Collective impact of the leadership team** - To understand the collective impact of the leadership team at the organisational level
- **Organisational insights** - To arrive at organisational insights on leadership, specific to each Corporate.

Thus this study aims to seek leadership competencies on the above aspects so as to enhance awareness levels of the leadership team within an organisation. This in effect will enable high performance and contribute to better profit growth of the business. Like we know it is the leadership team that facilitates the financial performance and enables business growth in a corporate by leading, guiding and ensuring successful implementation of the necessary actions.

This study will explore the specific capabilities of leadership teams that drive financial success in a Corporate. The objective of the study is to identify and analyze the key competencies that contribute to superior financial performance of Corporates as a collective high performance leadership team. Further, it also aims to bridge the leadership

expectations gap between the reporting manager and the members of the leadership team and actions that can be taken for enhance the leadership capabilities.

1.4 Significance of the Study

The capabilities of collective leadership team significantly influence corporate financial performance. Hence this study, pertains to the capabilities of leadership team in a corporate and their impact on financial performance of the business has several significant implications that are listed as below :-

- The results of the study can enable leadership development within the organisation.
- This study will identify various leadership competencies for high performance leadership that contribute to better financial performance of the business.
- Actions that will enable the leaders performance development and how they can be more efficient contributors to the financial success of the business.
- It will also facilitate open communication amongst the leadership team (more specifically between the CEO or MD and the leaders who directly report to them).
- Leaders can be further developed by enabling them to work with domain experts or leadership coach.
- The outcome of this study will facilitate making strategic decisions on many different areas such as shared vision, succession planning, investing in leadership development etc.

- It will also set the right tone in the organisational culture, leadership behaviour, organisational effectiveness etc. leading to enhanced employee engagement.
- It will also provide organisational insights on leadership.

In effect, the significance of this study lies in its potential to improve leadership practices, strategic decision making, set the desired organizational culture and provide deeper insights into the organizational leadership.

1.5 Research Questions

Apart from the factors mentioned in point 1.3 above, the leadership team of an organisation requires many different competencies that contributes to the financial performance of the business. This research aims to identify some of the top attributes that the leadership team needs to possess in order to enhance the profits of the business. And if the leadership team possesses the required competencies, it would lead to high performance leadership. These are some food for thought that this study aims at figuring out.

Some of the high level questions that arises in developing this thesis can be stated as below :-

1. What are the key competencies required by the leadership team for contributing to the financial performance of the business?
2. While building high performance teams and nurturing high performance culture are commonly spoken about, what traits are required to display high performance leadership?

3. What organisational insights on leadership does the collective capabilities of the leaders reveal?
4. Is there an expectation gap on performance potential, between the leadership team and their reporting manager?
5. Based on the organisational insights on leadership, what are the possible actions that can be taken to improve the the financial performance of the organisation?

From these questions, the following hypotheses may be formulated -

H1) When the collective leadership of the organisation is effective, it results in the display of high performance leadership traits which improves financial performance of the business.

H2) What the observations from the organizational insight on leadership reveals about the leadership team and the areas to focus for improving financial performance of the business.

H3) Fixing of the expectation gap, if any and the ways to bridge this gap. Similarly, actions that can be taken for improving the financial performance of the business.

This study aims to dwell into these key leadership aspects and leadership capabilities that will improve the financial performance of the business growth. At the intersection of high performance leadership, high performance teams and financial performance is business growth. This is depicted in the image 1.1 below.

Image 1.1
Business Growth Hypotheses



Source : Author

Keeping the above factors as the base drivers, this study will be developed based on further findings arising from discussions of corporate leaders, surveys and interactions with different Indian corporate leaders. A collation of the various thoughts of these corporate leaders will be summed and presented as an outcome of this extensive study across different corporates from various industries.

Conclusion

The current study puts focus on the challenges encountered by corporate leaders in achieving high performance for financial growth. Collective leadership within the organization is what nurtures high performance teams. High performance teams contributes to the positive aspects of the key financial metrics of the business. And it is the collective leadership that drives the key financial metrics. At the intersection of these three lies the growth potential of the business which will lead to financial success. Therefore, for growth to happen, we need to arrive at the key leadership parameters that drive financial growth, builds and nurtures high performance leadership and teams that will contribute to business growth. This study aims to dwell into the purpose of this research to arrive at the influence of the collective leadership on the organizations' financial performance. And to impact the financial performance positively, the capabilities that the leadership team needs to possess. By analyzing this, we can obtain organizational insights on leadership. Based on the results, the organization can get ready and be prepared to carve out its path for high performance leadership in order to build and nurture high performance teams which will in turn contribute to the key financial performance resulting in business growth and better financial performance.

CHAPTER II: REVIEW OF LITERATURE

This chapter is organized into 4 different sections. In the first section, the literature review is covered. In the second section, the theoretical framework has been explained. In the third section, the theory of reasoned action is illustrated. In the fourth section, the summary for the literature review is drawn.

2.1 Literature Review

Organisational financial problems may have been caused due to the failure of leadership rather than the external adverse conditions such as subprime mortgages or excessive greed. (Damle, 2018). The role of not just the leader but also the entire leadership team is undoubtedly an important contributor to business profitability and the financial performance of a business, as leaders are the ones who spearhead and navigate the business for growth. There are many different aspects of leadership that have been researched upon. However, is there an impact that corporate leadership team creates with regard to the businesses' financial performance? Because at the end of the day, the business has to make sufficient profits, for it to sustain itself and grow further. Further, what how should leaders equip themselves to improve the business profitability consistently? And consistent profits can be achieved by high performance leaders.

According to Collins et al (2000) High-performance leaders have to be proficient in strategic thinking and strategic stewardship. To be an effective strategist, high-performance leaders must have the competencies necessary to enable them to fulfill missions, meet their mandates, and satisfy constituents in a continuously changing environment. Both strategic thinking (formulating plans, setting goals, and establishing structures) and strategic stewardship (the capacity to implement plans and reach outcomes) are necessary to produce the high level of effectiveness that defines superior organizations.

It's the leadership team of an organization, that drives the organization to profitability with the support of their team members by taking the right timely decisions in the best interest of the business, leveraging their domain expertise, ability to lead and manage teams, their leadership skills etc. This is possible when they have an inherent drive to achieve, embrace challenges and go the extra mile to achieve the set profit targets. Despite the internal and external business challenges, the leadership team directly impacts the financial performance and organizational growth of a corporate.

If a business were to be a game that needs to be won, then the entire team has to perform well and contribute to achieve success. It is not sufficient just for the captain to play well. Each player has a role to play, however big or small and they need to play at their full potential. Just like how the group sport games can be won only when every team member performs well, similarly in business, the entire leadership team has to play very

well to achieve the targeted profits. The existing research on leadership tend to show case the winning skills required for a tennis champion but what about the winning skills required by a football team. What parameters will make the leadership team to succeed? What would be the required capabilities and competencies of the leadership team that also reflects on the organization culture?

Lieberson and O'Connor's (1972) research into leadership and performance in large corporations was set in the context of an examination of environmental constraints on leader influence. "A key research issue," they wrote, "is simply to determine the relative importance of leadership and organizational environment for organizational outcomes. How much variance in organizational performance can be attributed to persons in top leadership roles?" (Lieberson and O'Connor, 1972).

What does it take for the leadership team to steer the business to success and financial growth in Corporates? There is no one particular magic mantra to this question. However, some of the common pointers are leadership drive, the leaders' ability to have a strategic vision, ability to adapt with changing times, leadership skills, innovate, manage risks, ability to create an impact etc.

Researchers have been researching on this question to understand what makes a leader run a financially successful and profitable organization. These studies have led to

different leadership attributes that have an impact on the business, financially and otherwise, resulting in better business performance.

According to Waldman and Yammarino (1999), charismatic leaders may cause a positive effect on their organizations and such leaders may be able to achieve success when expressing their personality through behavioral interactions, including an orientation toward the accomplishment of new visions and goals. This study establishes how leaders through their personality and behaviour contribute to accomplishing the visions and goals of the organization.

Right from visioning to goal setting to accomplishing the targeted financial performance, the leadership team can make or break the future growth of the organization. The leaders need to create the required synergies amongst themselves to achieve the required business outcomes. The leadership team can actually be the game changer by contributing to the organisation's growth and financial success.

Ittner and Larcker (2003) noted a dearth of research in the areas of leader behavior and the relationship to organizational financial performance. The review of literature indicated a lack of research examining a connection between leadership behavior and style and financial performance of organization organizational financial problems such as losses, bankruptcies, and liquidation. They noted the inadequacies of leadership performance measurement systems. They found that the leadership performance measurement systems

evaluated leadership in areas of strategic plan development plans, evaluation of organizational objectives, and for managerial compensation, but failed to directly link leadership behavior to financial performance.

For the organizational financial performance to be successful, think of it like an air show of many airplanes, creating a spectacular show in the sky to enthrall the audience. Even if one of the pilots and the airplanes falter, the performance is adversely impacted. To draw an analogy, for an organisation, the performance is the financial performance, the pilot of each of the airplanes are the department leaders and the shareholders are the audience. So to enthrall the shareholders, each of the department head (that comprise the leadership team of the organisation) must work together in symphony by leveraging their leadership skills and the strengths of their team members.

For this symphony to happen, the leadership team needs to be in sync with each other and the leadership behaviour, business acumen skills, analytical skills, decision making skills, team management etc. are very important. Business leaders have the potential to create the right impact on the profits of the business with the required skills they possess. Even if these skills are not present in them currently, should they have the drive to lead and excel the business, they can work on acquiring, equipping and developing themselves with the required skills. That will help them in not only their personal growth but also in contributing to the overall financial growth of the business.

Leadership development is expansion of a person's capacity to be effective in leadership roles & processes. Leadership development is a process that improves leadership capabilities and organizational performance (Amagoh, 2009). As Amagoh (2009) stated, most of the organizations fail to consider the outcomes of their leadership development programs while they should evaluate the benefits gained from investments in leadership development.

This substantiates that, that is why many organizations' invest in developing and growing their leaders as it directly translates and correlates to the financial performance of the business.

In today's rapidly changing business landscape, corporate leadership development has become more crucial than ever. Organizations that invest in nurturing and cultivating effective leaders are better equipped to adapt to challenges, capitalize on opportunities and drive substantial success. Corporate leadership development programs play a crucial role in fostering a pipeline of skilled visionary leaders who can steer the company towards growth, innovation and long-term profitability. Some reasons why leadership development is essential is because it ensures business continuity, enables leaders to adapt to change, nurtures innovation, enhances organization culture and also gives the business a competitive advantage. The edge that the leadership development provides needs to be quantified and measured in financial terms and if it cannot be directly measured, intangible benefits should be stated to validate the benefits for the organization.

Research also states that - Leadership behavioral dysfunction may have been the sole reason for the financial disasters and researchers have been investigating the dark behavioral aspects including authentic leadership styles with a renewed interest (Liu et al, 2017).

Substantiating it further, another research states the following – “The problem is that the leadership behavior and a lack of leadership in many organizations may have caused organizational failure rates and financial scandals to a large extent. (Haddon et al, 2015).”

Therefore, if the role of leadership plays such a significant part in the financial performance of a business, what are the different elements that are required from the leadership team of a Corporate to run financially successful business? Will just having business acumen and financial management knowledge suffice? Assuming the leadership team has the required leadership skills, will there be a financial impact on the business and the organisation culture of the corporate? What about the leadership growth strategy that the organization should resort to, in order to achieve the desired results? That is what this research study aims to address.

Further, what happens by amalgamating the leadership elements like right business strategy, leadership impact, high performance leadership etc.? Will there be a financial

impact that is being created in the organization? With the desired leadership skills for enhancing the growth of the business, will there be a nil or minimal damage (that is acceptable in the normal course of business) on the financial performance during times of crisis? Let us explore on this to check the link between the leadership team and the financial performance of corporates.

Most research studies reveal some of the key leadership traits such as effective communication, delegation, strategic planning, conflict resolution, team building, integrity, resilience etc. for leaders to be successful. However, with leaders who possess these traits, is there a direct correlation with the business profits? Hence two of the existing theories have been considered wherein the gaps have been identified and also evaluating how this research can supplement the existing studies to develop an assessment tool to understand the organizational insights on the leadership team.

The first theory revolves around leadership skills during the normal course of business and the second theory focuses on leadership skills during times of crisis. Are these leadership skills highlighted in the theories, alone sufficient to create a financial impact? If not, what other attributes of the leadership team contributes to better financial performance of corporates?

THEORY - 1

The first theory pertains to an interesting study covering what it takes for organizations' to be really effective and therefore profitable. It touches upon both the rational and non-rational elements.

While there are many theories and research done around the theme of leadership, what factors contribute to the outcome the leadership team creates on the business? What are the resulting factors affecting the financial performance of the business? This study paper is aimed on this topic and shares about the key findings that have stemmed from this research.

According to Malcolm Davies, organisations have its non-rational, or emotional intelligence, which it needs to understand, in order for the organisation to be really effective and thus profitable. Malcolm Davies has defined organisations as rational and non-rational. Davies (1997) identifies the different parts of the organisational system that make up these elements:

Table 2.1
Rational vs. non-rational organizations

Rational	Non-rational
Strategy	Relationships
Structure	Identity
Systems	Information
Process	Culture
Procedures	Belief
Policies	Courage
Standards	Faith

He argues that a really effective organization is one that is good at both elements identified by:

- Management - effectively coordinating the rational elements of the team
- Leadership - positively influencing the non-rational elements of the team

And, learning the skills to influence the non-rational can be challenging according to Davies.

Malcom argues that a really effective organization is one that is good at both elements identified by the management in effectively coordinating the rational elements of the team and the leadership, positively influencing the non-rational elements of the team.

He further states that - “It is my belief that while leadership and the human element of organizations have long been written about, most of the attempts to inculcate more of the leadership elements or non-rational elements into organizations have actually been done in

a rational way. It is for this reason in my view that success rates in many quarters have been very low.

In a way it is not surprising that we have used a rational approach to the non-rational. As managers many of us have been educated in science, engineering or the professions. All of these provide predominantly a rational view of the world. All implicitly eschew the non-rational as arty-crafty or touchy-feely. These labels are often non - rational defences. They in no way represent the challenges leadership as I have defined it poses. What is popularly referred to as the ‘soft stuff’ is in reality the ‘hard stuff’ which may be why so few people seem to be good at it.”

Gaps identified

While this study highlights the importance of rational and non-rational elements, the study does not talk about the following –

1. What other leadership parameters will contribute in improving the financial impact, even if the leadership team possess the rational and non-rational elements as stated in the theory? Does an organization achieve its financial peak if the rational and non-rational elements mentioned are being followed? If not, what are the other key parameters that are required for the leadership team to contribute to better financial performance of the corporate?
2. What would be the parameters that contribute towards the leadership team to maximize their potential for business profitability?

3. The theory states that learning the skills to influence the non-rational can be challenging. So what should a leader do to learn the skills for the non-rational points or how can a leader acquire them?

This study aims at researching into these points to gauge a better understanding on the functioning of the leadership team and the potential impact it brings about on the financial performance of the business.

Value add through this study

This research will complement the above theory and other existing theories on the leadership. As leadership skills are essential for business leaders to play a pivotal role in guiding the organization towards success and fostering a positive work culture, this study will also correlate it with the financial impact. Because, apart from achieving the set targets and boosting profits, effective leadership is also about inspiring and empowering teams to perform at their peak and give their best to the organization, putting aside internal differences.

Thus for leaders to be successful, the rational and non-rational aspects, plays a significant role as identified in the above theory of Davies. Because business management requires effective coordination, and leadership is about implementation and getting things done. Both these aspects contribute for a corporate to succeed.

This research will build on the existing studies and at the same time, it will also highlight the following aspects :-

- The impact that can be created by the entire leadership team of the corporate to improve the financial performance of the business, based on their leadership skills, and not just focus on one individual leader. Like how Jim Collins in his book Good to Great (Collins, 2009) has recommended to get the right people on the bus, this study will develop parameters to evaluate what it takes to be “right” for an organization.
- The study will also focus on the collective power and skills of the leadership team of a corporate, as leaders are the cornerstone of success in running the business efficiently in companies.
- Further the study will also aim to establish the link on the impact of the profitability of the corporate with the leadership capabilities of the leadership team, who are running and managing the day-to-day affairs of the business.

THEORY - 2

Leadership is not a smooth ride. There are times when the leadership team is caught by surprises and many times beyond the control of the leader. These surprises could be in terms of government regulations, foreign exchange impact, natural disasters, global unrest, etc. on which the leadership team does not have any say nor can they control as it is not

within their purview. Leaders must understand that leadership is dynamic and a challenging journey that throws surprises at the leadership team. And it is the ability to handle crisis well, is what makes them a better leader.

If the leadership team is well prepared to handle such situations and has the required capabilities, the leaders can contribute to better financial performance of the business. During times of crisis, the way the leadership team navigates the business, will have a better impact on business profitability as it lessens the financial losses arising thereby.

Some types of leadership behaviors have been found to erode organizational financial performance and have caused serious problems, including organizational failures affecting all stakeholders; while other leadership behaviors such as transformational behaviours have been found to positively affect financial performance (Louw et al, 2018; Frigo, 2008; Yukl, 2008).

Apart from the regular role of the leadership team in creating the necessary impact on the financial growth of the business, are leaders required to do anything different when faced with any unexpected challenges? How successfully does the leadership team manage the business during times of any business emergencies? Are there any specific competencies that contribute towards managing crisis effectively? What is the financial impact that the leadership team create on the business during the time of crisis? What

capabilities are required by the leadership team to minimize the financial damage to the business when hit by crisis or any unexpected business challenges?

There are many studies that pertain to this which have identified many leadership traits ranging from leadership competencies to leadership characteristics, to leadership behaviour to leadership skills. Is it sufficient if just the top leader exhibits these traits? What if the others in the leadership team do not possess most of these important traits? If that is the case, what will be the impact on the business?

Researchers also included the emotional intelligence of leaders as a factor influencing organizations in a positive manner (Barbuto & Burbach, 2006). Barbuto and Burbach suggested that leadership behavior had a strong relationship to several organizational factors including employee performance, motivation, and quality of products and services.

This substantiates that possessing emotional intelligence will also enable the leadership team to work together, collaborate regularly and excel in their performance, resulting in better financial performance of the business.

James and Wooten (2005) have identified six leadership competencies in crisis management. According to them, having trust from the employees is one the competencies as it helps in open communication which is very crucial. Lack of trust of the employees

may lead into failure (Demiroz and Kapucu, 2012), same as bad communication can be harmful.

Apart from the trust, James and Wooten (2005) highlight corporate mindset competency, as well as the ability to identify organizational vulnerabilities, make speed and smart decisions, take brave actions and at last being able to learn from the crisis.

Another study made on leadership traits during emergencies reveals six different leadership qualities. Literature also provides leadership characteristics for emergencies and disasters (Kapucu and Van Wart, 2008) such as: problem solving, flexibility, planning informing, motivating, managing teams, strategic planning and more.

Gaps identified

While these research papers talk about the leadership skills that helps the leaders tide over the unexpected business challenges, it does not refer to the following aspects –

1. Does it help to have these leadership qualities during the regular course of business?
Or are these leadership qualities to be displayed only during times of business crisis? Do these leadership qualities create an impact on the organizations' financial performance?
2. Do these leadership qualities form part of the organization culture? What happens when only certain leaders display these qualities and other leaders in the leadership team do not possess these leadership qualities?

This study will focus on some of these key areas and aims to highlight any shortcomings in the leadership team that help in the financial growth of the business and the possibilities of fixing them.

Value add through this study

Apart from working on the above gaps identified, the purpose of the study is also to complement the above theory and develop an assessment tool that will largely focus on the various parameters of leadership capabilities that will be required for the financial success of the organization, not only during the times of crisis but also during the times when the business is as usual. It will also aim to understand the skills to minimize the negative impact by enabling the leaders to equip themselves and stay cautious so that the financial losses are curtailed or at a bare minimum.

Summary of the Literature Review

Through the literature review we can conclude that the existing studies have given a lot of focus to the leadership skills of a leader, different leadership traits as well as the behavior displayed by a leader. These studies need to be further extended to the leadership team who play a vital part in growing the business.

If a person needs to build a high performance car, is it sufficient to build only a high performance engine and not focus on the rest of the car? For instance, the car can have a high performance engine but what if the wheels are not able to match to the speed of the engine? What if the design of the car is not liked by customers? What if the seating in the car is not comfortable for the driver and the passengers? Just like how all the components are important for a high performance car, similar is the case with business leaders. It is not only important to have a single high performance leader but to have the entire leadership team to be aligned as a high performing one in order to drive the culture of high performance and grow the financial performance of the business.

The existing studies do not reveal if there are any other attributes required by the leadership team - such as the drive to achieve the business target, their analytical ability for understanding the financial impact, desire to build high performance culture, boost business performance, create a lasting impact as a leader etc. which this research aims to study.

According to Pandit & Jhamtani (2011), Leadership is not a black box. It is not an intangible asset or soft skill. It has a quantifiable impact on results, however one might want to measure it. A leader's singular objective should be value creation, both in terms of short-term and long-term results. Primary job of a leader is to deliver results by working through others. Results that leaders are able to deliver through their teams depend on how engaged their teams are. This engagement leads to high 'discretionary effort' which in turn

drives high performance. The engagement comes from the climate that the leader is able to create.

Leadership styles of the leader, which are essentially behaviours of the leader when he interacts with his team, create that climate. The most effective leaders know how to use a full range of leadership styles so that no matter how the demands of their roles change, what situations they face, or what the individual personalities are of those they are leading, they know how to provide the clarity, the context and the coaching needed to engage and energize people to perform at their best.

Many corporates want their leaders to perform at their full potential as they understand the significant role of coaching. Therefore, they have resorted to working with external leadership coaches who contribute in enhancing the leadership skills of the leadership team. Coaching provides a strategic imperative for businesses aspiring to thrive in the dynamic world of business. By investing in the growth of the leaders, corporates can build a resilient and future-ready leadership team that guides organization towards sustained success and prosperity. Further leadership development creates a positive ripple effect throughout the organization, fostering a culture of high performance which is one of the reasons why organizations are successful.

By combining different leadership attributes like clear vision, effective communication, emotional intelligence, adaptability and other essential qualities as

explained by the numerous research studies, the leadership team can steer their organization towards profitability while promoting a positive and productive work environment. Leadership coaching is a tool that facilitates the growth of the required leadership traits. And the key leadership traits contribute towards better financial performance for the Corporate.

To conclude – “Good leaders create more economic value than poor leaders, and extraordinary leaders create significantly more economic value than the rest”. Zenger J et al (2009). By deep diving and researching further on this topic let us discover what it takes the leadership team to create significantly more economic value.

2.2 Theoretical Framework

The leadership team often encounter significant challenges in achieving the desired financial performance. These challenges can arise because of multiple factors, both internal and external.

Internal challenges

The challenges that arise from within the organisation form part of the internal challenges. These include areas such as:-

- Ineffective leadership that lowers morale
- Lack of alignment between organizational goals and strategies
- Inefficiency and poor productivity amongst the team members

- Insufficient allocation of resources, (human capital, financial capital, technology etc.)
- Unresolved team conflict as no one is ready to address the white elephant in the room.
- A negative or toxic organizational culture that demotivates employees.
- Poor and ineffective communication.
- Lack of collaboration among team members.
- Resistance to change leading to slower adaptation to evolving market conditions.
- Other factors.

External challenges

Apart from the above stated internal challenges, there could also be a host of external factors that come in the way of achieving the targeted financial performance of the business. These could include areas such as:-

- Uncertainties, unexpected economic downturns, inflation and interest rate fluctuations.
- Intense competition from rivals can wash out market share and thereby reduce profit margins.
- New regulations or changes to existing regulations can increase compliance costs, limit business operations, and enhance uncertainty.
- Black swam events that may arise which impacts the business.
- Rapid technological advancements and changes can render existing products or business models obsolete.

- Issues such as natural disasters, geopolitical events, global wars or logistical challenges may have a possible impact the financial performance.

Overcoming challenges

Addressing these challenges requires a strategically planned design as well as a multifaceted approach by the leadership team. They can :-

- Establish clear, measurable, and achievable goals that align with the corporates mission and vision.
- Ensure that resources are allocated efficiently to support strategic priorities and maximize return on investment.
- Create a positive, supportive and inclusive culture that encourages employee engagement, innovation, and high performance.
- Invest in assigning external leadership coaches, leadership development programs that will enhance the skills and capabilities of leaders.
- Implement effective communication channels and foster a collaborative work environment.
- Encourage a culture of adaptability and innovation to respond to changing market conditions.
- Continuously monitor performance against key financial metrics along with triggers that calls for immediate corrective actions.
- Action on probable adjustments to achieve desired outcomes.

By proactively addressing the challenges that are within the ambit of control, the leadership teams can improve their organization's financial performance and ensure long-term sustainable growth.

Existing theoretical frameworks

In order to understand the intricate relationship between high performance leadership capabilities and financial performance of corporates, this study draws reference from some existing theoretical frameworks. These existing frameworks provide a robust foundation for the impact the leadership team on influencing desired organisational outcomes. These theories are listed as below :-

1. **Contingency theory** – This theory is based on the fact that “Central to the theory of leadership effectiveness is a contingency model, according to which group effectiveness depends on interaction between leadership styles and the degree to which situations enable leaders to exert influence” (Fiedler, 1967). In the context of financial performance, this theory suggests that the effectiveness of the leadership team can vary significantly depending on the specific circumstances they face. Therefore, from a financial performance perspective, the capabilities of the leadership team may vary in their effectiveness. This could be because of factors such as organisational culture, industry dynamics, external conditions, economic environment etc. and the leadership skills to navigate the way through these complex challenges. For instance, a charismatic leader may be highly effective in a rapidly changing and uncertain environment, while a more analytical leader might excel in a stable and predictable industry.

Thus the leaders' ability to utilize the leadership analytical skills plays a critical role in determining the leadership effectiveness on the financial performance of the business.

2. **Resource based view** – This theory suggests that the business' competitive advantage arises from its unique combination of both tangible and intangible resources. Based on this theory, effective leadership can be attributed as a critical intangible resource which contributes to the businesses' sustainable competitive advantage and thereby impacting its financial performance. The analytical skills a leader possess will enhance the leaders performance that will translate to the financial success of the business. It is the responsibility of the leadership team to ensure the maximum utilization of a firm's resources. When leaders are effective, they have the ability to nurture a culture of innovation, foster knowledge sharing with the team members and create a conducive environment for employees to contribute their best. These actions by the leaders can lead to increased efficiency, reduced costs and improved market positioning, thereby ultimately driving the financial performance of the business. Thus the ability of the leaders' to create an impact has a significant role in the financial performance of the business.
3. **Social cognitive theory** – This theory discusses the role of cognitive processes in relation to human behaviour. The link with leadership is that it indicates the leaders' drive, beliefs, expectations and perspective can influence the leaders' decision making process and thus impact the financial performance of the business. This aspect of the theory is about the drive of the leader to perform,

achieve and scale new heights of the business. Leaders with a strong sense of grit and self-efficacy are more certain to set ambitious goals, persist in the face of challenges and make decisions that are strategic to lead to long-term growth and success. Furthermore, leaders who are bestowed with a growth mindset and trust that their abilities can be shaped and developed through effort and learning, are better equipped to adapt to the ever changing circumstances and can seize opportunities. Therefore, it can be said that leaders who possess the growth mindset have the passion and the drive to achieve the targeted financial results.

4. **Transformational leadership theory** – According to this theory, leaders who are able to inspire and motivate their team members to exceed expectations can impact the performance of the organisation. Such leaders have attributes such as powerful vision, strong interpersonal skills and ability to influence positively the organisational culture. All of these aspects can impact the financial performance of the corporate and contribute to the financial success. Thus this theory dwells on the impact the leaders can have on the profitability of the business. Transformational leaders can be inspirational as they create a shared vision that inspires employees to work towards a common goal. They communicate effectively, build trust, and empower their teams to take ownership of their work. This has the potential to lead to increased employee engagement, higher productivity, and improved customer satisfaction, all of which can contribute to the financial performance. Hence leaders who possess these leadership skills will play an important role in contributing to the financial performance of the business.

By drawing upon these theoretical frameworks, this study provides a comprehensive understanding of the multifaceted relationship between leadership capabilities and financial performance. Contingency theory highlights the importance of aligning leadership styles and behaviors with situational factors, while the resource-based view emphasizes the role of leadership in leveraging organizational resources. Social cognitive theory focuses on the cognitive processes that influence leadership behavior, and transformational leadership theory underscores the importance of inspiring and motivating employees.

Together, these theories offer a rich and nuanced perspective on the complex interplay between leadership and financial performance. Four key parameters emerge from the above theories. They are :-

- Leadership drive
- Leadership skills
- Leadership analytics
- Leadership impact

By understanding these theoretical underpinnings, researchers and practitioners can gain valuable insights into how effective leadership can contribute to the success and sustainability of the financial performance of organizations.

Based on the above theoretical foundations, this study proposes the conceptual framework that is mentioned below in the theory of reasoned action.

2.3 Theory of Reasoned Action

The theory of reasoned action can be applied to understand on how the corporate leadership teams' drive and beliefs about their capabilities and perceptions influence their intentions to act in ways that impact the financial performance of the business. "Whether you believe you can or can't, you're right" is a famous quote attributed to Henry Ford, highlighting the idea that the mindset and self-belief significantly impact the ability to achieve anything. Thus the belief system of the leadership team on what they are capable of achieving or not (in other words, their leadership drive), plays a vital role in their ability to contribute to building and nurturing high performance team and the financial success of the business.

If we extrapolate the above and apply this theory of reasoned action to leadership, it can be said that:

- Leadership teams with positive beliefs about their capabilities and a strong sense of values and principles including feeling the pressure to perform well are more likely to intend to engage in behaviors that positively impact financial performance.
- Stronger the intentions are, the more likely it will lead to actual behaviors that positively impact financial performance.

Hence leaders firstly need to be made aware of what they are capable of, what their strengths are, what are their areas of improvement etc. that can directly impact the financial performance of the business.

Implications on Corporate Leadership

Organizations can enhance leadership teams' beliefs about their capabilities through coaching programs as well as training and development programs. A leadership coach is one who partners with the leaders, provokes their thoughts, inspires them to take action, allows them to reflect and helps them to get solutions to their challenges. A coach does not provide advice but facilitates development and enhances awareness by being a sounding board and an accountability partner. Coaching conversations with leadership coaches gets to the root cause of the issue and thus challenging the belief that does not serve the leader and also has the power to rewire the belief system of the leaders.

Thus this can be viewed as an opportunity to set the right organizational culture. By creating a supportive and encouraging organizational culture, leaders can influence subjective norms and motivate their teams to contribute and perform at their best.

Further leadership performance needs to be measured and then evaluated. How can this can be achieved? When leaders aligning performance evaluations with desired behaviors and outcomes it can reinforce positive intentions and motivate leadership teams to act in ways that benefit the organization.

Thus when the organizations have the intent to understand that the leadership teams' beliefs, behavioral norms, and intentions influence the leaders' actions, organizations can develop strategies to foster effective leadership traits that help in improving financial performance.

2.4 Summary

The current study identifies the following areas to research upon, after elaborate literature review –

- **Leadership factors for profitability** – To understand the aspects of leadership that play a significant role in contributing to profitability of the business.
- **High performance leadership** – While building and nurturing high performance teams is commonly discussed, what does it take to display high performance leadership.
- **Bridging leadership gap** – To enhance awareness of the leadership team towards their efforts in contributing to the business profitability through effective communication with their boss and identifying their blind spots and making them self aware of their leadership potential.
- **Organisational insights on leadership** – To identify how the collective leadership team impacts the team members and thereby the financial performance of the business.
- **Improve financial performance** – Any specific actions that can be taken to improve business profitability.

The present study will focus on collecting data from authentic sources. The focus is on the quality, not on the quantity. After collecting the data from different corporates, they will be applied and critical factors will be narrowed down. This will result in a culmination of crucial factors in order that the organisations can obtain insights on their leadership team that impact the financial performance of their business.

CHAPTER III: METHODOLOGY

3.1 Overview of the Research Problem

This chapter has been segregated into eight sections. The first section includes the introduction to the research methodology which has been sub-divided into three parts - the overview of the research, the challenges faced and the research purpose with questions.

Introduction

The objective of this chapter is to walk through the tools, methods and procedures used to study the sample population of the data collected for the purpose of the research. An overview of the research problem is compensated with the research purpose and questions. Subsequently the research design is discussed followed by the target population and sample size determination. The participant selection and instrumentation of the research are subsequent critical components. Finally, the chapter concludes with the steps of data collection procedures followed by data analysis and the limitations of the research design.

Overview of the research problem

What enables Corporates to earn profits irrespective of their size, domain, nature of business, industry etc.? It is their people. Their team members. Their employees and associates. Because it is the people in the corporate who make the business and contribute to the growth of the business. Every business transaction that happens is between two or more persons. People are the ones who build the business, people are the face of the

business, people drive the business, people serve the customers and people work towards making the business happen.

But people can also break the business (knowingly or unknowingly), if they are not guided properly, if their energies are not synergized and if they are not led on the right path for growth. As people are the core of any business, think about the following questions.

- Who in corporates effectively manage their people?
- Who can ensure that people across the various levels of the corporate, contribute towards growing the business?
- Who can enable maximizing potential of the people in business?
- Who can help people perform at their peak, so that, not only is the business benefitted but also the people in turn gain from the profits earned by the business?
- Who should decide on how the business navigates its way through the various and unexpected challenges?
- Who decides on what actions need to be taken in the best interest of the financial performance of the corporate?
- Who forms the core of building the right culture in the corporate?
- Who enables leveraging the strengths of the people?
- Who aids in accomplishment of the common business tasks leading to achieving the business goals?

What is the obvious answer for all these questions? The answer is the same for all the questions. It is the leaders of the business or the leadership team of a corporate who nurtures, molds, trains and empower the people to take right actions in order for the business to grow to greater heights and for financial success. Chemers also defined leadership as "a process of social influence in which one person is able to enlist the aid and support of others in the accomplishment of a common task." (Chemers, 1997).

It is the corporate leaders who can guide, coach, mentor and harness the power of the team's strength, that aids in overcoming business challenges, contributes to better business growth and leads to increase in profitability. Superior leadership performance occurs when leaders broaden and elevate the interests of their employees, when they generate awareness and acceptance of the purposes and mission of the group, and when they stir their employees to look beyond their own self-interest for the good of the group. (Bass, 1990).

If there are no leaders to take ownership and the responsibility to drive the growth of the Corporate, the business suffers. While culture is a systematic phenomenon, its primary architects are those at the very top. (Schein, 1992). Undeniably, the leadership team is at the top and is instrumental in playing a significant role in molding the people to achieve the desired results in order to grow the business.

Therefore, if the corporate does not have a strong leadership team with the right culture and mindset, the business growth is negatively impacted. These leaders are the ones who sow the seeds of growth, have a vision, provide care and nourishment for the development of the employees that will lead to the fully blossomed potential of the organization. And this will yield the fruits of profits for the business. Positive leadership yields performance and profitability: Effective organizations develop their strengths. (Tombaugh & Jay, 2005).

Many organisations have collapsed because of bad leaders, leaders who are not driven, leaders lacking financial acumen, leaders taking incorrect business decisions, leaders not possessing sufficient analytical abilities or critical thinking qualities, or because the leaders lacked empathy and leadership abilities or if leaders did not build the right internal culture in the organization, thus failing to create positive leadership impact in corporates. The leadership team needs to be equipped to prevent such fiascos and channelize the teams' energies in the right path. For this to happen, the leadership team requires not just the domain expertise but also excellent people management skills and other required leadership skills.

An employee's attachment and commitment to an organization, the effect on their ongoing experience within the same corporation, and the effect on corporate profitability has been debated. (Sarfaraz et al, 2015). Like the saying goes, people leave their boss and not their job. Therefore, leadership plays a significant role in contributing and shaping the

profitability of the business directly or indirectly. And the leadership impact needs to be quantified. If the impact is not at the required levels, then necessary corrective actions need to be undertaken so as to deliver the right impact that can lead to better financial performance and profitability.

Problem Statement

The shareholders of the business want business growth as well as profits, so that they earn their dividend. Further, the shareholders would like to get their dividends regularly. They rely on the leadership team to deliver the desired results. High-performance leaders must have competencies to lead organization-level goal setting, design, and management (Collins et al 2000).

There are times when the leadership delivers those desired results and there are times they do not. While there are a variety of factors that contribute to achieving the targeted financial growth and profits, one such significant factor is the role and the impact created by the leadership of the corporate. Also, is the team delivering the results consistently or is it a one off performance in achieving the budgeted profit?

Schein (1985) proposed that the behaviour of organizational leaders is the most influential factor in the creation and maintenance of corporate culture. Thus the leaders also have an important role in setting the right culture through their leadership behaviours

as the organizational culture also impacts the business performance and thereby the business profitability.

Schein (1985) described five primary behaviors that leaders exhibit, consciously or unconsciously, in their attempts to shape organizational culture:

1. What leaders pay attention to, measure, and control systematic and consistent attention to details, performance measures, and control mechanisms congruent to organizational goals.
2. Leader reactions to critical incidents and organizational crises. The emotionally charged atmosphere surrounding a crisis provides members of an organization an opportunity to observe. Leader reactions and behaviors and increases member learning intensity.
3. Deliberate role modeling, teaching, and coaching the visible, overt behavior of a leader provides greater clarity and understanding of beliefs and values to observing members. (Wilson & Elman, 1990)
4. Criteria for rewards and status allocation synchronizing reward systems and status allocation, to members whose behaviors represent espoused values, maximize the impact of culture derived from the leader's vision (Hawk, 1995; Kerr, 1995)
5. Criteria for recruitment, selection, promotion, retirement and ex-communication. Culture perpetuates itself through the selection of people whose values best fit with organizational values.

While many times it is only the CEO or the MD who is considered as the leader and held responsible, in reality it is the entire leadership team that needs to take the onus, drive the business, overcome the challenges and achieve the desired profits. It is the leadership team that enables achieving the results. Likewise, if the desired growth is not achieved, the leadership is again a key differentiating factor because of their inability to navigate through the challenges. While there are studies done on the role of a leader in corporate profitability, the fact is the entire leadership team has a role in contributing to the growth of the profit. Thus, what can be the basis to measure leadership behaviour and the impact on business profitability?

Leadership is not a black box. It is not an intangible asset or soft skill. It has a quantifiable impact on results, however one might want to measure it. A leader's singular objective should be value creation, both in terms of short-term and long-term results. (Pandit & Jhamtani, 2011).

Imagine if an organization has an excellent CEO but the other members in the leadership team cannot perform up to the required standards, then the business suffers. Similarly, let's say in a hypothetical scenario, the business head of one division of the business is an efficient high performance leader whereas the other department heads, forming part of the leadership team are not performing their role effectively, then again the business profitability in totality is negatively impacted. Hence there is a need to establish the role of the complete leadership team in contributing to the financial performance of the

business. And how their behavioural strengths and weakness will have a bearing on the business performance.

While the success achieved by the leadership team is acknowledged, many times the failure in not achieving the budgeted profit, becomes a point of contention of poor performance by the Board of Directors and the shareholders. What are the circumstances when the leadership team does not deliver? What does it take for the leadership team to deliver the required results? Was the challenge caused by internal or external factors? Is it within their control to avert failures? Even if it is not in their control, what will enable the leadership team to be aligned and sync the team energies in seeking the best solution and put the interest of the organization ahead of theirs?

There is no business that is devoid of challenges. Therefore, despite the challenges that are being faced, what leadership traits and leadership behaviours enables leaders to give their best and maximize the earnings of the business. That is what this research paper is about. Our research confirms that the immediate boss also has a profound effect on whether subordinates put forth the maximum or the minimum effort. Zenger et al (2009). As the organizational culture flows from the top, the effect of the leadership team on their subordinates creates a ripple effect and ultimately has a bearing on the business performance and profitability. Therefore, it is crucial to develop leaders who can set the right culture and deliver the required results. Leadership development is a process that

improves leadership capabilities and organizational performance (Bandura, 2006; Amagoh, 2009).

Based on all of the above points, more specifically, this research paper seeks to address the following questions and gain the required insights from different organizations based on their performance:

1. What are the common significant factors that contribute to high performance leadership that positively impacts business profitability?
2. Is there a link between the collective performance of the leadership team with the profitability of the Corporate? If yes, then what can be done to strengthen the collective performance of the leadership team so that the business profitability can be improved?

Objectives

Although it is usually one person at the helm in business, it cannot be just one leader alone contributing to profit growth. Because one person however good he or she may be, will have their own limitations. Moreover, the cumulative wisdom of the leadership team will always be greater than an individual's wisdom. Hence the collective impact the leadership team will have on business profitability is significantly higher than that of a single leader. Therefore, how does one measure the collective impact of the leadership team on the business profits?

The leadership team in a corporate usually comprises of the Chief Executive Officer, Chief Financial Officer, Chief Human Resources Officer, Chief Operating Officer, Chief Marketing Officer, Chief Technology Officer, Chief Information Officer, Chief Business Officer, Departmental / Vertical / Business heads etc. All these leaders are the experts in their respective domains and contribute to driving business profitability in their areas of expertise along with the help of their team members.

High performance leaders believe in continuous improvement, which is a result of continuous assessment of the organization's performance (Bates, 1999). If the leadership team displays high performance in their leadership, their teams will be inspired to be more productive, get better in their work as the team strengths will be leveraged upon. There will be consistency in their performance with the urge to get better in their work. This will result in effective utilization of the team members who contribute efficiently in enhancing the financial performance of the business and growing the profitability. Corporate profitability is profoundly dependent on the development of employees throughout their careers (Sarfaraz et al 2015).

Development of the employees can be made possible by the leadership team and it implies two things as below -

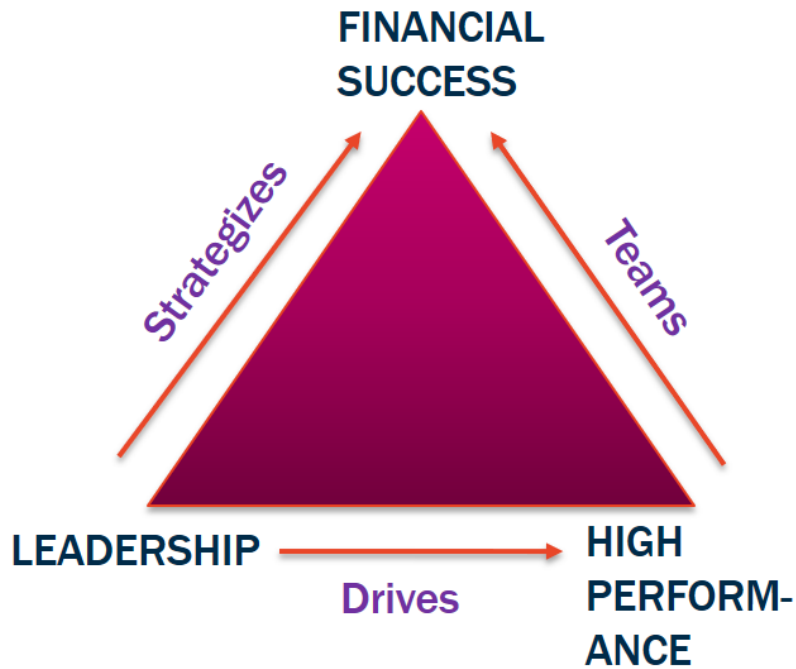
1. The leadership team should be developed themselves so that they can develop the rest of the team and also lead by example.

2. Apart from internal leaders who aid in the development of the employees, it is also important that the employees are developed by external faculty such as Leadership Coaches, Domain experts, Technical specialists etc. so that the best in them is enabled and they are also in updated with the latest in their industry.

Thus investing in the growth of leaders and leadership development is a crucial aspect as evident from above. Leaders must have the ability to get things done from their team members and deliver the desired results.

The leaders must remember that the leaders are only as successful as the team. The leadership team drives high performance & strategizes for financial success. And the leadership team takes the right decisions that fuels the financial performance of the Corporate. If this were to be represented pictorially, it would look like the diagram below.

Image 3.1
Driving the outcome of financial success



Source - Author

High performance leaders continuously review organizational systems searching for opportunities to increase performance. They identify key linkages and the critical dimensions of performance for achieving organizational outcomes (Kaplan & Norton, 1996), such as financial, internal business, customer perspective, employee learning and growth, and employee empowerment.

As the leadership team plays such a vital aspect in the performance of the business and thereby impacting the profitability as well, what does it take for the leadership team to

be in a position to contribute effectively? What are the factors that are essential to enable better profitability by the leaders? What parameters would define high performance leadership? What are the key elements for the leadership team that help in developing high performance culture and build high performance teams?

Another point of contention is that, how is it that only some companies excel in their performance even in times of uncertainties and challenges while others companies are unable to cope. Is it the leadership teams' drive and grit to overcome challenges and create the necessary impact that makes the difference? What leadership factors cause the difference?

Once these factors are identified, what are the ways and means to enhance these attributes so that it creates a win-win for the business, leadership team, shareholders as well as the other employees of the corporate? Would excelling in these identified factors akin to stating high performance leadership? Can these leadership attributes be linked to the impact on profits of the Corporate?

One may wonder, what makes profit an important ingredient for corporates? What makes the business to focus on profit growth? What makes profit to drive the financial growth of the business? A business has to make money, if not one might as well do charity and not call it a business. Profit is the differentiating factor between a charity and the

business. Further, the business leaders are also answerable to the shareholders on the financial performance of the company.

Therefore, this research proposal aims at identifying factors that are required by the leadership team that will enable improving and growing profits of Indian corporates. By identifying these parameters, corporates can focus on equipping the leadership team with what it takes to create the desired impact and grow the business profitability despite challenges.

To summarize, the objective of this study is to evolve parameters that assist in the following -

1. What leadership factors contribute to the high performance leadership by the leadership team? and
2. How to measure the collective performance of the leadership team of a Corporate organization?

Preliminary Literature Review Objectives

A preliminary literature review shows that past studies are primarily focused on seven rational and seven non-rational intelligences in organisations to be really effective and thus profitable. Davies (1997) identifies the different parts of the organisational system that make up these elements:

Rational	Non-rational
Strategy	Relationships
Structure	Identity
Systems	Information
Process	Culture
Procedures	Belief
Policies	Courage
Standards	Faith

He argues that a really effective organization is one that is good at both elements identified by:

- Management - effectively coordinating the rational elements of the team
- Leadership - positively influencing the non-rational elements of the team

And, learning the skills to influence the non-rational can be challenging according to Davies.

Although this study is useful in pointing out these fourteen factors there would be other essential factors that contribute to the business profitability in the form of leadership capabilities. For instance, apart from the leadership skills, the leadership drive to achieve goals, the analytical abilities, the impact the leader creates on the teams etc. also play a significant aspect in how the leadership team steers the business to financial growth and profitability.

Further, the theory states that learning the skills to influence the non-rational can be challenging. So what can be done to learn the skills for the non-rational points that are

lacking. How can one go about acquiring these skills? If organizations want to be successful, they must spend money on making leadership skills at different levels of their organization (Block and Manning, 2007).

Also what is the financial impact created by the entire leadership team to improve the profits? What leadership skills should the leadership team work upon to achieve financial success for the corporate? How can the entire leadership team be aligned for high performance and grow the financial performance of the business? Will a self-assessment of the leadership capabilities by the leadership team suffice to heighten their awareness and improve their leadership abilities? How can the blind spots of the leadership team be revealed? How should the self-assessment be substantiated?

The existing studies do not reveal the answers to the above and also if there are any other attributes required by the leadership team - such as the drive to achieve the business target, their analytical ability for understanding the financial implications, desire to build high performance culture, contribute to boost business performance etc. which this research aims to study.

Methodology

The primary research method for this study is literature review and survey in the form of a self-assessment questionnaire from corporate organizational business leaders assessing the capabilities of their leadership team.

The self assessment questionnaire will be designed in such a manner that it enhances the awareness levels of the leaders and make them think towards improving their leadership capabilities and skills. The Chief Executive Officer (or the Managing Director, as the case may be), will further evaluate the leadership team on the same parameters. Both these surveys will be done separately so that the views are not super imposed on each other. This survey will further bridge the leadership expectation gaps with the organization by facilitating conversations and communication within the leadership team. It will also open avenues for leadership improvement as it will bring the perspectives from the CEO on the blind spots of the leadership team. It will further provide organizational insights on leadership and help them to create high performance leadership which in turn nurture in building high performance teams.

Basis the above, the organization will be provided with a score. This score will be read in conjunction with the profit percentage to understand the impact of the leadership capabilities on profitability.

A range of different corporate leaders from varied organisations from different industries will be requested to undertake this survey. The survey results will be compiled and data will be studied to understand if it reveals any further findings.

3.2 Operationalization of Theoretical Constructs

The objective of the operationalization of the theoretical constructs is to enable the process of defining how to measure what is being observed in order to quantify it.

Operationalization can be made possible by measuring through a standard questionnaire that covers key leadership indicators. The two main basis of this study revolves around :-

- The capabilities of the leadership team and
- The financial performance of the business

To elaborate more on these two above, let us break them down to examine which are the key parameters that need to be considered for this study.

Capabilities of the leadership team

As the saying goes, “All of us are smarter than any one of us”. Therefore understanding the capabilities of the entire leadership team will contribute to the financial performance of the organisation. So what are those capabilities? The experience that was rated most highly in developing leadership capabilities was “tackling a significant challenge or challenges”, followed by “taking, or contributing to, major decisions”, and then by “taking on new responsibilities”. (Boak & Crabbe, 2019).

Corporate leaders need to have capabilities that can help achieve the organisational vision, mission, purpose and goals. As a collective leadership team of a corporate, their capabilities must be able to compliment each other’s strengths and balance the weaknesses. For the corporate leaders to develop their leadership strategy, they need to be aware of their blindspots and possible shortcomings to in order to perform at the peak of their leadership potential. This will enable the leadership team in effective contribution to the financial growth and financial performance of the business.

Selection criteria of the parameters

So for the leadership team to effectively contribute the following are the key parameters that need to be considered that can support the business financially :-

- Leadership drive
- Leadership skills
- Leadership analytics
- Leadership impact

The above four parameters have been selected carefully after analyzing the existing theoretical frameworks as well as discussing with senior corporate leaders, studying different research papers, articles and books as cited below.

Leadership drive is an important parameter for this study. The author of the book *Driven to Lead* states - “The drive to bond; that is, to form long-term, mutually caring and trusting relationships with other people. These are criteria by which well-adjusted people lead themselves and by which good leaders lead others.” (Lawrence, 2010).

Leadership skills (or leadership behaviour) is yet another key parameter because to be a high performance leader, driving financial performance, leadership skills and right behaviour are vital. Schein (1985) described the role of leader behavior as primary in the creation of a corporate culture. He proposed that the behavior of organizational leaders is the most influential factor in the creation and maintenance of corporate culture.

Next is leadership analytics which is a significant parameter for financial success in a corporate. Advanced analytics is proving to be a transformational technology for businesses, providing a source of competitive advantage and delivering significant,

measurable outcomes. Risk management, sales-force productivity, workforce optimization, enterprise planning, and market intelligence are a few examples of core business processes that have significantly benefited from emerging analytical methodologies. (Apté et al, 2012)

The other important leadership parameter that contributes to financial performance is leadership impact. According to Strukan et al (2017) “The research results show that transformational leadership has positive impact on acquirement of high level financial performance of company and new product development.”

The above four leadership parameters can be drilled down further with the significant pointers that can relate to the above four sections of leadership.

Survey Tool

Based on discussions with senior corporate leaders a set of 35 questions under each of the above four parameters were designed. Thereafter the Chief Executive Officer / Managing Director from different industries were asked to select the most important and top 25 questions for each leadership parameter that contributes to financial performance of the business. The top rated 25 questions under each parameter formed part of the questionnaire for the purpose of the survey. In this survey, when the answer is a yes, a score of one is given to each of the questions and when the answer is a no, no point was given. This was the way of calibrating the score for each leader and thereafter cumulatively as the organisation. The CEOs / MDs were from the following industries were considered for this survey :-

- Belt conveyor industry

- Automotive after market survey industry
- FMCG industry
- Processing industry
- Information technology solutions industry
- Home appliances industry
- Insurance industry
- Transportation industry
- Healthcare and diagnostic software industry
- Financial services industry
- Market technology service industry
- Information technology services industry

The below mentioned parameters are to be measured as self assessment by the leader and thereafter to be assessed on the same by their boss. The self assessment and the assessment by their reporting manager were performed independently in order that there are no super impositions nor biases. This will bridge communication gaps on effective performance, identify blind spots and also enhance awareness levels. These parameters have been designed as a yes or no to make it simple and enable the thought process of the leaders.

Section 1 - Leadership Drive

The leadership drive denotes the passion, motivation and determination of the corporate leaders to achieve organizations financial goals.

This can be measured by the parameters such as the leaders' ability on the following. These are stated as a self-assessment questionnaire for the leader. (and subsequently to be assessed by their boss on the same parameters).

1. I am driven by challenges
2. I am in control of my work
3. I take charge of my team
4. I prioritize and act with sense of urgency
5. I work with a sense of purpose
6. I think in terms of profits
7. I like to explore, research and learn
8. I seek growth & success
9. I make quick and effective decisions
10. I address my team with ease
11. I contribute to the success of my colleagues
12. I take critical feedback positively
13. I think about making processes more efficient
14. I have a reputation for creativity
15. I stand for being fair and just all the time
16. I complete my work with lot of passion
17. I relentlessly pursue initiatives
18. I am known as the idea person
19. I am the go-to person for my team
20. I express my views without any bias
21. I communicate freely as my thoughts are highly valued

22. I am appreciated in my workplace
23. I get rewards and recognition for my work
24. I am well respected in my organization
25. I am focused on organizational values

These questions will enable each leader to think and reflect on their leadership drive and enhance their awareness levels and take any corrective actions if required.

Section 2 - Leadership Skills

The leadership skills denote the competencies of the leaders to effectively lead and manage the organization.

This can be measured by the parameters such as the leaders' ability on the following. These are stated as a self-assessment questionnaire for the leader. (and subsequently to be assessed by their boss on the same parameters).

1. I keep learning and also urge my team to learn
2. I am a role model for my team
3. I am supportive of initiatives of my team, colleagues & peers
4. I am a good listener
5. I am receptive to ideas from my team
6. I always display empathy
7. I am a team player
8. I collaborate with my colleagues

9. I focus on the present moment
10. I trust my colleagues
11. I am looked upon for my leadership skills
12. I am very good at networking
13. I upgrade my domain knowledge consistently
14. I am aware of the challenges faced by close colleagues
15. I resolve conflicts effectively
16. I take action if something is not right in my organization
17. I chat with employees about their lives outside work
18. I am looked upon for guidance by my team during stressful times
19. I integrate others inputs while making key decisions
20. I influence my team
21. I empower and develop my team members
22. I am good at getting things done
23. I am outcome oriented
24. I am adaptable to changing needs
25. I am a critical thinker

These self-assessment parameters will enable each leader to go deeper into their leadership skills which will heighten their leadership awareness. Based on their answer, they can take corrective measures as deemed fit.

Section 3 - Leadership Analytics

The leadership analytics denotes use of data and analytics to make informed leadership decisions and thereby improve organizations' financial performance.

This can be measured by the parameters such as the leaders' ability on the following. These are stated as a self-assessment questionnaire for the leader. (and subsequently to be assessed by their boss on the same parameters).

1. I perceive things from others perspective
2. I like numbers
3. I am very logical in my approach
4. I get to the root cause of issues
5. I share business insights and updates with my team regularly
6. I can interpret data to arrive at right decisions and best outcomes
7. I prioritize my work based on its importance
8. I delegate the work that can be performed by my team
9. I know the key business metrics
10. I measure my performance based on my success indicators
11. I am introspective, reflective and self-analytical
12. I maximize the existing resources
13. I can detect business flaws with ease
14. I thoroughly examine the teams' needs in a crisis
15. I consider different perspectives in a challenging situation
16. I understand the capabilities of my team members
17. I follow the best practices in my industry
18. I always do the right thing

19. I execute my work with confidence
20. I am open to leading change
21. I measure what matters
22. I rely on dashboards for key business information
23. I think of risk mitigation
24. I work on improving efficiency levels
25. I inspire my team to perform at their peak potential

These self assessment parameters will elevate each leader to think deeply on how they perceive the analytics of the business and subsequently they may wish to work on areas they have identified.

Section 4 - Leadership Impact

The leadership impact denotes the positive influence of the leaders on the organization's culture, overall success and organizations performance.

This can be measured by the parameters such as the leaders' ability on the following. These are stated as a self-assessment questionnaire for the leader. (and subsequently to be assessed by their boss on the same parameters).

1. I contribute towards the vision of the business
2. I achieve my goals with ease and seek more
3. I am futuristic in my thinking
4. I evaluate the risks before making a decision
5. I challenge the status quo

6. I encourage my team to stay committed
7. I think differently while seeking solutions
8. I am adept at problem solving
9. I like to experiment for innovation
10. I am a visionary
11. I am known as a trust worthy person
12. I constantly motivate my team for high performance
13. I am a key player for my business growth
14. I create a safe place for my team
15. I tend to rally for causes I believe in
16. I am consulted for career advice even after people are no longer colleagues
17. I nurture team bonding
18. I am known for being non-political in my views
19. I am methodical in my work
20. I think about the business outcome while making decisions
21. I ensure the voice of all the key players is being heard
22. I have the ability to look for opportunities for business growth
23. I do not allow my emotions to overpower my team interactions
24. I am a mentor to my team
25. I lead by example

These self assessment parameters are meant to enable the leaders to mull over the fact on how they can create an impact with their team as well as on the organizations' performance.

3.3 Research Purpose and Questions

Research Purpose

The purpose of this research is to understand the impact that can be created by the leadership team based on their capabilities and the resulting financial performance in Indian corporates. In particular, it aims to identify and analyze the leadership teams' key capabilities that significantly can impact financial outcomes and financial growth. That would provide valuable insights for organizations seeking to improve their performance.

This study will revolve around the significant areas of leadership drive, leadership skills, leadership analytics and leadership impact of the leadership team on the financial performance of the business. The results of this study will be valuable to both corporates and the corporate leaders to understand the capabilities of the leadership team, enhance leadership awareness, provide organizational insights on leadership and take any desired actions that can elevate the financial performance of the business.

Research Questions

The study will address the following research questions :-

1. What are the key competencies required by the leadership team to improve the financial performance of the business?
2. While building high performance teams and nurturing high performance culture are commonly spoken about, what traits are required to display high performance leadership?

3. What organisational insights on leadership does the collective capabilities of the leadership team reveal?
4. Is there an expectation gap on performance potential, between the leadership team and their reporting manager?
5. Based on the organisational insights on leadership, what are the possible actions that can be taken to improve the financial performance of the organisation?

3.4 Research Design

The research design involves understanding what corporates can do to enhance the financial performance of their business. While there are umpteen challenges that can deviate the corporates from achieving their targeted financial performance, the actions that the corporate can take are only the one that are under their control. For instance, there is nothing much that a corporate can do in controlling external factors such as a global crisis, an unexpected pandemic, foreign exchange fluctuation etc. However, what they can act on are internal factors which they can control. The corporate may also wish to take necessary internal actions to mitigate the external factors.

Keeping these above mentioned aspects in mind, the research design adopted for this study is on the qualitative basis.

The research design that will be utilized is to comprehensively examine the capabilities of leadership teams and their impact on corporate financial performance. This approach will involve qualitative methods to provide a nuanced understanding of the relationship between leadership capabilities and the financial outcomes.

Qualitative component

Sample: A sample of companies across industries will be selected using sampling technique to ensure representation across various segments and company sizes. A purposive sampling technique will be used to select few leaders and companies that exhibit high and low levels of leadership capability.

Instrument: A structured questionnaire will be developed to collect data on the key leadership capabilities that drive profitability and financial performance directly or indirectly.

Data Collection: Multiple data sources will be used, including interviews with key executives, data analysis and understanding leadership behavior.

Data Analysis: The data thus collected will be used to analyze and arrive at the organizational insights on leadership, which will enable the companies to work on strengthening the leadership capabilities. Thematic analysis will be used to identify leadership capabilities and leadership gaps that will provide organizational insights on leadership.

Advantages of Qualitative Study in this research

This approach offers advantages to this study such as the ones listed below:-

Deeper understanding: Qualitative methods provides a deeper understanding of leadership thinking, behaviour and perspectives. It also subtly highlights certain leadership

traits that has a direct or indirect impact on financial performance of the business and offers-in-depth insights and contextual understanding.

Practical insights: Qualitative data provides real-world context to leadership dynamics within an organization. Obtaining data from different nature of businesses, varying industries and experienced leaders can help to overcome the limitations of other methods and provide a more comprehensive and accurate picture of the capabilities.

Real-world relevance: The output will help in developing organization specific leadership programs based on actual experiences. It further gives leaders a voice in self-assessment and feedback driven improvements.

By adopting this research design, the aim is to contribute to the existing body of knowledge on leadership and corporate financial performance, providing valuable insights for decision makers to help elevate the financial performance of the business.

The Interplay of leadership and financial performance

In the book Coaching for Performance by Sir John Whitmore, the author states that – “The greatest influencers of an organizations’ culture are its leaders. The leadership behaviour affects bottom line performance by up to 30%. It is the leaders who are the gatekeepers to performance.” (Whitmore, 2010).

Thus the leadership team is the strategic nucleus of an organization, plays a pivotal role in shaping the financial trajectory of corporates. The specific capabilities that

underpins and influences the leadership team that have been identified are leadership drive, leadership skills, leadership analytics, leadership impact. These parameters impact the different financial performance metrics have been identified based on discussions with other experienced business leaders as well as some of the earlier studies that are mentioned in the prior sections.

They have been consolidated and classified under the four buckets of leadership drive, leadership skills, leadership analytics and leadership impact.

Leadership drive is the engine of progress. A highly driven leadership team is the engine that propels an organization forward. This drive manifests as challenge driven leadership with the capability to clearly communicate a compelling vision that inspires and motivates the workforce. It also facilitates strategic thinking as the capacity to develop and execute sound strategic plans that align with the organization's long-term goals. Leadership drive enables risk taking as a willingness to embrace calculated risks and challenge the status quo. It also builds resilience to overcome obstacles and setbacks.

Leadership skills are the tools of effective leadership. It requires a diverse skill set such as communication skills, interpersonal skills, decision making skills, problem solving skills and emotional intelligence. The art of articulating ideas clearly and persuasively is for effective communication. The capability of leaders to build and maintain strong relationships with colleagues, stakeholders, and clients is what makes interpersonal skills important. Decision making skills are required to make timely and informed decisions. Problem solving skills on the other hand is the capability to identify and address challenges

effectively. Emotional intelligence is essential for the understanding and management of one's own emotions and those of others.

Leadership Analytics aids in data driven decision making. In today's data driven world, leadership analytics is essential for making informed decisions. Data driven insights provides the ability to leverage data to identify trends, opportunities and risks. Leadership analytics also paves way for performance measurement as it tracks and measures key performance indicators (KPIs). Predictive analytics enables the use of data to forecast future trends and make proactive decisions.

Leadership impact is about the bottom line and leaving behind a leadership legacy. Ultimately, the impact of leadership on financial performance is the most critical metric. Strong leadership can improve operational efficiency by streamlining processes, reducing costs and increasing productivity. Leadership impact is also about enhancing innovation by fostering a culture of creativity and out of the box thinking. Leadership team can impact by strengthening customer relationships to build lasting relationships with customers and clients. The right leadership team attracts and retains top talent. They further create a leadership legacy with their leadership style and behaviour as it has a long term impact on the organisation even after the leaders are no longer associated with the business.

Bridging the leadership expectations gaps in the organization leads to high performance leadership. Understanding the key leadership capabilities that drive financial performance, organizations can identify gaps within their leadership teams and take steps to address them. This may involve leadership development programs by providing training and development chances to enhance leadership skills. Executive coaching engagements

to help leaders improve their performance and become a better leader. Succession planning options identified and leading to developing future leaders. Performance management systems aids in implementing effective performance management systems to track and reward leadership performance.

As the business landscape continues to evolve, so too must leadership. Emerging trends such as artificial intelligence, automation and remote work will present new challenges and opportunities for leaders. Adaptability, agility and a commitment to lifelong learning will be essential for success for the future of leadership.

These capabilities of the leadership team, play an important role in contributing to the financial performance of the company. Further these parameters will also pave the path for high performance leadership.

Thus studying these aspects will bridge the gaps within the leadership team and also provide organisational insights on leadership. These insights will enable the leaders to take necessary actions to implement, leading to improved financial performance of the business.

By focusing on the four key dimensions of leadership capabilities, i.e leadership drive, leadership skills, leadership analytics and leadership impact—organizations can cultivate high performance leadership that drives sustainable financial growth of the business.

3.5 Population and Sample

The targeted plan for this study is to collect data from at least 100 leaders from 5 different industries and 12 different corporates. However, the survey was completed by 106 leaders from 6 different sectors and 16 different industries and 17 different corporates.

This data will be analyzed, studied and interpreted to arrive at the organisational insights on leadership that impact the financial performance, ways to bridge gaps within the leadership team and actions that can be implemented to build high performance leadership that nurtures high performance teams which will result in improved financial performance of the business.

3.6 Participant Selection

Corporates that are selected for the purpose of this study are at random and did not follow any pre-decided sequence. However, a cross section of various industries was considered and not made industry specific. This is because many leadership challenges are common across industries as well as across geographies. Further all industries seek growth and want better financial performance. The leaders are also answerable to their board of directors and the shareholders. Achieving the targeted numbers is possible only when the leadership team is effective and have the requisite capabilities to impact the financial performance of the business in a positive manner.

The leaders who undertook the survey are from various parts of India including north, south, east and west regions are represented in the population. The corporate companies are based in India. It is a mix of both Indian headquartered companies as well as some foreign headquartered companies that are based in India.

The corporates are from different industry sectors such as Manufacturing sector, Transportation sector, Insurance sector, Services sector, Information Technology sector, Healthcare sector etc.

➤ Belt conveyor industry

A key component of material handling systems in various industries (mining, manufacturing, logistics, etc.). employs conveyor belts to transport materials efficiently over long distances or within facilities. Contributes to increased productivity and reduced labor costs.

➤ Automotive aftermarket industry

The automotive aftermarket industry is a thriving sector that caters to the needs of vehicle owners beyond the initial purchase. It encompasses the manufacturing, distribution, and sale of a vast array of products and services that enhance, repair, or customize vehicles. This industry aids in parts replacement, automotive accessories, tools, equipment, chemicals and fluids such as motor oil, coolant, brake fluid, and other essential fluids for vehicle maintenance.

➤ FMCG industry

The Fast Moving Consumer Goods (FMCG) industry covers wide and different range of products that are often consumed quickly and frequently with possibilities of huge wastage as they can get perished easily. These products are typically low-cost and high-volume, catering to everyday needs. The key characteristics of FMCG products include

frequent consumption, low unit price, wide distribution, short shelf life. The FMCG industry is a high competition industry, as companies constantly striving to innovate, have a unique selling products, through differentiation and capture market share. Not just effective marketing but also advertising, branding, and distribution strategies are crucial for success in this industry.

➤ Home appliances industry

The home appliances industry offers a wide range of electrical or mechanical devices used in households. The home appliances are designed in such a manner to simplify daily mundane tasks and improve the overall quality of life and save time. The key categories of home appliances include large essential Appliances that form the core of a modern home as well as small appliances that are more portable appliances used for specific tasks. The home appliances industry continues to evolve, driven by technological advancements and changing consumer needs and preferences. As technology advances, we can anticipate that there will be more innovative and efficient home appliances in the future.

➤ Processing industry

The processing industry works on the transformation of converting raw materials into finished products by using a series of processes. This industry plays an important role in various sectors, including food processing, chemical processing, metal processing, textile processing, paper processing etc. The processing industry is required for providing goods and materials for various sectors. It aids in economic growth, and also employment generation, and technological advancements.

➤ Bathroom product industry

The bathroom products industry has a wide range of offerings that are utilized for personal hygiene and bathroom aesthetics. This includes Fixtures (such as Toilets, sinks, bathtubs, and showers), Hardware (such as Faucets, showerheads etc.), accessories (such as mirrors, towel racks, soap dispensers, and other decorative items), Plumbing supplies (including pipes, valves, and other components for water supply and drainage) and toiletries (like Soaps, shampoos, conditioners, and other personal care products). The industry is driven by factors like increasing disposable income, modern and urban lifestyles and a growing focus on home improvement. There is a growing trend towards smart and sustainable bathroom products, with features like water-saving technology, touchless faucets, and integrated lighting.

➤ Automotive parts manufacturing industry

The automotive parts manufacturing industry is a crucial sector that supplies components to original equipment manufacturers (OEMs) and the aftermarket. These parts are essential for the production and maintenance of vehicles. The key components manufactured include engine components, transmission components, electrical components, chassis and suspension components, body parts etc. The industry is driven by factors like accelerated production of passenger and commercial vehicles, rapid technological advancements, and the increasing demand for electric and also autonomous vehicles.

➤ Transportation industry

The transportation industry is a vital sector that facilitates the movement of people and goods. The transportation industry plays a significant role in the global economy, enabling trade, tourism, and economic growth. It is evolving with advancements in technology, such as autonomous vehicles, electric vehicles and drone delivery. It also entails manufacture and marketing of auto components for transportation industry utility vehicles, commercial vehicles etc.

➤ Insurance industry

The insurance industry provides financial protection against various risks and uncertainties. It ensures the transfer of risk from individuals or businesses to insurance companies. By paying a premium, the insurer consents to compensate the insured for covered losses. The key types of insurance include life insurance, health insurance, property insurance, auto insurance, business insurance etc.

➤ Auto service industry

The auto services industry encompasses a wide range of services related to the maintenance, repair, and enhancement of vehicles. It includes routine maintenance, repair services, diagnostic services, etc. The auto services industry is crucial for ensuring the safety and reliability of vehicles. It plays a significant role in the automotive ecosystem, supporting both individual vehicle owners and commercial fleets.

➤ Financial services industry

The financial services industry encompasses a wide range of services that facilitate financial transactions, investments, and risk management. It plays a crucial role in the global economy by providing essential services to individuals and businesses. The key components of the financial services industry are banking, investment banking, asset management, financial advisory. The financial services industry is highly regulated to ensure stability and protect consumers. It is constantly evolving with advancements in technology, such as online banking, mobile payments, and fintech innovations.

➤ Business process outsourcing services industry

Business Process Outsourcing (BPO) is a strategic service where companies outsource specific business functions or processes to third-party service providers. This allows businesses to focus on their core competencies while delegating non-core functions to experts. BPO typically involves outsourcing functions like back-office operations (comprising of accounting, HR, finance, IT support) and front-office operations (consisting of customer service, sales, technical support etc.) While BPO offers numerous advantages, it's important to carefully select a reliable BPO provider and manage the outsourcing relationship effectively to ensure smooth operations and achieve desired outcomes.

➤ Marketing technology services industry

The marketing technology (MarTech) services industry provides a wide range of technology-driven solutions to help businesses optimize their marketing efforts. MarTech encompasses a diverse set of tools and platforms designed to attract, engage, and retain customers. The key services offered by the MarTech industry include marketing

automation, Customer Relationship Management (CRM), Content Marketing, Social Media Marketing, Search Engine Optimization (SEO), Pay-Per-Click (PPC) Advertising, Email Marketing, Analytics and Reporting. The MarTech industry is constantly evolving, with new technologies and tools emerging regularly. By effectively utilizing MarTech services, businesses can enhance their marketing strategies, improve customer experiences, and drive business growth.

➤ Background verification services industry

The background verification services industry provides services to verify the credentials and background of individuals, typically for employment purposes. These services help organizations make informed hiring decisions by mitigating risks associated with hiring unqualified or dishonest individuals. The key services offered by background verification companies include criminal record checks, education verification, employment verification, reference checks, drug testing, credit checks. The background verification industry plays a crucial role in ensuring the integrity and security of organizations. By conducting thorough background checks, companies can reduce the risk of fraud, theft, and other misconduct.

➤ Information technology services industry

The Information Technology (IT) industry encompasses a vast array of technologies, services, and applications that have revolutionized the way we live and work. It involves the design, development, implementation, support, and management of computer hardware, software, networks, and data. The key components of the IT industry

include hardware, software, networking, telecommunications, internet etc. The IT industry has a profound impact on various sectors, driving innovation, improving efficiency, and creating new opportunities. It plays a crucial role in fields like healthcare, finance, education, and entertainment.

➤ Information technology (IT) solutions industry

The IT solutions industry provides a wide range of technology-based solutions to businesses and individuals. These solutions help organizations manage and optimize their information and business processes. The key services offered by the IT solutions industry are IT Consulting, Software Development, Infrastructure Management, Cybersecurity, Cloud Computing, Data Analytics etc. The IT solutions industry plays a crucial role in driving digital transformation and enabling businesses to operate more efficiently and effectively.

➤ Healthcare and diagnostic software industry

The healthcare and diagnostic software industry is a rapidly growing sector that utilizes technology to improve patient care, streamline operations, and enhance healthcare delivery. This industry encompasses a wide range of software solutions, such as electronic health records, medical imaging software, laboratory information systems, practice management software, AI-powered diagnostic tools etc. The healthcare and diagnostic software industry is driven by factors such as increasing healthcare costs, aging populations, and the growing demand for efficient and accurate healthcare services. By

leveraging technology, this industry aims to improve patient outcomes, reduce costs, and enhance the overall quality of healthcare.

3.7 Instrumentation

A two way yes / no questionnaire is being used as the primary tool for data collection. The first step of the questionnaire is a self-assessment to be completed by each leader in the leadership team. The second step entails the reporting manager of the leadership team, usually the Chief Executive Officer or the Managing Director to evaluate the leadership team on the same parameters. Both of these are done individually and they are not privy to each others' answers.

The first step enhances the leadership awareness levels of the leaders and enables them to think and reflect on areas they would like to get better at. The second step allows the reporting manager to assess them and acts as a tool to bridge communication gaps within the corporate.

This instrument was designed to gather straightforward, binary responses that facilitate clear and concise data analysis. Each questions that has a yes as the answer will be given one point and when it is a no, there are no points given. The higher the number of yes, indicates higher their leadership capabilities to contribute to the financial performance of the organization.

Rationale of the instrument

Simplicity and clarity - The yes/no format minimizes ambiguity, allowing respondents to provide clear and direct feedback on specific statements or questions related to my research objectives.

Efficiency - The straightforward nature of the questionnaire enables quick responses, making it easier to gather data from a larger sample size within a limited timeframe.

Quantifiable results - The binary responses lend themselves well to quantitative analysis, allowing for easy aggregation and statistical evaluation of trends and patterns within the data.

Questionnaire Design

The questionnaire was structured to cover key themes relevant to the research, with questions formulated to ensure they align with the study's objectives. Each question is designed to elicit insights into the attitudes, behaviors, and perceptions of the target population concerning the four high level areas of leadership capabilities that lead to impactful financial performance.

Implementation

The questionnaire was distributed electronically to each corporate leader to facilitate accessibility and convenience for participants. Clear instructions were provided to ensure respondents understood the purpose of the study and how to complete the questionnaire effectively.

Utilizing a two-way yes/no questionnaire proved to be an effective method for gathering relevant data across different cross sections of the corporate industries. This approach not only streamlined the data collection process but also enhanced the reliability of the results, contributing to the overall robustness of the research findings.

3.8 Data Collection Procedures

The data collection process involved engaging with a diverse range of corporate leaders across multiple industries. This approach was critical to ensuring a comprehensive understanding of the research topic and enhancing the validity of the findings.

Step 1 - Selection of the corporates: To capture a broad spectrum of insights, care was taken to select corporates from different cross section of industries, such as financial services, information technology, healthcare and manufacturing. This diversity allowed for comparisons and contrasts in responses, enriching the analysis.

Step 2 - Outreach strategy: The initial outreach involved identifying key stakeholders within each corporate entity. A combination of networking, industry references and professional platforms (such as LinkedIn) to connect with potential participants. Personalized communication was crucial and it helped to encourage participation and explain the study's relevance to their industry.

Step 3 - Distribution of the questionnaire: Once consent was obtained, the questionnaire was distributed electronically to the corporate. This format not only streamlined the response process but also allowed participants to complete the

questionnaire at their convenience. Clear instructions in the beginning of the questionnaire were provided to ensure a smooth completion process.

Step 4 – Follow up: To enhance response rates, a follow-up strategy was implemented by sending reminders to those who had not yet completed the questionnaire. This was done tactfully to maintain engagement without being intrusive.

Step 5 - Data collection period: The data collection occurred over a designated period, ensuring sufficient time for responses to be gathered while maintaining momentum in the research process. This timeframe was critical for analyzing trends and drawing meaningful conclusions.

Step 6 - Data management: Upon receiving the completed questionnaires, the data was systematically organised for analysis. Ensuring data integrity and confidentiality was paramount, and all responses were anonymized to protect participant identities.

The data collection process from various corporates was meticulously planned and executed, enabling a rich dataset for the thesis. The diverse range of industries represented in the responses contributed to a more nuanced understanding of the research topic, ultimately enhancing the overall quality and relevance of the findings.

3.9 Data Analysis

Data analysis is a crucial component of any research endeavor. It involves a systematic approach to extract meaningful insights from raw data and the application of

the collected data to extract meaningful insights. The analysis depends on the research design and the nature of the data that has been received from the participants. Basis the information received the data has been analysed in the following steps.

Steps followed in data analysis:

1. Data preparation : This is the foundation and the initial step of the data analysis. This step aids in data preparation. It involves meticulously examining the collected data for errors, inconsistencies and missing values in the input from the participants. It also involves transforming the data into a suitable format and compilation for study and analysis. Furthermore, data preparation involves transforming the raw data into a suitable format for analysis. This involves converting data into a specific file format in Microsoft Excel and cleaning and standardizing variables. Data quality and consistency lays a solid foundation for subsequent analyses.

2. Data classification : This step involves organising, categorizing and summarizing the data collected to make it more manageable and interpretable. This step also helps to identify patterns, trends, and anomalies within the data and provides an overview of the data to identify any deviations, outliers or trends. Classifying the data, analysts provides better understanding of the underlying relationships and enables drawing meaningful conclusions.

3. Data tabulation : The data collected is then tabulated as the next step. Data tabulation involves presenting the data in a structured format, such as tables or graphs. This visual representation makes it easier to identify trends, patterns, and outliers. In this study, the results of the self-assessment are then compared with the assessment evaluated by the

reporting manager of the leadership team. This highlights the gaps within the organisation. It also provides an opportunity to share the expectations and bridges the communication gaps between the leader and the leadership team. By effectively tabulating the data, the findings can be clearly and concisely interpreted.

4. Interpretation of results: The final step in data analysis is data interpretation. This involves analyzing the tabulated data to draw conclusions and insights. This step involves interpreting the results of the data analysis and drawing conclusions about the research hypotheses. This enables to present the results in a clear and concise manner and to discuss the implications of the findings for theory and practice. By carefully interpreting the data, it can generate valuable insights that inform decision-making and contribute to the advancement of knowledge.

Through these four essential steps, data analysis empowers to extract meaningful insights from data sets. By following a rigorous and systematic approach, can ensure the accuracy, reliability, and validity of the findings.

3.10 Research Design Limitations

While this research endeavor has aimed to provide valuable insights into the relationship between leadership capabilities and financial performance, it is important to acknowledge its inherent limitations. The limitation of this research study can be summarized as below :-

- a. **Self assessment bias** - One limitation is that this study relies on self-assessment by leadership team members. While self-reflection can offer valuable insights, there is

a risk of inherent bias, as individuals may tend to overestimate their abilities or understate their weaknesses. This can lead to a skewed perception of their leadership capabilities. The self-assessment trusts on the inputs from the leadership team members. It is assumed that their self-assessment is real and truthful. There could be instances where the leader may not have been completely honest with a view to impress the reporting manager.

- b. **Reporting manager bias** - Similarly, the assessment provided by reporting managers may be influenced by various factors, including personal relationships, organizational politics, and individual biases. This can potentially lead to biased ratings, affecting the accuracy of the assessment. The assessment of the reporting manager on the leadership team is also taken as is and construed to be real. These are perceptions of the reporting manager on the leadership team and this could be based on the limited interaction with the leadership team members. There could be potentially biased views subject to the relationship between the leader and their reporting manager.
- c. **Focus on past performance** - The research primarily focuses on past behaviors and performance. It does not delve into future potential or the impact of emerging leadership trends of each individual leader. This limitation restricts a comprehensive understanding of leadership's evolving role in the organization. The assessment is based on the past behaviour and the future potential of the leadership team members are not considered.

- d. **Black or white response** - The questionnaire is designed in such a manner that it has only a yes or no as options and nothing in between. The use of a dichotomous response format (yes/no) limits the granularity of the data collected. A more nuanced understanding of leadership capabilities could be achieved through the use of a graded approach or other rating scales.
- e. **One sided approach** - The research primarily relies on the perspective of the reporting manager to derive organizational insights. This approach may overlook other important perspectives, such as those of direct reports or external stakeholders. The inputs of the reporting manager are considered the basis to arrive at the organizational insights on leadership.
- f. **Top capabilities not considered** - The study does not consider the leadership capabilities of the reporting manager. This omission may impact the accuracy of the assessments and the overall leadership insights of the organization. This is because it is assumed that the main leader of the organization (the Chief Executive Officer or the Managing Director, as the case maybe) is already equipped with the necessary leadership capabilities to impact the financial performance of the business and the leadership capabilities of the leadership team will supplement the capabilities of the organisations' leader.

By acknowledging these assumptions and the limitations listed above, it is essential to interpret the research findings with necessary caution and to consider their potential implications. Future research could address these limitations by incorporating multiple

perspectives, utilizing more sophisticated measurement instruments, and exploring the impact of emerging leadership trends.

Future Studies

Future studies can be further developed based on the limitations mentioned above. A detailed analysis into the possibilities and options to overcome the limitations can enable further scope to this study. It may also provide deeper perceptions into the organizational insights on leadership.

3.11 Conclusion

This chapter delves into the methodological framework employed to conduct this research. It outlines the specific leadership parameters that were identified as key drivers of financial performance. These parameters, meticulously selected based on extensive literature review and industry insights, serve as the foundation for the empirical investigation.

In this chapter, the research methodology has been depicted along with the leadership parameters considered for the purpose of this research. These parameters are discussed to provide insights. The research design is also illustrated in detail. Once the data was collected, a rigorous data analysis process was undertaken. Further, the data collection and analysis mechanism has been discussed in detail. The sole objective of the entire exercise is the determination of the leadership capabilities that impact the financial performance of the business and obtain organisational insights on leadership in order to arrive at the actions to be implemented that can enable better financial performance of the business. The ultimate goal of this research is to identify the specific leadership capabilities

that have a significant impact on financial performance. By gaining a deeper understanding of these capabilities, organizations can implement targeted strategies to enhance leadership effectiveness and consequently, improve their bottom line.

CHAPTER IV:

RESULTS

4.1 Research Question One

What are the key competencies required by the leadership team to improve financial performance of the business?

Based on the self-assessment questionnaire that was filled in by hundred and six leaders, forming part of the leadership team of different corporates, the following results have been arrived at.

Achieving desired financial outcomes consistently, year after year, will be the dream come true for every corporate. While there are many challenges that come along the way, few leadership competencies will enable the leadership team to navigate the way through the challenges and minimize the negative effect on the financial performance as well as also contribute to enhancing the financial performance of the business. To improve the financial performance of a business, leadership teams must possess a diverse range of competencies and capabilities. These can be broadly categorized into four key areas of leadership drive, leadership skills, leadership analytics and leadership impact.

These four parameters of the leadership team will contribute directly or indirectly to the financial performance of the organization. To explain further, the following are some of the high level factors under each of these four parameters.

Leadership Drive

Leadership drive is an important competency for leaders as that is the foundation that drives the best performance of the leaders. If a leader lacks the drive, they tend to be complacent, laid back, not take charge and not in control of the financial performance of the business. Thus leadership drive is a highly essential competency for all the members of the leadership team in an organisation. Even if one of the members of the leadership team does not have sufficient leadership drive, it brings down the total energy level of the leadership team and is very likely to have a negative impact on the business performance. Further this attitude could be contagious and has the potential to make the entire leadership team not very effective.

On the other hand if the leaders possess a high leadership drive, it enables challenge driven leadership, strategic thinking, efficient risk management etc. which are illustrated in the paragraphs below.

Challenge driven leadership

The certified manager of quality / organizational excellence should be able to motivate and evaluate staff, manage projects and human resources, analyze financial situations, determine and evaluate risk, and employ knowledge management tools and techniques in resolving organizational challenges. (Westcott, 2014).

This makes it clear that leaders, who are also managers, need to have the ability to handle challenges and are driven by it, in order to have a compelling vision for the future of the employees as well as the organization, inspire and motivate teams to achieve their ambitious financial goals. Further, when leaders work with the purpose in mind,

communicate their thoughts freely, address the team with ease etc. their message on the handling challenges reaches the team who in turn want to follow suit as the leader is leading by example. Thus they contribute more effectively to the growth of the business as it becomes part of delivering excellence within the organization.

Strategic thinking

The essential leadership skills, according to Schoemaker et al (2013), are those that “allow leaders to think strategically and navigate the unknown effectively: the abilities to anticipate, challenge, interpret, decide, align, and learn” . In other words, strategic thinking is essential to effective leadership. And effective leadership will translate to better financial performance.

The leadership drive facilitates strategic thinking of leaders and enables them to handle complex situations, identify opportunities and develop effective strategies to drive sustainable growth and profitability. If the leaders are driven by challenges, think in terms of profits, improve process efficiency etc. these are clear indicators that the leader has the drive to achieve and accomplish the business goals, thereby leading to the leader thinking in terms of strategies to achieve the desired financial outcomes.

Risk management

As per Fourie (2022), successful leaders are viewed as using risk to drive innovation and unsuccessful leaders fail because of risk. Thus risk management is a key ingredient for leaders’ success to grow the business financially.

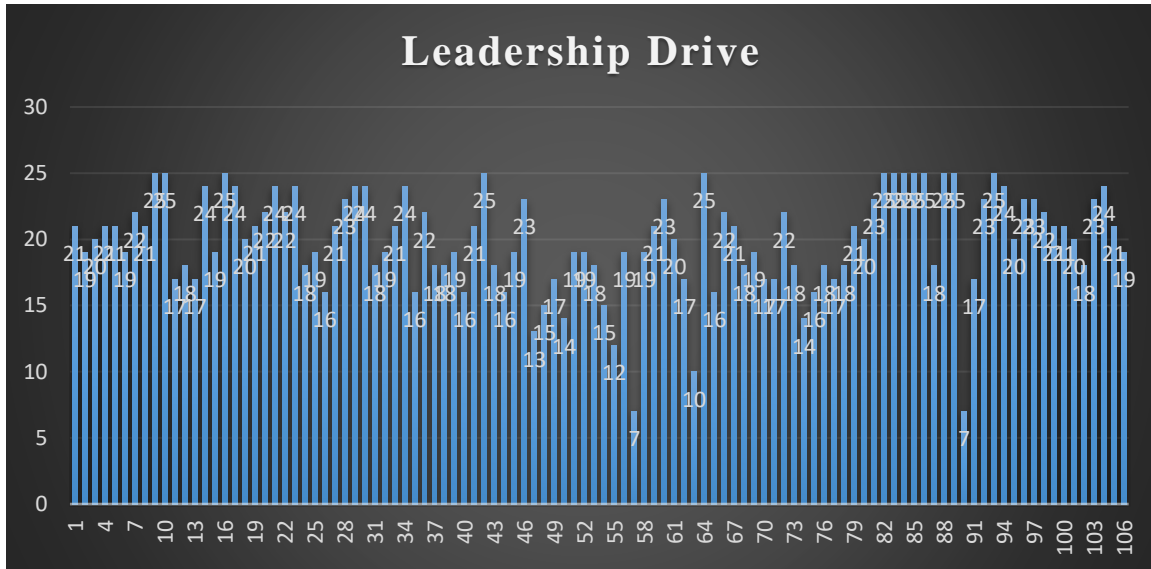
The leadership ability to assess and mitigate potential threats and possible risks that could impact financial performance, ensures business continuity and financial stability of the business. Therefore, competencies such as being in control of their work, prioritizing tasks correctly and acting with sense of urgency enables them to lower the level of business risks, design risk mitigation strategies and thereby lessen the financial impact on the business.

The graph below denotes the outcome of the self assessment questionnaire, on a scale of 25 (where 1 is the least and 25 is the highest) on the leadership drive of corporate leaders. This survey was conducted on hundred and six Indian corporate leaders with regard to their leadership drive. The self assessment questionnaire comprised of questions listed in the previous section. The leaders who are part of the leadership team of their organisation, were chosen from different industries such as IT, Manufacturing, Services, Insurance, etc.

The leaders with a high leadership drive were better at handling challenges, strategic thinkers and managed and mitigated business risks efficiently. Higher the leadership drive, better was the leaders' contribution to the financial performance of the business. This was substantiated by the reporting manager of the leaders who participated in this survey, wherein they were further ranked on challenge driven leadership, strategic thinking and risk management. A consolidation of all these parameters is presented in Graph 4.5 which validates this hypothesis.

Graph 4.1

Leadership drive levels of different Indian corporate leaders



Source : Survey conducted by the Author

Leadership Skills

What makes leadership skill an important leadership competency? Because despite the fact that however efficient and talented a leader maybe in their respective domain, if the leader lacks leadership skills and the right leadership behaviour, a leader will be unsuccessful especially if they do not know how to manage their people, ensure operational excellence and do not communicate effectively. The leadership skills are the differentiating factor and gives an edge to leaders who have adept leadership skills, which in turn contributes to boosting better financial performance of the business.

Operational excellence

In the book Operational excellence – journey to creating sustainable value the author states – “Operational excellence is a value and opportunity driven master program to fulfill the tactical and operational objectives of the enterprise business / mission strategy.” (Mitchell, 2015). Therefore, to create value, leaders need to focus on operational excellence.

The ability to streamline processes, improve efficiency, and reduce costs to enhance profitability are competencies that the leadership team should possess to drive operational excellence. Hence upgrading their domain knowledge, being outcome oriented, ability to drive the team through challenging and stressful times are leadership competencies that drive operational excellence which in turn delivers better financial performance of the business.

People management

Thomson (2008) shares that leaders add value by serving others. The bottom line in leadership isn't how far we advance ourselves but how far we advance others. Inexperienced leaders are quick to lead before knowing anything about the people they intend to lead. But mature leaders listen, learn, and then lead.

Thus the ability to attract, develop, and retain top talent, foster a positive work environment, and build strong relationships with employees drives performance. This is an extremely crucial leadership skill as all the work happens between people. Not just work, even transactions actually happen between people and therefore ability to get along with people and manage people is an important competency for leaders. Therefore, traits like being a team player, displaying empathy, being a good listener, ability to resolve conflicts,

ability to influence the team etc. are part of the leadership skills that contribute to minimal financial damage and can heighten better financial performance of the business.

Effective communication

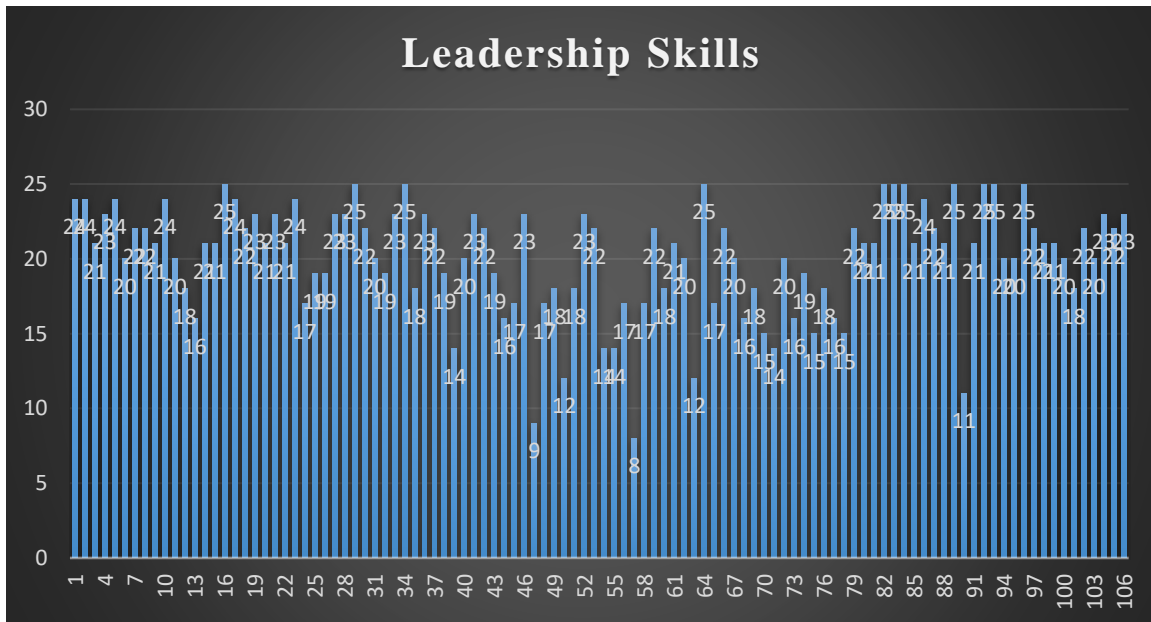
The nature of group communication satisfaction and its influence on group processes, in turn, affect an organization's financial performance. (Johnston et al 2007). Hence effective communication is an essential leadership skill that is required for good leaders.

The ability to communicate clearly and persuasively with diverse audiences, both internally and externally, to align teams and stakeholders around financial objectives is yet another key leadership skill of successful leaders. Effective communication helps leaders in building a strong network, facilitates collaboration amongst colleagues and enables getting things done efficiently. Thus developing these leadership skills can prove to be advantageous for both the leaders and the organisation.

The graph below denotes the outcome of the self-assessment questionnaire on the leadership skills of corporate leaders. This survey was conducted on over hundred Indian corporate leaders on their leadership skills. The leaders who are part of the leadership team of their organisation, were chosen from different industries such as IT, Manufacturing, Services, Insurance sector etc. The graph below denotes the outcome of the self-assessment questionnaire on leadership skills, on a scale of 25 (where 1 is the least and 25 is the highest) on the leadership skills of corporate leaders. The self-assessment questionnaire comprised of questions featured in the previous section.

The leaders who rated themselves with high leadership skills were effective in their communication, better people managers and excelled operationally. The leaders with higher score for leadership skill, contributed more to the financial performance of the business. This is further validated by the reporting manager of the leaders who participated in this survey. The leaders were further evaluated on operational excellence, people management and effective communication. The blended impact of all these parameters is presented in Graph 4.5 which substantiates this hypothesis. The graph below highlights the overall leadership skill levels of the 106 leaders who participated in the survey.

Graph 4.2
Leadership skill levels of different Indian corporate leaders



Source : Survey conducted by the Author

Leadership Analytics

Leadership analytics serves as an essential leadership competency which is highly relevant in today's time and age. This leadership competency enables the leadership team on data driven decision making, helps evaluate performance and also acts as a tool for driving digital transformation.

Data driven decision making

Results showed that leadership significantly and positively affects Big Data Analytics talent quality, which, in turn, significantly and positively impacts security quality, privacy quality and innovation. Moreover, innovation significantly and positively impacts firm performance. (Koohang et al, 2023).

The ability to leverage data and analytics to inform strategic decisions and measure performance, ensuring that financial resources are allocated effectively. The leadership competencies that come in handy for this are the ability to interpret numbers, logical reasoning, thinking about return on investment etc. This leadership competency will help the leadership team in making the right business decision that will enhance the financial growth and performance of the business.

Performance measurement

Most leaders now recognize that it isn't good enough to rely simply on some financial measures supported by a few indicators such as market share. The other side of this coin is that by harnessing the power of inherent in systematic gathering and analysis of appropriate performance data, you can make a critical difference to the competitive position of your enterprise. (Fisher, 2013)

The skill to develop and implement key performance indicators (KPIs) to measure and track progress towards financial goals and identify areas for improvement. Therefore, competencies that will help the leaders in these areas include indicators such as arriving at the key business metrics, measuring what matters for the business, reading business dashboards etc. By doing so, the leadership team can contribute to the heightened business performance thus resulting in better financial results.

Drive transformation

The findings of Hasyim & Bakri (2023) state that HR performance is a strategic link between leadership, culture, and financial outcomes, emphasizing its role in driving organizational success. The study contributes to theory and practice by highlighting the integration of leadership and culture as essential drivers of HR performance and financial growth. Practical recommendations include adopting transformational leadership styles, fostering adaptive cultures, implementing structured training programs, and establishing Key Performance Indicators (KPIs) to measure and optimize HR performance.

The ability to lead transformation initiatives and leverage technology to drive efficiency, innovation and financial growth is an important competency of this digital era. Working on improving efficiency levels by leveraging on technology, following industry best practices that help in driving transformation, performing a root cause analysis will help strengthen the financial performance of the business.

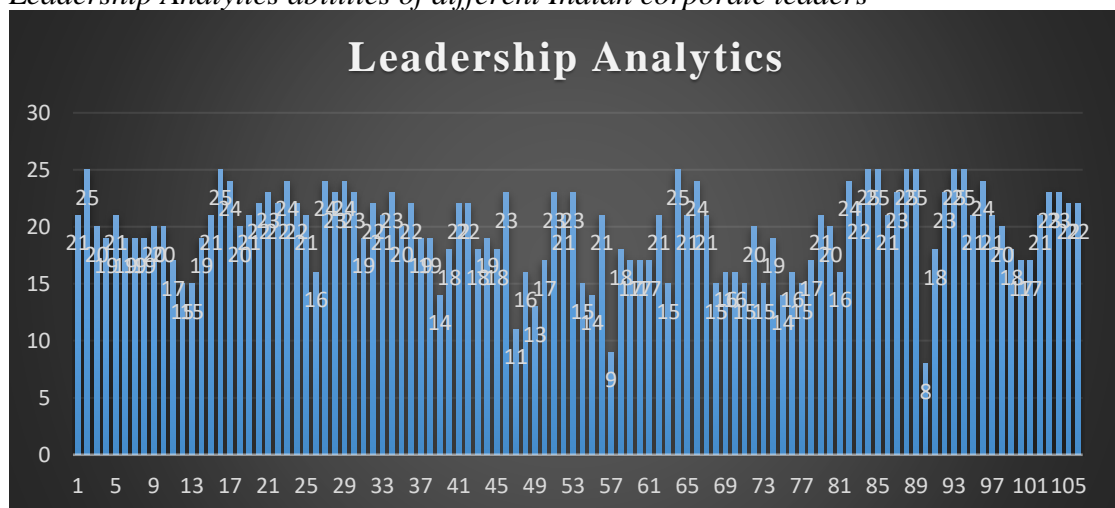
The graph below represents the results of the self-assessment questionnaire on the leadership analytics abilities of corporate leaders. It denotes the outcome of the self-assessment questionnaire on leadership analytics, on a scale of 25 (where 1 is the least and

25 is the highest). The self-assessment questionnaire comprised of questions featured in the previous section. This survey was conducted on over hundred Indian corporate leaders on their leadership analytics abilities. The leaders who are part of the leadership team of their respective organisation, were chosen from different industries such as IT, Manufacturing, Services, Insurance sector etc.

The leaders who rated themselves with high leadership analytics abilities were using data driven decision making, measured and tracked organizational performance and were driving transformation. The leaders who obtained high score for leadership analytics abilities, added value to the financial performance of the business with their analytical capabilities. This was further evaluated by the reporting manager of the leaders who participated in this survey. The leaders' competencies on data driven decision making, performance management and driving transformation were assessed. The graph below highlights the overall leadership analytical levels of the 106 leaders who undertook the survey.

Graph 4.3

Leadership Analytics abilities of different Indian corporate leaders



Source : Based on survey conducted by the Author

Leadership Impact

Leadership is all about creating impact not only among the people but also in the business performance. Thus competencies that can help leaders in this regard will add a lot of value for the business include impacting the organizational culture, managing the stakeholders and being responsible as a leader of the organization.

Organizational culture

DuPont's discovery team conducted surveys and found a direct correlation between the groups' culture and how safe, how productive and how profitable it was. (Whitmore, 2010). It is clear that organisational culture and leadership have a significant impact on the performance of organisations. (Al-Tameemi & Alshawhi, 2014)

The ability to shape and foster a positive organizational culture that supports financial performance, encourages innovation, and empowers employees aids the business. Traits such as challenging the status quo, encouraging the team to stay committed, having the freedom to experiment new things, by the leadership team, sets the tone of the culture of the organization.

Stakeholder management

It is increasingly accepted that stakeholders affect the achievement of organisational plans and that ineffective 'stakeholder involvement' in developmental initiatives can hinder the achievement of business objectives. (Waligo et al, 2014).

The skill to build strong relationships with key stakeholders, including investors, customers, and employees, to enhance brand reputation and financial performance is sometimes an underrated skill but when utilized right, it can have a huge positive impact on the business. A successful leader builds rapport with all the stakeholders and also motivates for high performance, creates a psychologically safe space, ensures the voice of all stakeholders are being heard etc. Thus by getting the cooperation of all the stakeholders, it becomes easier for the leaders to create the desired impact on the business.

Responsibility

Results demonstrate that responsible leadership impacts firm performance (financial and non-financial) directly and through environmental management practices. Furthermore, institutional pressure moderates the link between responsible leadership and environmental management practices. (Rehman et al, 2023).

The ability to balance financial performance with leadership responsibilities without compromising on the values and ethics of the organization is a critical aspect for being successful as a leader. Hence rallying for causes the leadership strongly believes in, being apolitical and unbiased at work, leading by example etc. are competencies that reflect on the behaviour and attitude of the leadership team. And it is this behaviour and attitude that gets replicated by the others within the organization as they look up to the leaders as their role models. Leading the way as a responsible leader contributes to improved business performance.

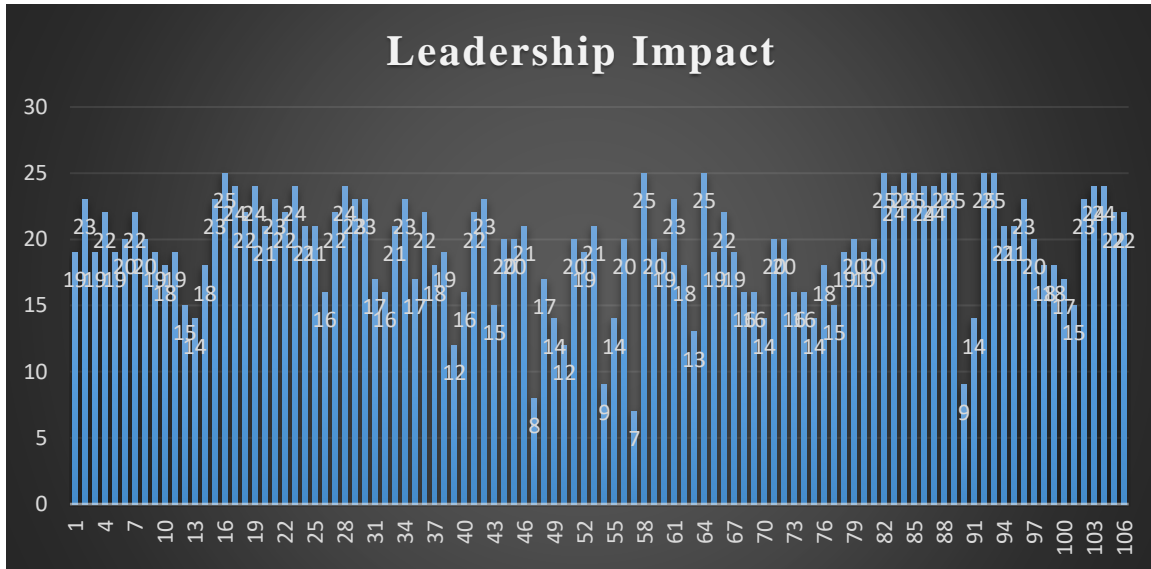
The graph below shows the outcome of the self-assessment questionnaire on the leadership impact created by corporate leaders. It represents the outcome of the self-

assessment questionnaire on leadership impact, on a scale of 25 (where 1 is the least and 25 is the highest). The self-assessment questionnaire comprised of questions featured in the previous section. This survey was conducted on over hundred Indian corporate leaders on their leadership impact abilities. The leaders who are part of the leadership team of their respective organisation, were chosen from different industries such as IT, Manufacturing, Services, Insurance sector etc.

The leaders who rated themselves with high leadership impact capabilities were managing their stakeholders efficiently, took responsibility and contributed to the shaping of the organizational culture. The leaders who obtained high score for leadership impact, as a result positively impacted the financial performance of the business with their capabilities to create an impact in their organization. This fact is validated by the reporting manager of the leaders who participated in this survey. The capabilities of these leaders on stakeholder management, taking responsibility and shaping of the organizational culture were considered. The net result of all these combined parameters and the financial impact is reflected in Graph 4.5 which aligns with this hypothesis, confirming that these are essential leadership competencies that contribute to the financial performance. The graph below depicts the leadership impact levels of the 106 leaders who participated in the survey.

Graph 4.4

Leadership impact capabilities of different Indian Corporate leaders



Source : Based on survey conducted by the Author

Validation of the hypothesis through correlation with the financial performance of the business

The leadership competency score of each of the leaders has been taken and compared against the financial performance movement percentage of the business. For the purpose of the financial performance of the business the earnings before interest taxes depreciation and amortization (EBITDA) has been considered. The increase or decrease in the percentage of the EBITDA has been considered. Given the variations, industry trends, specific challenges etc. due to the nature of business of each business, the movement of the EBITDA is considered and not the EBITDA itself. Further, the research is also about improving the financial performance. Therefore, the correlation between the leadership competency and the year on year percentage movement in the financial performance of the business is considered and it reveals the following.

Table 4.1

Correlation between leadership competencies and Movement in financial performance in corporates

Corporate Organisation	Leadership Competency Score %	Movement % in YoY Financial performance
1	73	6
2	56	-12
3	83	7
4	68	4
5	69	4
6	60	3
7	68	-10
8	75	6
9	70	5
10	62	4
11	77	6
12	70	6
13	85	-13
14	60	2
15	93	8
16	62	4
17	81	7

The blended outcome of all these four parameters and the financial impact is reflected in Graph 4.5 which aligns with this hypothesis. The graphical representation of the above information in the table when presented pictorially, as below.

Graph 4.5

Correlation between the leadership competency scores and the financial performance of the business



Source : Based on survey conducted by the Author and actual financial performance

In the above graph, observe how the two lines are closely interlinked, highlighting the importance of the four key parameters that contribute to the financial high performance of the business.

From the above finding during the course of this study, it was noticed that:-

- Leadership competencies play a crucial role in contributing to the financial performance of the business.
- When the leadership competency score is above 90% the contribution to the financial performance is in the range of 8-10% whereas lower the competency score, lower the contribution to the financial impact of the business.

- Leadership competency in the region of 80% yields a financial contribution movement of around 7%. Exceptional situation in organization 13 because there was an unexpected and sudden fall in revenue as one of their major customers abruptly stopped transactions with them.
- Leadership competency in the level of 70% provides a 5-6% to the financial performance movement and 60% level is in the range of 2-5%. A deviation to this can be observed in organization 7. This is because of an unexpected operational challenge resulting in revenue contraction and therefore the drop in profits.
- When the level is below 60% there is a steep drop in the contribution to the financial performance of the business which can also be due to the cumulative effect of the past years if no actions were taken to enhance the leadership competencies of the leaders or change in the leadership team.

Thus it is vital that the organizations invest in raising the awareness levels of the leaders regarding their leadership competencies else take necessary actions to grow their leadership competencies if they want better financial performance of the business.

Cross verification and validation of the hypothesis

Blending in all the above discussed leadership competencies along with the financial impact that these leaders have on their business was validated by the reporting manager of the respective leader to cross verify the hypothesis.

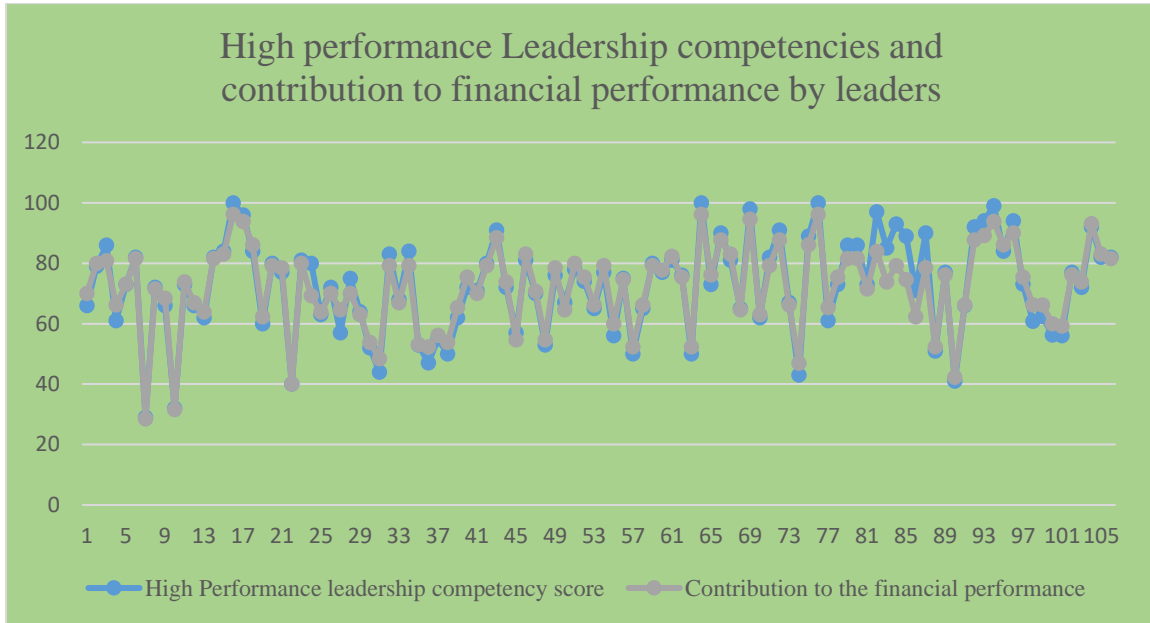
For the purpose of the cross verification, the reporting managers were independently asked to rate their leaders on each of the sub topics under each parameter which are already stated above. They are listed as below:-

- Parameter – Leadership drive
 - Sub parameters – Challenge driven leadership, strategic thinking and risk management
- Parameter – Leadership skills
 - Sub parameters – Operational excellence, people management and effective communication
- Parameter – Leadership analytics
 - Sub parameters – Data driven decision making, performance management and drive transformation
- Parameter – Leadership impact
 - Sub parameters – Organisational culture, stakeholder management and responsibility.

These ratings taken independently matches with the leadership competencies. Therefore, as evident from the graph, the cross verification based on each of these capabilities closely overlaps in almost most of the leaders who participated in the survey thus proving that these leadership competencies contribute to the financial performance of the business. Therefore, it can be regarded that the four parameters or the high performance leadership competencies are required to boost the financial performance of the business.

Graph 4.6

High performance leadership competencies closely overlap with the contribution to financial performance of the business



Source : Based on survey conducted by the Author

By developing and nurturing the above mentioned competencies, leadership teams can enable their organizations to achieve sustainable financial performance. Investing in continuous learning and development is crucial to stay ahead of the curve and adapt to the ever-changing business landscape.

4.2 Research Question Two

While building high performance teams and nurturing high performance culture are commonly spoken about, what insights can be obtained to display high performance leadership?

According to a study, the high performance is different from the traditional organization in the aspect of leadership. High performance leadership is synthesis which including skill, behaviors and strategies vision of the leaders. (Liu et al, 2006).

High performance can be defined as achieving superior results by performing at a high standard to achieve set targets. High performance leadership is the practice of leading teams or organization to consistently achieve exceptional results. It involves setting high standards, fostering a culture of excellence, and inspiring others to reach new heights. As the name suggests, high performance leaders need to go beyond the regular leadership traits and display capabilities that can deliver exceptional results. Understanding what contributes to high performance leadership is of particular importance, given that leaders exercise a vast amount of power and influence (Hackman & Johnson, 2013), which can be hugely instrumental in organisational success or failure.

In the forever changing national and global markets, the need for high performing leaders is critical, particularly for organisational success. (Herring, 2016). For the leaders in organisations, high performance is seen as essential, particularly given the context of sustained competitive advantage. For this reason, organisations are continuously seeking to generate leaders who can cope with extensive pressure, yet simultaneously perform to an exceptionally high standard.

Based on the discussions with the senior Indian corporate leaders on what are the competencies that are important for high performance leadership traits to improve financial performance under each of the four parameters, the following has been arrived at. The top ten words that indicate high performance traits under each parameter were identified. Post

which a text mining was performed and the following high performance leadership traits have been arrived at.

Table 4.2
Keywords for leadership drive

Leadership Drive	
Keywords	Percentage
Challenge driven	85%
Control	40%
Initiative	45%
Strategic thinking	75%
Priorities	42%
Mindset	80%
Rewards and recognition	60%
Growth	87%
Contribution	66%
Values	83%

Table 4.3
Keywords for leadership skills

Leadership Skills	
Keywords	Percentage
Mentor	68%
Empathy	92%
Team player	63%
Networking	58%
Learning	88%
Feedback	78%
Conflict management	61%
Listen	76%
Empower	69%
Collaboration	82%

Table 4.4
Keywords for leadership analytics

Leadership Analytics	
Keywordss	Percentage
Measures progress	77%
Outcome	80%
Risk mitigation	48%
Resources	47%
Crisis management	84%
Perspective	49%
Efficient	80%
Execution	70%
Decisions	92%
Insightful	72%

Table 4.5
Keywords for leadership impact

Leadership Impact	
Keywords	Percentage
Trust	92%
Consult	67%
Visionary	85%
Innovation	91%
Achieve	79%
Team bonding	58%
Methodical	46%
Psychological safety	91%
Motivate	63%
Opportunity	49%

Based on the above high performance leadership traits, a word cloud image was generated on the words that had a frequency percentage of 75% and above. This helps in identifying the keywords for high performance leadership traits for a leader to display high performance in their leadership.

Table 4.6 – Keywords for high performance leadership traits

High Performance leadership traits	
Keywords	Percentage
Empathy	92%
Trust	92%
Innovation	91%
Psychological safety	91%
Right decisions	90%
Learning	88%
Growth	87%
Challenge driven	85%
Visionary	85%
Crisis management	84%
Values	83%
Collaboration	82%
Mindset	80%
Outcome	80%
Efficiency	80%
Achieve	79%
Feedback	78%
Measures progress	77%
Listen	76%
Strategic thinking	75%

Image 4.1
High performance leadership traits



Source – Text mining based on discussions with senior Indian corporate leaders

Insights on high performance leadership

Therefore, based on the above inputs, some of the capabilities that high performance leaders are characterized by which will have a direct or indirect impact on financial performance of the business, includes their ability to:

1. Think and work on the long-term vision and growth despite challenges
2. Understand the business with a strategic thinking and mindset

3. Focus and contribute to organisational values
4. Understand and manage not only one's own emotion but also empathize and influence the emotion of others.
5. Embrace change and learn from setbacks
6. Clearly articulate expectations, collaborates, provides constructive feedback and actively listens.
7. Set ambitious goals, track progress, manage crisis and take accountability for outcomes
8. Learn continuously by staying up to date with industry trends, follow best practices, high efficiency levels and work and measure their personal and professional development.
9. Making right business decisions using data
10. Inspire teams to achieve exceptional results through clear communication, positive reinforcement and lead by example.
11. A visionary who ensures psychological safety and encourage creativity and innovation among team members to achieve goals.
12. Cultivate strong relationships with colleagues, stakeholders and clients, based on trust and respect.

From the aforementioned points, we can arrive at the following insights on high performance leadership.

The first three points mentioned above reflect the leadership drive a leader exhibits in the form of being a challenge driven leader, having a strategic mindset, contributing

towards organizational values etc. Thus having an innate strength of the fire within or the drive leads to high performance leadership.

Points 4,5 & 6 in the above list are about having empathy, learning, listening, feedback and collaboration. These aspects represent the leadership skills. This forms an important aspect to enable high performance leadership.

The next three points in the list above i.e – 7,8 and 9 are about being focused on outcome, measuring progress, managing crisis, improving efficiency and taking right business decisions using data driven decision making. This is about using leadership analytical capabilities that enables the leaders to seek the superior outcomes, including superior financial results. This portrays the characteristics of a high performance leader.

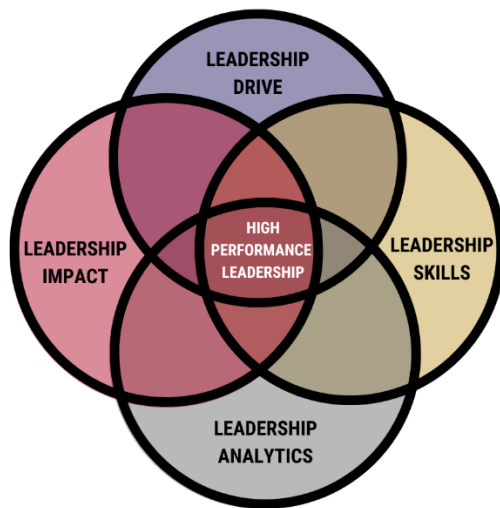
The last three points in the aforementioned list – i.e 10, 11 and 12 is about building trust, being a visionary, encouraging innovation and ensuring psychological safety that can create the required leadership impact. High performance leadership is about influence and impact and therefore these capabilities as well contribute to displaying high performance leadership.

Thus the four key parameters of leadership drive, leadership skills, leadership analytics and leadership impact play a major role in leaders displaying high performance in their leadership and contributing to financial growth of the business.

If these were to be represented pictorially, it would look like the image below.

Image : 4.2

Ingredients of high performance leadership to improve financial growth of the business



Source – Author

Ultimately, high-performance leadership is about utilizing leadership capabilities that help and contribute towards maximizing the potential of individuals and teams to achieve extraordinary results in business as well as superior financial outcomes for the organization.

4.3 Research Question Three

What organisational insights on leadership does the collective capabilities of the leadership team reveal?

Multiple developments, including disruptive technologies and new business models, are leading to uncertainty and change. They also open up new possibilities for adaptation, innovation, reinvention and entrepreneurship. They are challenging organisational leaders. Coping with them may require review, refresh or reinvention and a transition from individual leadership to the collective leadership of a competent board. (Coulson-Thomas, 2018).

Therefore, it becomes essential to understand the effect of the collective leadership on the organizational performance. The collective capabilities of leaders of an organisation, can be measured by their collective scores of leadership drive, leadership skills, leadership analytics and leadership impact. It can offer valuable insights into the overall health and direction of an organization.

Considering the parameters of leadership drive, leadership skills, leadership analytics and leadership impact but diving a little deeper into these along with the collective assessment of the leadership team, let us discover what insights they offer.

Organisational insights on leadership

Now that it is established that the four parameters contribute to high performance leadership which improves in the financial performance of the business, let us now look what it means for the organisation. Based on the survey questionnaire to the 106 leaders from 17 different Indian corporates on the four key parameters of Leadership drive, leadership skills, leadership analytics and leadership impact, the following are the collective scores each organisation wise, for each of the four parameters.

Table 4.7

Average leadership competency scores of each corporate

Corporate Organisation	Average Leadership Drive	Average Leadership Skills	Average Leadership Analytics	Average Leadership Impact
1	70	80	71	70
2	66	66	38	54
3	82	84	78	80
4	66	79	67	58
5	78	79	63	58
6	58	73	43	66
7	75	73	65	60
8	79	79	69	73
9	69	72	61	78
10	58	63	64	61
11	77	77	77	78
12	77	76	80	80
13	91	91	82	78
14	63	60	58	54
15	94	91	94	92
16	68	65	59	56
17	81	83	83	77
Average	74	76	68	69

When these parameters are plotted on a graph, they are visually represented in the below graph -

Graph 4.7
Organisational Insights on Leadership



Source : Author based on survey

Organisational insights obtained from the study

The insights that can be obtained from the above table and graph are as below -

1. **Imbalance in leadership competencies** - By analysing all the four parameters, it can be said that the highest score is the parameter of leadership skills across the 106 leaders from the 17 organisations. Leadership Analytics ranks the least. However, there is also imbalance amongst the four parameters in some corporate organisations. This means while most leaders are equipped with leadership skills, they need to work on improving other aspects of their leadership like analytics, in order to not only display high performance leadership but also contribute to improving the financial performance of the business.

2. **Focus required on specific areas** - Organisations can work on strengthening specific areas on each of the four parameters. For example in Organisation number 2, leadership skills are 66% but analytics levels are at 38%. Thus they can focus on improving this particular area for them to improve their financial performance.
3. **Actions for improving financial performance** - While the average scores of all four parameters across the 17 corporates is relatively composed, it can be observed that leadership drive and leadership skills are quite strong whereas leadership analytics and leadership impact are not so strong. This implies that organisations need to encourage, train and coach their leaders to opt for ways and means to improve their capabilities in these areas to contribute towards the improvement of the financial performance of the business.
4. **Potential struggle** – The least score of the four parameters across the 17 organisations is leadership analytics. This indicates potential struggle with strategic decision making and long term planning which impacts the financial performance of the business. The organisations should consider ways and means of overcoming these challenges.
5. **Leadership dimensional gaps** - Companies strong in leadership drive and leadership skills but weak in leadership analytics and leadership impact are likely to be execution focused but lack data backed leadership influence. Companies strong in leadership analytics but weak in skills or drive may have great insights but struggle with execution and leadership motivation. Organisations can look at ways and means of bridging this gap.
6. **Implications on business performance** - Companies that score high across all four parameters are likely to have better financial performance. This is also represented in the earlier image under research question one. Companies with significant gaps

in any one area may experience inconsistent leadership impact, poor strategic execution, or financial instability.

Thus by harnessing the power of collective leadership drive, leadership skills, leadership analytics and leadership impact, organizations can create a more agile, innovative and resilient workforce which will result in enhanced organizational excellence, effectiveness, organizational strategy leading to organizational growth through heightened business performance translating to better financial results.

4.4 Research Question Four

Is there an expectation gap on performance potential, between the leadership team and their reporting manager?

The business field has shifted its focus to execution – execution of plans and initiatives and consistent delivery of results. If an organization can't execute, nothing else matters : not the most solid, well-thought out strategy, not the most innovative business model, not even the invention of technology that could transform an industry. (Lepsinger, 2010). Therefore, if there is an expectation gap in terms of ineffective execution, poor performance or not living up to the expectations of the manager, the effect is felt on the organisations results. Hence it is essential to bridge the expectation gap. And in order to do that, the expectations from the reporting manager needs to be communicated and understood.

The OIL survey is a two step process. Step one is where the leader completes a self-assessment questionnaire and step two is where their reporting manager evaluates each of members of the leadership team on the same parameters. But these steps were performed independently and answers not revealed till the survey was completed. This was conducted on corporates from fifteen different organisations and it revealed an important aspect - a gap in the leadership potential performance between the leaders self assessment and the way the reporting manager (i.e CEO / MD) perceives it. While in most cases the CEO / MD gave a lesser score to the leader, it was surprising to see few instances where the leader had underrated themselves. This clearly shows there is a leadership potential expectation gap within the organisation and it is also most probably not discussed between the reporting manager and the leader due to various reasons such as lack of time, ego issues, insufficient importance, ignorance, considered as a white elephant in the room, not given an opportunity to be heard etc. and so this topic is pushed under the carpet. However it is a essential topic for discussion and cannot be shoved under the carpet, because when these gaps are fixed, it would lead to better business performance leading to enhanced financial results of the organisation.

As shown in the graphs below the gaps existed in all the four key parameters of leadership drive, leadership skills, leadership analytics and leadership impact.

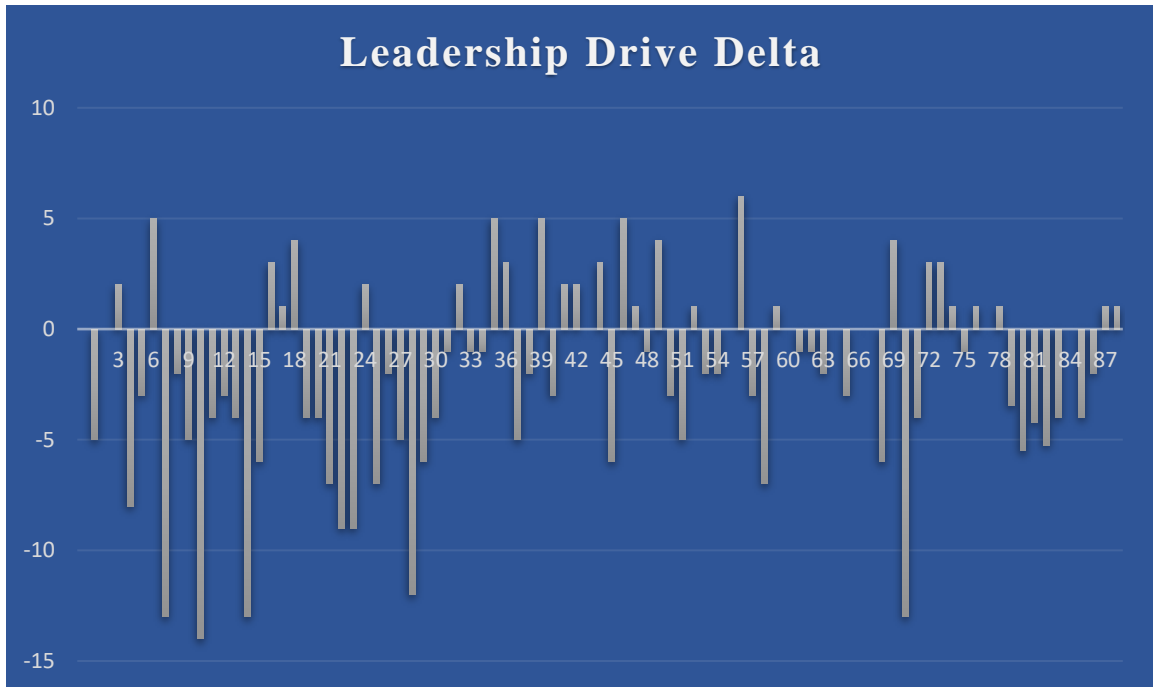
The difference in rating that causes the gap indicates that there is either a blind spot of the leader (which is most probably the case) else the leader has failed to prove or articulate their full potential to their CEO / MD. Or assuming even if the perception of the reporting manager on the leader is viewed differently, these leadership capabilities are seldom discussed blatantly to substantiate either view points as the leaders are busy

fightinng other critical business issues. However if time is not taken to discuss such differences, it could lead to burn out, lack of morale and motivation, frustation etc. and thereby ultimately, the business suffers. By not discussing on the important aspect of leadership capabilities, there is always an expectation gap leaving feeling of dissatisfaction, low morale and disappointment between the CEO / MD and the leadership team. Hence there is a strong need to address this and get it fixed in a periodic manner and at regular intervals for optimal business results.

Observe the variation in the below four graphs on each of the four parameters between self assessment and the reporting managers rating. The negative scores indicates that the CEO / MD has rated the leadership capabilities lower than what the leader thinks of themselves and the positive score implies that the leader is unaware of their own leadership potential. Note that both the surveys were done independent of each other and the leader and the reporting manager did not know the score given by the other.

Graph 4.8

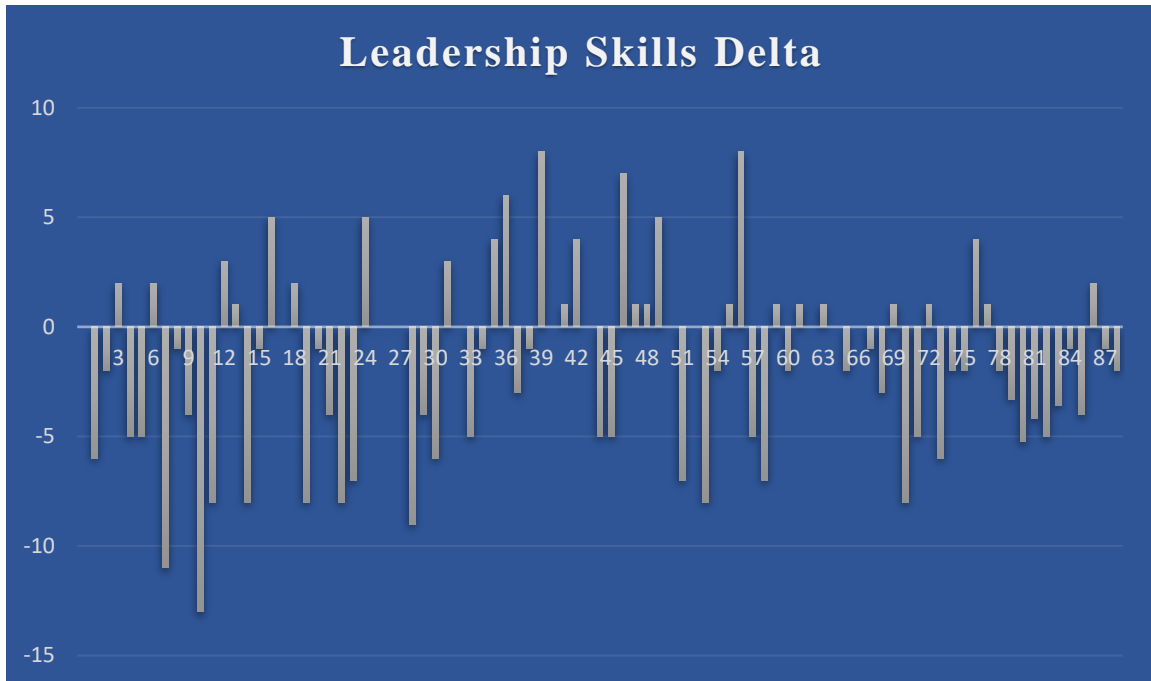
Expectation gap in leadership drive rating between the leader and their reporting manager



Source : OIL survey done by the author

Graph 4.9

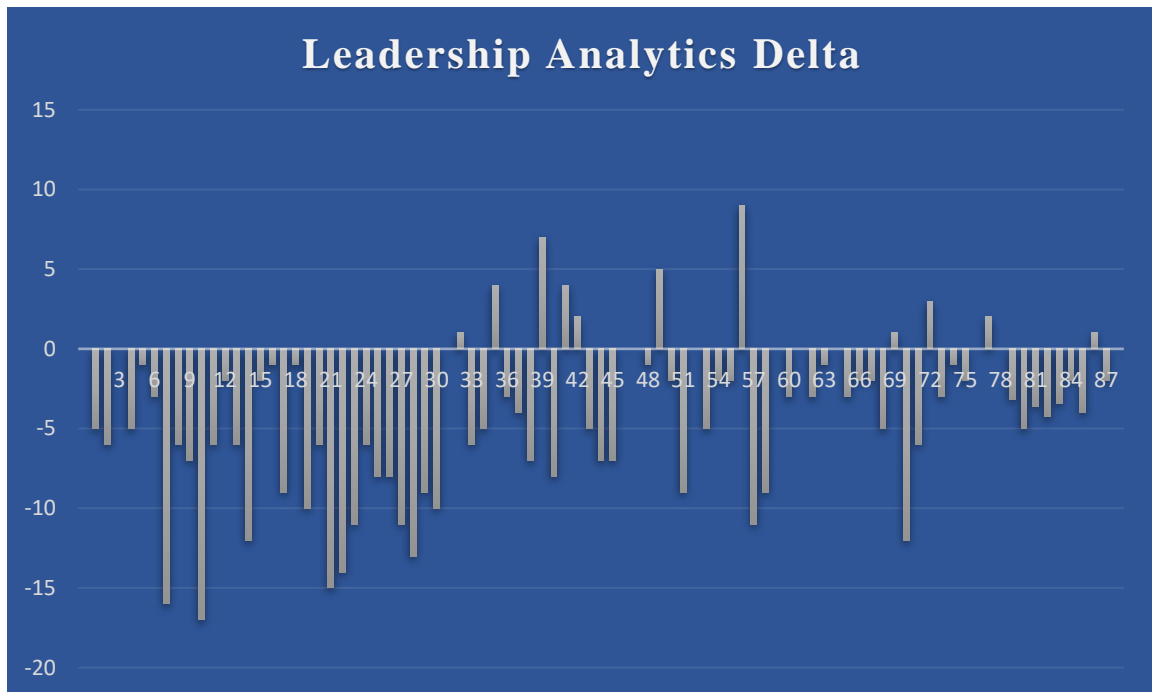
Expectation gap in leadership skills rating between the leader and their reporting manager



Source : OIL survey done by the author

Graph 4.10

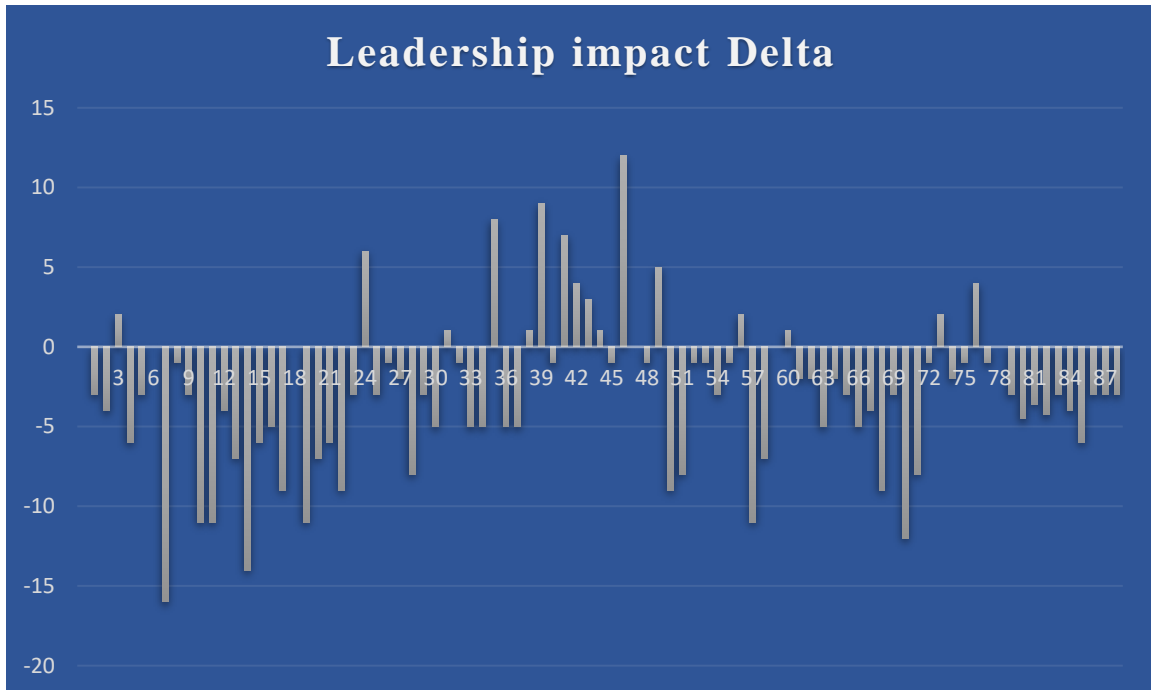
Expectation gap in leadership analytics capabilities rating between the leader and their reporting manager



Source : OIL survey done by the author

Graph 4.11

Expectation gap in leadership impact capabilities rating between the leader and their reporting manager



Source : OIL survey done by the author

Thus as evident from the above graphs, there is an expectation gap between the CEO / MD and the leadership team. Most of the times, this gap is not communicated and left unsaid, leaving strained relationships between the two involved. This survey opened doors of clarity and enabled communication on the expectations and to arrive at mutually desirable leadership capabilities, corrective actions that maybe required, measures and initiatives to be in alignment with the organisational goals etc. And by doing so, it will contribute to improved financial performance of the business.

Actions to bridge the expectation gap

To effectively bridge the expectation gap between the members of the leadership team and their reporting manager regarding performance potential, a discussion was held with the heads of 12 different organizations on how to bridge the gap. The outcome from the discussion is summarized below.

Table 4.8
Actions to bridge expectation gaps

		ORGANISATION											
	ACTIONS TO BRIDGE GAP	1	2	3	4	5	6	7	8	9	10	11	12
1	Open dialogue & Psychological safety	y	y	y	y	y	y	y	y	y	y	y	y
2	Communicating expectations	y	y	y	y	y	y	y	y	y	y	y	y
3	Regular feedback including 360 feedback	y	y	n	y	y	y	y	n	n	y	y	y
4	Career aspirations & development	y	y	n	y	y	y	y	y	y	y	y	y
5	Transparent performance reviews	y	y	y	y	y	y	y	y	y	y	y	y
6	Identify & address performance challenges	n	y	y	y	y	y	y	n	y	y	y	n
7	Setting in growth mindset	y	y	y	y	y	y	y	y	y	y	y	y

Note - y - stands for yes and alignment to the action and n stands for n and non-alignment to the action

Source – Author’s discussion with the head of each organization.

Based on the above discussion, it can be summarized that leaders mentioned that the following strategies can be implemented to reduce the expectation gaps in their respective organisation:

1. The culture of frequent and **open dialogue and creating psychological safety** between the reporting manger and the leader involved in the form of one-on-one meetings to discuss and analyze performance, goals and development plans. Also encourage being open about their vulnerabilities and create psychological safety by having an open and

honest communication where leaders feel comfortable approaching their reporting manager with concerns or ideas.

2. **Communicating expectations clearly** by sharing realistic expectations and stating the performance metrics that are clearly defined with outcomes and expectations. Collaboratively setting goals along with the leaders to ensure alignment with expected outcome and understanding of the same is essential.

3. Effective mechanisms that provide **regular feedback** that is not only constructive but also both positive and negative feedback. Implementing a 360-degree feedback system to gather input from multiple sources, including peers, subordinates and supervisors will enable leaders to become aware of their blind spots and work on improving themselves.

4. Having open conversations about **career aspirations and development** opportunities and creating tailored development plans that address specific needs and goals of the members of the leadership team will aid in minimizing the expectation gap.

5. **Transparent performance reviews** that are objective in nature and right sufficient data to assess performance. Fostering a two-way communication to encourage open dialogue during performance reviews and giving room for listening, questioning and discussing.

6. Work together to **identify and address performance challenges**. This will enable and encourage a shared sense of ownership and accountability for business performance and financial improvement.

7. Inculcate a **growth mindset** that enables leaders to embrace challenges rather than avoid challenges. Leaders to also feel inspired by the work of others rather than feeling threatened. This mindset will help in overcoming their challenges and work towards their desired results.

By implementing these strategies to minimize the leadership expectation gaps, leadership teams can foster a culture of open communication, build trust and mutual understanding, leading to improved business performance, employee engagement and better financial results.

4.5 Research Question Five

Based on the organisational insights on leadership, what are the possible actions that can be taken for the financial growth of the organisation?

The survey Organisational Insights on Leadership was conducted on hundred and six Indian Corporate leaders from 17 different organisations from various industries. This involved a two step assessment process.

The first step was a yes or no self-assessment by each leader of the leadership team. It contained twenty five questions each under each on the main capabilities under each

leadership parameter for this study - viz leadership drive, leadership skill, leadership analytics and leadership impact.

The second step involved evaluating each of these leaders on the same parameters by their reporting manager i.e their CEO or MD on whether each leader displays these capabilities or not.

Both these scores were compared to arrive at the delta or the gap in within the organisation. Thereafter based on the ratings, a scorecard was developed to arrive at the OIL score. Discussions with the leaders were encouraged to explore how to improve the OIL score and reduce the delta between the reporting manager and the leadership team.

Organizational insights on leadership reveals the leadership capabilities of the leadership team that has a direct or indirect bearing on the financial performance of the business. Some actions that can contribute to enhancing the financial growth is by aligning leadership practices with key financial drivers of business profitability. Based on the discussions with the heads of 12 different organisations, the below is the summary.

Table 4.9
Actions to be taken by leaders for improving financial growth

	ACTIONS BY LEADERS FOR FINANCIAL GROWTH	ORGANISATION											
		1	2	3	4	5	6	7	8	9	10	11	12
1	Strengthen leadership alignment with business strategy	y	y	y	y	y	y	y	y	y	y	y	y
2	Enhance decision making process	y	y	y	y	y	y	y	y	y	y	y	y
3	Cultivate a high performance culture	y	y	y	y	y	y	y	y	y	y	y	y
4	Invest in leadership development	y	y	y	y	y	y	y	y	y	y	y	y
5	Promote cross functional collaboration	y	y	n	y	y	y	y	n	y	y	y	y

6	Foster innovation thru empowered leadership teams	y	y	y	y	y	y	n	y	y	y	y	y
7	Ensure ethical compliant & transparent leadership culture	y	y	y	y	y	y	y	y	y	y	y	y
8	Drive customer centricity	y	y	y	y	y	y	y	y	y	y	y	y
9	Optimize resource allocation	y	y	y	y	y	y	y	y	y	y	y	y
10	Benchmark with industry leaders	n	y	y	y	y	y	y	n	y	y	y	y
11	Embed a culture of leadership coaching	y	y	y	y	y	y	y	y	y	y	y	y
12	Leverage technology to amplify leadership efficiency	n	y	y	y	y	y	y	y	n	y	y	y

Note - y - stands for yes and alignment to the action and n stands for n and non-alignment to the action

Source – Author’s discussion with the head of each organization.

Based on the above discussions, here are actionable recommendations along with the impact it brings along in improving the financial performance of the business:

1. Strengthen leadership alignment along with business strategy

Action: To facilitate regular strategy workshops with the help of business and leadership coaches to ensure leaders across functions are aligned and on the same page with the company’s vision, goals, and financial objectives.

Impact: This enables improving coherence in decision making and prioritizes efforts that yield the highest returns.

2. Enhance decision making processes

Action: Implement data driven decision making frameworks and upskill leaders in using business analytics and financial modelling tools.

Impact: Enables leaders to evaluate risks and opportunities more effectively, leading to better financial outcomes.

3. Cultivate a high performance culture

Action: Display high performance leadership and thereby nurture high performance culture to build high performance teams. Introduce performance based metrics tied to financial KPIs for leadership teams. Use regular review mechanisms to measure and assess progress.

Impact: Encourages leaders to build a culture of high performance, take ownership of financial targets, driving cost efficiencies and revenue growth leading to improved profitability.

4. Invest in leadership development

Action: Engage, design and implement targeted leadership development programs with the help of business and leadership coaches, focusing on strategic thinking, improving financial acumen, keep abreast with industry best practices and enhance team building skills.

Impact: Develops leaders' capabilities of driving transformational initiatives that enhance profitability.

5. Promote cross-functional collaboration

Action: Break the patterns of working in silos and establish platforms where leaders can collaborate with various teams to address challenges like cost optimization or new revenue streams.

Impact: Reduces silos, fosters innovation and aligns efforts toward financial growth.

6. Foster innovation through empowered leadership teams

Action: Create psychological safety and encourage leaders to champion innovation projects by providing resources, autonomy and clear incentives.

Impact: Opens avenues for new products / services, improves market competitiveness and drives revenue diversification.

7. Ensure ethical, compliant and transparent leadership culture

Action: Strengthen governance frameworks and train leaders in ethical decision making, being complaint to applicable rules and regulations and to build trust with stakeholders.

Impact: Attracts investors and enhances customer loyalty, contributing to long term financial stability.

8. Drive customer centricity

Action: Focus on customer requirements and embed customer centric thinking in leadership practices through workshops on market trends, customer behavior and service innovation.

Impact: Improves customer retention, drives repeat business and enhances revenue streams thus leading to better financial performance.

9. Optimize resource allocation

Action: Empower the leadership team to make real time adjustments in resource planning and resource allocation based on business priorities, trends and market conditions.

Impact: Maximizes operational and process efficiencies and thus reduces unnecessary expenditures as well as wastages or resources.

10. Benchmark with market industry leaders

Action: Encourage leaders to participate in industry forums, conduct benchmarking exercises and learn the best practices in their industry.

Impact: Helps adopt relevant strategies for financial growth and sustained competitive advantage over long-term.

11. Embed a culture of leadership coaching

Action: Establish a structured leadership coaching framework that provides ongoing one-on-one coaching for the leadership team, focusing on areas such as financial acumen, decision making, stakeholder management, behavioural changes. grow their leader capabilities and contribute to enhanced profitability.

Impact: The coaching culture enables leaders to develop improved clarity and confidence in navigating financial complexities. It also fosters a growth mindset, leading to higher productivity. It also aids leaders to translate their personal development into business impact, such as innovation, effective communication, networking skills, team performance improvements, develop trust etc. Leadership coaching complements financial growth strategies by developing leaders who are self aware, adaptable and capable of maximizing their teams' potential.

12. Leverage technology to amplify leadership efficiency

Action: Equip leaders with advanced technological tools. AI driven analytical tools and platforms that enhance their ability to drive financial growth and team performance.

Impact: This would result in improved efficiency. Leaders can quickly access and act on critical financial and operational data. Technology bridges silos and fosters a

cohesive approach to achieving financial targets. It further empowers leaders to manage resources and scale initiatives with precision.

By implementing these strategies, leadership teams can foster a culture of open communication, trust and mutual understanding, leading to improved business performance resulting in enhanced financial results.

4.6 Summary of findings

Some of the key findings and important highlights of this study that revolves around leadership teams in corporates and their leadership capabilities can be summarized as below :-

1. The four main parameters of this study on collective leadership capabilities that contribute to improved financial performance are leadership drive, leadership skills, leadership analytics and leadership impact. These leadership capabilities are the pillars for high performance leadership. These capabilities are common across industries, geographies, irrespective of the nature of the work or background or size of business as most of the leadership challenges such as business growth, better financial performance etc. are common for most leaders.
2. The self assessment questionnaire enhances the awareness levels of the participant and makes them to think and reflect on their leadership capabilities and propels them towards the direction of better business performance.

3. Based on the collective inputs of the leadership team as well as the evaluation by the CEO / MD, the study provides organisational insights on leadership. The organisation will become aware that as a collective team, which areas they need to focus as leaders to help improve the financial performance of the business. Among the four parameters, leadership analytics has emerged as a key area to focus on to enable better business profitability.
4. The organisational insights on leadership also highlights the blind spots of the members of the leadership team. In some case it also revealed that some leaders are not aware of their own potential and needed to be reinforced on their strengths by their reporting manager.
5. The study also initiated the discussion between the CEO / MD & the leadership team on the important leadership capabilities and enables them to communicate their expectations thereby bridging the leadership expectations gaps in the system.
6. The OIL questionnaire also discloses the specific strengths and the areas of improvement for each member of the leadership team. These can be drilled specifically into each leadership capability and discuss on actions to maximize their leadership potential.
7. The survey conducted on hundred and six Indian corporate leaders revealed that the parameter with the least score was the capability for leadership analytics at 68%. The delta on this parameter was also the highest at 11%. The highest score among the four parameters was for leadership skills at 77% and the delta being the least at 4%.

4.7 Conclusion

Basis the findings and the insights from this study, it can be concluded that the outcome of this study, can be listed as below :-

- The collective capabilities of high performance leaders, as defined by their leadership drive, leadership skills, leadership analytics and leadership impact, have a profound influence on organizational performance and financial results.
- There's a direct correlation between the financial performance and the high leadership competencies. Effective leaders foster and build positive, innovative and high-performance culture.
- High performance leadership traits gives the extra edge to leaders in improving the financial performance.
- The organizational insights on leadership reveals the collective capabilities of the leadership team that contributes to improving the financial performance.
- Necessary actions can be taken to bridge the expectation gap on performance potential.
- To improve the financial performance of the organization, essential actions can be taken to help the leadership to gear better to improve the financial performance of the business.

By understanding the collective capabilities of the leadership team, organizations can:

- Identify strengths and weaknesses in leadership.
- Minimize leadership gaps between the leaders and their reporting manager.

- Develop targeted leadership development programs.
- Optimize organization's resources.
- Develop right business strategies leveraging the strengths of the leadership team.
- Drive organizational performance leading to better financial results.

Ultimately, high performance leadership is essential for organizational success. By focusing on the key attributes and behaviors of the leadership team, organizations can build a strong foundation for future growth and prosperity.

CHAPTER V:

DISCUSSION

5.1 Discussion of Results

This study summarizes the findings of the survey conducted on hundred and six Indian Corporate leaders, forming part of the leadership team of their respective organization, across 17 different corporates from various industries such as manufacturing, services, IT sector etc. The focus of the study was on majority of Indian Corporates and few global Corporates that are based out of India. This study discusses the findings around the leadership capabilities that contribute to enhancing business performance as well as improving the profitability of corporates. The four main parameters considered for this purpose are leadership drive, leadership skills, leadership analytics and leadership impact.

5.2 Discussion of Research Question One

- **What are the key competencies required by the leadership team to improve financial performance of the business?**

Every corporation dreams of consistent, year on year financial growth and success. While challenges are inevitable, strong leadership can mitigate their impact and even drive positive financial performance. To achieve this, leadership teams must possess a diverse set of competencies and capabilities, which can be categorized into four key areas which are leadership drive, leadership skills, leadership analytics and leadership impact. Let's explore each of these based on the results of the study and discuss the role played by each of these points in improving business and financial performance.

Leadership drive

Leadership drive is indispensable capability for any successful leader. It is the bedrock of effective leadership as it enables unwavering motivation and energy that propels leaders to move ahead and excel. It is the spark that ignites passion, innovation and a relentless pursuit of excellence. When leaders lack drive, a sense of complacency and apathy can permeate the organization. They could become passive, avoid responsibility and may even fail to take decisive actions to improve financial performance, should they lack the leadership drive.

A leadership team, is like a finely tuned engine, that requires each member to contribute their full potential. If even one member lacks the necessary drive, it can significantly diminish the overall energy and effectiveness of the team. This negative attitude can spread like wildfire, infecting the entire team and hindering their ability to achieve strategic goals.

Conversely, leaders with high leadership drive are characterized by being challenge driven, strategic thinking and a willingness to embrace calculated risks. They possess the foresight to anticipate future trends and the courage to make bold decisions. By inspiring their teams and fostering a culture of innovation, they can drive exceptional financial performance and long-term success.

Let us consider the self assessment questions on leadership drive and how it links with the key outcomes of leadership drive.

1. I am driven by challenges – This relates to the readiness, attitude and mindset of the leader who is driven by challenges.
2. I am in control of my work – This capability enables the leader to manage and mitigate risks.
3. I take charge of my team – Taking charge of the team denotes being in control ability of the leader as they are going beyond themselves.
4. I prioritize and act with sense of urgency – This trait denotes the ability to manage risks.
5. I work with the purpose in mind – Being purpose oriented signifies the long term visionary thinking of the leader.
6. I think in terms of profits – Thinking about profits symbolizes the leaders drive for strategic thinking.
7. I like to explore, research and learn – This quality helps the leader to manage risk.
8. I seek growth and success – If the leader is driven by growth and success, they would think strategically for business.
9. I make quick and effective decisions – This signifies the strategic thinking capability of the leader.
10. I address my team with ease – The leader can address with ease when there is a vision in place and guides the team towards the vision.
11. I contribute to the success of my colleagues – This aspect signifies the broad and inclusive vision of the leader.
12. I take critical feedback positively – This enables the leader to develop the right winning strategies.
13. I think about making processes more efficient – This capability is yet another metric showcasing the strategic thinking of the leader.

14. I have a reputation for creativity – Being creative also reflects on the ability to think strategically.
15. I stand for being fair and just all the time – By being just and fair risks are minimized.
16. I complete my work with lot of passion – Inducing passion in work signifies the ability of the leader to get the best despite challenges.
17. I relentlessly pursue initiatives – This is possible when the leader is a visionary.
18. I am known as the idea person – Ability to ideate showcases in the strategic thinking capabilities of the leader.
19. I am the go to person for my team – Being the go to person for the team members indicates the drive the leader has to support his team who will in turn support the leader.
20. I express my views without any bias – This ability helps in minimizing risks.
21. I communicate freely as my thoughts are highly valued – The leaders thought are high valued because of the challenge driven leadership mindset.
22. I am appreciated in my workplace – Being appreciated on the work well done translates to the work well executed and exhibiting challenge driven leadership.
23. I get rewards and recognition for my work – This is the by-product of handling challenges efficiently as well as strategic thinking.
24. I am well respected in my organization – Respect is gained by the leader from the outcome achieved and leadership drive is an important input for it.
25. I am focused on organizational values – Focusing on the organizational values is possible when the leader is having a high level of leadership drive.

Thus when leaders possess or work on developing the above strengths with regard to their leadership drive, it aids the business performance directly or indirectly and contributes to enhanced financial growth and profitability. Leaders can assess themselves on each of these questions and reflect on their capabilities. If they feel they can do better in any one of the slated points, they can work on improving their capability in those specific areas to maximize their leadership drive potential and thereby contribute to the better financial performance of the business.

Leadership skills

While domain expertise and talent within a specific area are undoubtedly valuable asset for any leader, they alone are insufficient to guarantee success as a leader. True leadership transcends technical proficiency and requires a distinct set of interpersonal and managerial skills.

“Mastering leadership skills is not a destination but a continuous journey of growth and development. Whether you're an entry-level employee or a seasoned professional, honing these skills can significantly enhance your career prospects and professional success. Leadership is not confined to a specific title or position; it's a set of competencies that can be applied in various roles and contexts. As you continue to refine your leadership skills, you'll not only advance your career but also make a positive impact on your teams and organizations, contributing to their success and growth.”

(Source : https://economictimes.indiatimes.com/jobs/c-suite/mastering-leadership-skills-a-path-to-professional-success/articleshow/104656726.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

Even the most brilliant minds can flounder if they lack the ability to effectively lead and inspire others. Effective leadership hinges on the ability to manage people, excel operationally and communicate effectively amongst other leadership skills.

If we were to look into the self assessment questions on leadership skills and how it links with the key outcomes of leadership skills, the following are some insights :-

1. I keep learning and also urge my team to learn – This capability helps in delivering operational excellence.
2. I am a role model for my team – This leadership skill also implies that the leader walks the talk and leads to operational excellence.
3. I am supportive of initiatives of my team, colleagues & peers – This important leadership skill enhances the psychological safety quotient and sparks new ideas which leads to operational excellence.
4. I am a good listener – Listening is a form of passive communication indicating that the leader cares and is genuinely interested in the team member.
5. I am receptive to ideas from my team – This skill is an extension of the previous points and this aids in better people management ability.
6. I display empathy to my team – This attribute facilitates better people management skills.
7. I am a team player – This also enables people management capability of the leader.
8. I collaborate with my colleagues – Collaboration indicates the ability to communicate and hence helps leaders who have this ability.

9. I focus on the present actions to be completed – This leadership skill contributes to operational excellence.
10. I trust my colleagues – Having a high trust quotient is an indicator of good people management skills.
11. I am looked upon for my leadership skills – This is a comprehensive pointer of all the leadership skills the leader possesses.
12. I am very good at networking – Being good at networking denotes the capability to be an effective communicator.
13. I upgrade my domain knowledge consistently – By constant upgrading of the domain knowledge, better operational efficiency and excellence can be the outcome.
14. I am aware of the challenges faced by close colleagues – This particular attribute highlights the care and concern a leader displays and aids in better people management skills.
15. I resolve conflicts effectively – A successful leader is unbiased and has the capability to resolve conflicts smoothly which is a representation of their people management skills.
16. I take action if something is not right in my organization – This particular leadership skill signifies the courage, grit and resilience a leader brings along and thus inspires their people.
17. I chat with employees about their lives outside work – This quality helps in building a good rapport and stronger bond with the team members.
18. I am looked upon for guidance by my team during stressful times – Yet another quality of successful leaders highlighting the command and respect the leader has from their team members.

19. I integrate others inputs while making key decisions – Having this skill implies the leader is being considerate and hears out the views of all team members thereby indicating good people management skills.
20. I influence my team – A good leader is highly influential and therefore this particular leadership skill denotes the leaders ability to influence their people's thinking, behaviour etc.
21. I empower and develop my team members – Yet another quality that can be linked with the people management ability.
22. I am good at getting things done – This one reflects the ability of the leader to communicate effectively and be a good influencer.
23. I am outcome oriented – Being outcome oriented results in operational excellence capability of the leader.
24. I am adaptable to changing needs – Having the ability to adapt themselves with changing times, changing situations, changing requirements etc, is a strong leadership skill.
25. I am a critical thinker – Being a critical thinker reflects the ability of the leader to think on their feet, solve problems and lead the people towards operational excellence.

Leaders who possess these essential leadership skills have a distinct advantage. They can effectively navigate complex challenges, inspire and motivate their teams and ultimately drive superior business outcomes thereby building and nurturing not only high performance leadership but also high performance teams as high performance will be part of the organizational culture. By cultivating strong leadership skills, leaders can unlock the full potential of their teams and achieve significant financial success.

Leadership Analytics

In today's data driven world, leadership analytics has emerged as an essential competency for successful leaders. This multifaceted skillset empowers leaders to leverage data to make informed decisions, enhance performance and drive transformative change within their organizations.

Let us analyze the self assessment questions on leadership analytics and how it links with the capabilities of the leadership team regarding enhanced business performance and improved financial results :-

1. I like numbers – This attribute indicates the keenness to read and interpret the numbers for data driven decision making.
2. I perceive things from others perspective – This quality as well enables the leader to absorb various perspectives which helps in the right decision making in the best interest of the business.
3. I am very logical in my approach – Being logical helps in understanding the data better which leads to making informed choices and decisions for the business.
4. I get to the root cause of issues – Handling of the issues from root cause facilitates positive transformation in the business.
5. I share business insights and updates with my team regularly – When the leader is open and transparent in sharing business insights and updates regularly with the team members, not only do the members feel encouraged but also forms the basis for driving transformation within the team and the business.

6. I can interpret data to arrive at right decisions – This trait speaks for itself as the leader has the ability to interpret data and arrive at right business decisions.
7. I assess business returns before investing time, efforts or resources – This ability highlights the leaders thinking in terms of key performance indicators, that can contribute to better returns for the business.
8. I delegate the work that can be performed by my team – This attribute enables leaders to empower and train their team members as they think of growth of their team members and succession planning for the business. This leads to business growth and transformation.
9. I know the key business metrics – When the leader is aware of the key business metrics, they focus on the right areas for improvement thereby contributing to the betterment of the key performance indicators.
10. I measure my performance and take corrective measures where required – When the leader tracks their performance and take initiatives to correct, the performance metrics of the organization gets better.
11. I am introspective, reflective and self-analytical – Having the ability to introspect, reflect and be self-analytical leads to betterment and improvement of the leader which in turn leads to transformation within the organization.
12. I maximize the existing resources – Maximizing and optimizing the use of existing resources leads to improvements in the performance metrics of the business.
13. I can detect business flaws with ease – This quality indicates the leaders' ability to read the data and detect flaws and fix it, in the best interest of the business.
14. I thoroughly examine the teams' needs in a crisis – It is qualities like this which enhances the probabilities of transformation within the organization.

15. I understand the capabilities of my team members – Knowing and understanding the capabilities of the team members helps the leader to assign tasks to each of the team members that enables driving the required transformation within the business.
16. I leverage the strengths of the team – By leveraging the strengths of the team members, the leader ensures working towards the key performance indicators of the business.
17. I follow the best practices in my industry – Following the best practices of the industry within the business, the leader enables transformation.
18. I always do the right thing – When the leader does the right thing, putting the best interest of the business ahead of everything else, it contributes to improved efficiencies and better business performance.
19. I execute my work with confidence – When the leader feels confident about themselves and their work, the team members also feel assertive and thereby helps with business transformation.
20. I am open to leading change – When the leader has the growth mindset, the leader is open not only open to change but also leading the required change for the business and aids in business transformation.
21. I measure what matters – The ability to measure what matters for the business, denotes the leaders' ability to think in terms of performance metrics for business growth.
22. I use dashboards for analyzing key business information – Utilizing dashboards for analyzing the key business information drives the leader to make the right decisions and help improve the key performance metrics.

23. I think of risk mitigation – When the leader thinks of risk mitigation it automatically leads to transformative actions within the business .
24. I work on improving efficiency levels – When the leader works on improving efficiency levels it leads to better performance metrics of the business thereby leading the business growth.
25. I inspire my team to perform at their peak potential – When the leader inspires the team members, they are motivated to perform at their best thus contributing to better performance metrics of the organization.

In conclusion, leadership analytics is no longer a mere "nice to have" skill but a critical competency for leaders navigating the complexities of the modern business world. By embracing data driven decision making, leveraging analytics for performance improvement and harnessing the power of data to drive transformation, leaders can position their organizations for sustained success in the competitive landscape.

Leadership Impact

The essence of true leadership transcends mere management. It is about creating a profound and lasting impact that echoes throughout the entire organization, even after the leader is no longer associated with the organisation. That is when the leadership legacy is created. This impact manifests not only in the performance and engagement of individual team members but also in the overall trajectory and success of the business itself.

Effective leaders recognize that their influence extends far beyond individual contributions. They understand that they are architects of the organizational culture, shaping the values, beliefs, ethos and behaviors that define the company's identity and

traits. By fostering a culture of trust, transparency and collaboration, leaders create an environment where employees feel valued, empowered, and motivated to excel. This positive and inclusive culture not only boosts employee morale and productivity but also enhances the organization's reputation and attracts top talent.

Furthermore, successful leaders are adept at navigating the complex web of stakeholder relationships. They recognize that the organization's success depends on the support and cooperation of various stakeholders, including customers, investors, suppliers and the entire community. Effective leaders build and maintain strong relationships with these stakeholders through open communication, active listening and a commitment to meeting their needs and expectations. This proactive approach strengthens the organization's position in the market, enhances its reputation and fosters long term sustainability.

True leadership entails a deep sense of responsibility and accountability. Leaders understand that they are ultimately responsible for the success or failure of the organization. They embrace this responsibility with a commitment to ethical conduct, sustainable practices and a focus on long term value creation. By prioritizing the well being of their employees, the satisfaction of their customers and the sustainability of the environment, leaders demonstrate a commitment to responsible and ethical leadership that builds trust and strengthens the organization's reputation.

Keeping the importance of the leadership impact as the backdrop of this discussion, let us now analyze the self assessment questions on leadership impact and how it value

adds to the capabilities of the leadership team regarding the enhanced business performance and financial results :-

1. I contribute towards the vision of the business – This attitude of the leader helps in shaping the culture of the organization as what the leader values is the vision and the future of the organization.
2. I achieve my goals with ease and seek more – This quality emphasizes the leaders' capability of being responsible by achieving the business goals with ease and wanting to do more.
3. I am futuristic in my thinking – When a leader is future oriented, that quality is absorbed by the other team members as well and therefore forms part of the organizational culture.
4. I evaluate the risks before making a decision – This quality of the leader highlights the leaders ability of being responsible by evaluating the risks for the business.
5. I challenge the status quo – When the leader challenges the status quo, the leader challenges the set practices within the organization, thereby impacting the culture of the organization and changing it for the better.
6. I encourage my team to stay committed – By encouraging the team to staying committed, the leader enables a cultural shift within the organization.
7. I think differently while seeking solutions – By thinking differently to problems, unique solutions are possible. This showcases the attitude the leader has in taking up responsibilities.

8. I am adept at problem solving – By being adept at problem solving, the leader impacts the business positively by depicting the responsibilities the leader undertakes.
9. I like to experiment – When a leader likes to experiment and try new things, the leader contributes to the organizational culture as culture flows from the top and other members follow suit.
10. I am a visionary – When the leader is a visionary, a leader is committed to the business and thinks ahead of time. By doing so, the leaders takes along all the stakeholders and acts responsibly.
11. I am known as a trust worthy person – When the leader wins the trust of all the concerned stakeholders, the leader has created the required impact with the people who trust in the leaders decisions, leaders abilities, leaders actions etc.
12. I constantly motivate my team for high performance – By motivating the team members for high performance, the leader is able to impact and manage the expectations of the stakeholders
13. I am a key player for my business growth – By being a key player for business growth, the leader impacts not only the business but also impacts all the stakeholders of the business.
14. I create a safe place for my team – This leadership quality creates security for the stakeholders of the business.
15. I tend to rally for causes I believe in – This ability showcases the leaders values, principles, character, capability to champion causes and being responsible and not running away from issues.
16. I am consulted for career advice even after people are no longer colleagues – This indicates the bond and the rapport the leader has built over time with the

stakeholders that they value inputs from the leader even after they are no longer colleagues.

17. I nurture team bonding – The capability forms part not only of the organizational culture but also the ability to manage the stakeholders effectively.
18. I am known for being non-political in at work – When the leader is unbiased and stays strong to their work ethics and principles, the stakeholders trust such leaders more.
19. I am methodical in my work – By being methodical in their work, leader showcases they responsible behaviour.
20. I think about outcome on the business while making decisions – When the leader is thoughtful about the effect and the impact on the business when making business decisions, it denotes the nature of responsibility of the leader.
21. I ensure the voice of all the key players is being heard – By hearing out the voice of all key players involved, the leader ensure fairness to all the stakeholders.
22. I have the ability to look for opportunities for business growth – Even if the leader is not directly responsible for business growth, this important capability in aiding in business growth, denotes that the leader is being responsible.
23. I do not allow my emotions to overpower my team interactions – This characteristic denotes the leader cares for the stakeholders and does not let emotions overtake the situation.
24. I am a mentor to my team – By being a mentor to the team, the leader indicates being responsible and impacts the culture in the organisation

25. I lead by example – Walking the talk and leading by example, showcases the leader being responsible in their actions and behavior for the team members to follow suit.

In conclusion, leadership is not merely about titles, position and fancy designations. It is about creating a positive and lasting impact on the lives of others and the success of the organization. By cultivating a strong organizational culture, managing stakeholder relationships effectively and demonstrating a deep sense of responsibility, leaders can unlock the full potential of their teams, drive sustainable business growth and leave a lasting legacy of positive change.

5.3 Discussion of Research Question Two

While building high performance teams and nurturing high performance culture are commonly spoken about, what does it take to display high performance leadership?

While leadership refers to the ability to influence and guide others towards a common goal and it encompasses a wide range of skills, including communication, motivation, decision making and problem solving. Thus leaders may or may not be high performers themselves.

On the other hand, high performance leadership goes beyond basic leadership. It focuses on achieving exceptional results consistently. High performance leaders not only

guide and inspire but also exemplify high standards of performance in their leadership behaviour. They:

- They strive for excellence and push their teams to achieve extraordinary outcomes by setting ambitious goals.
- They create an environment where high performance is valued, rewarded, and expected thus fostering a culture of excellence.
- They are always looking for ways to enhance performance, whether it's through innovation, process betterment or skill development resulting in continuous improvement.
- They demonstrate the same high standards of performance that they expect from their team members thus walking the talk and leading by example.

Key differentiating factors between leaders and high performance leaders:

Focus: Leadership focuses on guiding and influencing others, while high performance leadership emphasizes on achieving exceptional results.

Performance: Leaders may or may not be high performers themselves, while high performance leaders are typically high performers who inspire others to achieve the same level of excellence.

Outcome orientation: Leadership emphasizes the process of leading, while high performance leadership emphasizes on the outcome which is usually about achieving superior results.

All high performance leaders are leaders, but not all leaders are high performance leaders. High performance leadership is a more specialized and demanding form of leadership that requires a unique blend of skills, traits and behaviors that are discussed in depth in other sections of this study.

Thus high performance leadership transcends ordinary leadership. It's the art and science of leading teams and organizations to consistently achieve exceptional results, surpassing both setbacks as well as expectations and setting new benchmarks of excellence. This is not merely about achieving targets but it is about achieving them with a level of quality, innovation and efficiency that sets the organization notches apart from the competition.

At its core, high performance leadership demands a unique blend of visionary thinking, strategic acumen and exceptional interpersonal skills. These leaders don't just manage, they inspire. They cultivate a culture of excellence where ambition is encouraged, innovation is rewarded and continuous improvement is the accepted norm.

Key capabilities of high performance leaders:

1. Challenge driven leadership

High performance leaders are not just managers - they are visionaries and are driven by challenges and not shy away from challenges. They possess the ability to articulate compelling long term goals and inspire their teams to embrace a shared vision of the future. They can translate abstract concepts into concrete action plans, motivating others to strive

for ambitious targets and ensure successful execution to achieve exceptional business performance and financial results.

2. Strategic thinking

These leaders possess a deep understanding of the business landscape, analyzing market trends, identifying competitive advantages and formulating strategies to navigate challenges and capitalize on opportunities. They possess a strategic mindset that enables them to make informed decisions that align with the organization's overall goals.

3. Values driven leadership

High performance leaders are deeply committed to the organization's values. They embody these values in their own behavior and actively cultivate a workplace culture that reflects and reinforces these principles. This commitment to values fosters trust, integrity and a strong sense of purpose among team members.

4. Emotional intelligence

High performance leaders possess a high degree of emotional intelligence. They are reflective, self-aware, understand their own strengths and weaknesses and can effectively manage their emotions under pressure. Moreover, they are empathetic, understand the perspectives and emotions of their team members too. This emotional intelligence allows them to build strong relationships, foster trust and effectively navigate interpersonal dynamics.

5. Adaptability and resilience

High performance leadership is about having the ability to be adaptive to people, situation and circumstances. Instead expecting other people to change, high performance leaders have the knack and the ability to change themselves accordingly in order to achieve superior outcomes. The business world is constantly evolving and high performance leaders are adept at navigating change. They embrace challenges as opportunities for growth and learn from setbacks, adapting their strategies and approaches as needed. They are resilient in the face of adversity, inspire their teams to persevere and overcome obstacles.

6. Effective communication

High performance leaders are exceptional communicators. They can clearly articulate expectations, provide constructive feedback and actively listen to the needs and concerns of their team members. They have the ability to hear the unsaid from their team members thus showing their care and concern. They foster open and honest communication channels, ensuring that information flows freely within the organization.

7. Result oriented leadership

High performance leaders are driven by results. They set ambitious goals, track progress meticulously and hold themselves and their teams accountable for achieving desired outcomes. They are proactive in identifying and addressing performance gaps, ensuring that the organization stays on track to achieve its strategic objectives.

8. Continuous learning and development

High performance leaders are lifelong learners. They stay abreast of industry trends, best practices and emerging technologies. They actively seek opportunities for personal

and professional development, continuously honing their skills and expanding their knowledge base.

9. Data driven decision making

In today's data driven world, high performance leaders leverage data to inform their decision making. They analyze key performance indicators (KPIs), identify trends and utilize data driven insights to optimize performance and drive innovation.

10. Motivational leadership

High performance leaders inspire and motivate their teams to achieve exceptional results. They communicate with clarity and enthusiasm, provide positive reinforcement and lead by example. They create a positive and motivating work environment where team members feel valued, empowered and inspired to be the best version of themselves, enabling them to contribute their best for the business.

11. Empowerment and delegation

High performance leaders empower their teams by delegating authority effectively, fostering autonomy and encouraging creativity and innovation. They trust their team members' abilities, provide them with the necessary resources and support their growth and development.

12. Building strong relationships

High performance leaders cultivate strong and trusting relationships with their colleagues, stakeholders, and clients. They build rapport, demonstrate respect and prioritize collaboration. These strong relationships are essential for building trust, fostering loyalty

and creating a positive and productive work environment which translates to heightened business performance and improved financial results.

High performance leadership is a multifaceted endeavor that requires a unique blend of skills, traits and behaviors. By cultivating these key capabilities, leaders can inspire their teams to achieve extraordinary results, drive organizational success and create a lasting legacy of excellence, leading to improved financial results of the business.

5.4 Discussion of Research Question Three

What organisational insights on leadership does the collective capabilities of the leaders reveal?

The collective capabilities of an organization's leaders, as revealed by their leadership drive, leadership skills, leadership analytics and leadership impact, paint a vivid portrait of its overall health and trajectory of the organisation. These four pillars, while distinct, are intricately intertwined, forming a complex tapestry that shapes the organization's present as well as the future.

Let us discuss the fascinating insights based on the average of the survey conducted on the hundred and six Indian Corporate leaders.

Integrating core leadership parameters resulting in four key organizational elements

The synergistic combination of the four critical parameters — leadership drive, leadership skills, leadership analytics, and leadership impact — forms the foundation for

transformative organizational outcomes. Together, these dimensions provide comprehensive insights into leadership dynamics, directly influencing an organization's trajectory toward excellence, effectiveness, strategic alignment and sustained growth.

Leadership drive

Leadership drive, the unwavering internal compass of leaders, fuels their ambition, resilience and commitment to excellence. It was observed that the average leadership drive levels were at 74% which indicates that there is a fair amount of drive in the leaders who participated in the survey. The highest score here was at 94% and the least at 58% thus giving a wide range of leadership drive amongst the participants.

The ability to articulate compelling and inspiring long term goals, painting a picture of a brighter future that captivates and motivates the entire organization is what it takes to display challenge driven leadership. A deep understanding of the competitive landscape, a keen ability to anticipate future trends, and the foresight to formulate strategies that position the organization for long term success enables strategic thinking. The courage to embrace calculated risks, to challenge the status quo, and to explore innovative solutions, even in the face of uncertainty is the quality of risk management.

This parameter embodies the energy, motivation and determination that leaders bring to their roles. A strong leadership drive ensures a proactive approach to challenges and opportunities, fostering an environment of continuous improvement and innovation.

Leadership Skills

Leadership skills are the tools and techniques that leaders employ to effectively guide, influence, motivate and inspire their teams. These skills encompass the ability to articulate complex ideas with clarity and conviction, to actively listen to the needs and concerns of others, and to build strong relationships based on trust and respect. It also entails the art of fostering a cohesive and high-performing team, cultivating a culture of collaboration and empowering individuals to reach their full potential. Further, the capacity to understand and manage one's own emotions while also empathizing with and influencing the emotions of others, creating a positive and motivating work environment by nurturing emotional intelligence.

It was noticed that the average leadership skills levels were at 76% which is the highest score amongst the four parameters. This reveals that while leadership skills are at a reasonably high level, there are more capabilities required to improve the financial performance of the business. The highest score here was at 91% and the least at 63% thus giving a wide range of leadership skills amongst the participants.

The skills of the leadership team, including strategic thinking, communication and decision making are pivotal in navigating complexities and aligning teams toward common goals. High competency in these areas reflects a leadership team's ability to inspire and guide the organization effectively.

Leadership Analytics

Leadership analytics empowers leaders with the data and insights necessary to make informed decisions, navigate complexities and drive continuous improvement. This

involves the ability to analyze data, make data driven decisions, identify trends and leverage insights to optimize performance, mitigate risks and seize opportunities. The ability to set clear and measurable goals, track progress effectively, and provide constructive feedback to drive continuous improvement indicates the capability of performance management. The ability to utilize data to inform strategic planning processes, identify emerging market trends, and anticipate future challenges is what leadership analytics is about.

The average of leadership analytics levels were the least among the four parameters at 68%. This discloses that leadership analytics as one common area to work upon across organisations to ensure leaders can contribute better to the business profitability. The least score here was at 38% and the highest score at 94% thus emphasising that need to enhance the levels of leadership analytics.

By leveraging data driven insights, leadership analytics provides a clear picture of the leadership team's performance and its impact on organizational objectives. It helps identify patterns, anticipate challenges and craft strategies that are informed by measurable outcomes.

Leadership Impact

Leadership impact extends beyond individual contributions. It encompasses the broader influence that leaders exert on the organization and its stakeholders. This includes the ability to shape and cultivate a positive and inclusive organizational culture that fosters employee engagement, innovation, and a strong sense of purpose. The ability to build and maintain strong relationships with key stakeholders, including customers, investors and the

entire community, ensuring their trust and support. The quality to lead and manage organizational change effectively, navigating transitions smoothly and minimizing disruption is what leadership impact can achieve.

The average of leadership impact was close to the leadership analytics levels at 69%. This indicates that leadership impact also requires some focus to work upon for organisations to ensure that leaders can help improve the business profitability. The least score here was at 54% and the highest score at 92% indicating scope for progress.

The survey results represented in graphs in the previous sections, illustrates that the organizational growth achieved by different corporates based on their leadership dynamics. This data underscores the importance of a robust and cohesive leadership approach in driving sustainable growth across industries.

At the heart of every growth oriented organization lies the symbiotic relationship between leadership impact and drive. By fostering a collective leadership approach rooted in collaboration, innovation and resilience, organizations can chart a course toward enduring success. These insights serve as a guiding framework for businesses aiming to achieve sustained growth in today's competitive landscape.

The tangible outcomes of leadership efforts, such as employee engagement, organizational culture and business results, signify the impact of leadership on the organization. A high leadership impact indicates a strong alignment between leadership actions and desired outcomes.

The Role of the OIL Score

The Organizational Impact Leadership (OIL) score acts as a diagnostic tool, reflecting the capabilities of the leadership team. It provides a comprehensive evaluation that highlights:

- **Strengths:** Areas where the leadership team excels, serving as benchmarks to replicate and build upon.
- **Areas for improvement:** Specific domains requiring development or corrective actions to enhance leadership effectiveness.

Initiating actions for continuous improvement

The insights gathered from the OIL score empower organizations to take necessary actions that will lead to improved financial performance. These actions may include leadership development programs, enhanced training initiatives or structural adjustments within the leadership framework. By addressing identified gaps proactively, organizations can strengthen their leadership foundation and ensure alignment with their overarching goals.

The integration of leadership drive, leadership skills, leadership analytics and leadership impact offers a robust framework for evaluating and enhancing leadership capabilities. This holistic approach not only reflects the current state of leadership within an organization but also provides actionable pathways. By leveraging the OIL score, organizations can cultivate resilient, adaptive and high performing leadership teams and a high performance culture that drive success in an ever evolving business landscape.

5.5 Discussion of Research Question Four

Is there an expectation gap on performance potential, between the leadership team and their reporting manager?

Potential leadership expectation gaps in corporates

The Organizational Impact Leadership (OIL) survey, conducted across seventeen corporate organizations, uncovered a significant finding — a gap in leadership potential performance between the self-assessment of leaders and the perception of their reporting managers (typically the CEO or MD). This discrepancy sheds light on an underlying issue within organizational leadership dynamics that often remains unaddressed.

When the average self-assessment scores of all the hundred and six leaders is taken on each of the above mentioned parameters and compared with the scores of their reporting manager, the following gaps are revealed :-

Table 4.10

Expectation gaps between the leader and their reporting manager

Parameters	Average Self rating %	Average Manager rating %	Gap%
Leadership drive	80	74	-6%
Leadership skills	81	77	-4%
Leadership analytics	79	68	-11%
Leadership impact	78	71	-7%

Key observations from the survey

- **Divergent ratings:** In most cases, CEOs or MDs rated leaders lower than the leaders rated themselves, highlighting a potential misalignment in

expectations and performance perceptions. Surprisingly, there were also instances where leaders underrated themselves, demonstrating a lack of awareness or confidence in their own potential.

- **Unsaid expectation gaps:** These findings suggest a leadership potential expectation gap is seldom discussed openly within organizations. This issue is often overlooked or dismissed, leaving it "pushed under the carpet."
- **Gaps across the four key parameters:** The gaps were evident across all four critical leadership parameters:
 - ✓ Leadership drive: The motivation and determination to propel the organization forward.
 - ✓ Leadership skills: Competencies necessary for effective decision making and team alignment.
 - ✓ Leadership analytics: The ability to interpret data and apply insights for strategic growth.
 - ✓ Leadership impact: The tangible influence of leadership efforts on organizational outcomes.

Analyzing the Gap

The disparity in ratings indicates one or more underlying factors:

- **Blind spots in leadership:** Leaders may lack self-awareness about their performance, leading to an overestimation of their abilities.

- **Articulation or demonstration gaps:** Leaders may fail to effectively convey or demonstrate their full potential to their reporting managers.
- **Perception mismatch:** Even if the leader performs well, the CEO or MD's perception may differ, potentially influenced by incomplete visibility into the leader's contributions.

Impact of unaddressed leadership gaps

When such discrepancies are not explicitly discussed, they can lead to:

- **Feelings of dissatisfaction:** Both leaders and their reporting managers may feel frustrated due to unmet expectations.
- **Low morale:** Leaders may lose confidence in their abilities, especially when underrated by their reporting managers.
- **Disappointment:** A lack of clarity about leadership expectations can hinder trust and collaboration within the organization.

Independent survey methodology

The surveys were conducted independently for both the leaders and their reporting managers to ensure unbiased results. Neither party was aware of the scores given by the other.

Observations from the graphs

The graphs depicted in the previous section illustrates the variations in scores across the four leadership parameters.

- **Negative scores:** Indicate instances where the CEO or MD rated the leader lower than the leader's self assessment.
- **Positive scores:** Highlight instances where leaders underrated their own potential, reflecting an unawareness of their true capabilities.

These discrepancies underscore the need for open and transparent conversations about leadership capabilities within organizations.

The OIL survey findings highlight a critical need for organizations to address leadership potential expectation gaps. Leaders and their reporting managers must engage in regular, candid discussions about leadership performance and expectations. By fostering a culture of openness and constructive feedback, organizations can bridge these gaps, enhance morale, and align leadership capabilities with organizational goals. This proactive approach ensures that leadership potential is fully realized, fostering a high performing and cohesive leadership team.

Strategies to bridge the leadership expectation gap

To effectively address and close the gap between leadership self-perception discussions were held with the heads of different organizations. and the following strategies were suggested to implement to bridge the gap. These initiatives can help align understanding, foster trust, and ensure better leadership performance and organizational outcomes.

1. Cultivating a culture of open dialogue

- Encourage regular, structured meetings between leaders and their reporting managers to discuss performance, set goals, and evaluate progress.
- Foster an environment where open and honest communication is welcomed, allowing leaders to voice concerns, share ideas, and seek clarity without fear of judgment or reprisal.
- Use these dialogues as an opportunity to analyze challenges, brainstorm solutions, and ensure alignment on both individual and organizational objectives.

2. Clear communication and realistic expectation setting

- Establish clear, measurable performance indicators that provide a mutual understanding of what success looks like.
- Work jointly to create achievable goals, ensuring alignment between the leader's aspirations and the organization's strategic priorities. This process enhances ownership and commitment from both parties.
- Continuously revisit and adjust expectations based on evolving business needs and individual development.

3. Implementing regular and effective feedback mechanisms

- Provide balanced feedback that highlights strengths and areas for improvement. Ensure feedback is actionable, focusing on specific behaviors and outcomes.

- Incorporate perspectives from peers, subordinates, and supervisors to create a holistic view of leadership performance. This multi-source feedback fosters self-awareness and encourages growth.
- Deliver feedback in real-time or at regular intervals to prevent misunderstandings and ensure consistent performance tracking.

4. Facilitating career development conversations

- Engage leaders in open discussions about their career goals and future aspirations, ensuring alignment with organizational opportunities.
- Create personalized growth plans that address specific skill gaps, competencies, and leadership capabilities. These plans should include training, mentoring and experiential learning opportunities.
- Regularly review and adjust development plans to reflect progress and evolving leadership roles.

5. Ensuring transparent and objective performance reviews

- Use objective, evidence-based criteria to evaluate performance, minimizing biases and fostering trust.
- Design performance reviews as collaborative discussions, encouraging leaders to share their perspectives, ask questions and provide feedback.
- Frame reviews as opportunities for growth rather than judgment, reinforcing a positive and proactive approach to performance enhancement.

6. Addressing performance challenges collaboratively

- Work together to pinpoint specific performance obstacles and understand their root causes.
- Develop actionable plans that address these challenges, ensuring buy-in from both the leader and the reporting manager.
- Promote shared ownership of outcomes, linking leadership performance to broader business objectives such as financial improvement and operational excellence.

Benefits of bridging the leadership gap

By implementing these strategies, organizations can:

- Align leadership potential with organizational needs, enabling leaders to perform at their best.
- Foster a sense of trust, collaboration and mutual respect within the organization.
- Strengthen the leadership framework, leading to better decision making, innovation and financial outcomes.

Bridging the expectation gap between leaders and their reporting managers requires a deliberate and systematic approach. Through open communication, transparent feedback and aligned goals, organizations can create a cohesive leadership culture that supports personal and organizational success. These strategies not only address existing gaps but also build a foundation for continuous improvement, trust, and shared accountability.

5.6 Discussion of Research Question Five

Based on the organisational insights on leadership, what are the possible actions that can be taken for the financial growth of the organisation?

Organizational Insights on Leadership (OIL): A comprehensive survey analysis and action plan for financial growth

The Organizational Insights on Leadership (OIL) survey engaged 106 Indian corporate leaders from 17 organizations spanning across diverse industries. This robust study was designed to evaluate leadership capabilities across four critical parameters — leadership drive, leadership skills, leadership analytics, and leadership impact — and identify actionable pathways to enhance organizational performance and financial growth.

Methodology of the OIL survey

The survey involved a two-step assessment process:

- **Self assessment by leaders:** Each leader within the leadership team completed a structured self-assessment questionnaire comprising 25 questions for each of the four leadership parameters. The responses required a simple “yes” or “no,” reflecting their own perception of their leadership capabilities.
- **Evaluation by reporting managers (CEO’s / MD’s):** The reporting managers evaluated each leader on the same parameters, providing their perspective on whether the leader demonstrated these capabilities.

By comparing the self-assessment scores with those provided by reporting managers a delta or expectation gap was identified. These gaps highlighted areas of misalignment in leadership capabilities within the organization.

Development of the OIL score and its impact

Based on the ratings, a comprehensive OIL scorecard was developed for each organization. Each yes was given one point and no points given for a no. The higher the score, the better was the leaders' ability to contribute to improving the financial performance of the business. This scorecard not only quantified leadership capabilities but also:

- **Identified strengths and areas for improvement:** Highlighted specific gaps in leadership performance.
- **Encouraging discussions:** Facilitated open conversations on how to reduce the delta and improve leadership capabilities.
- **Linked leadership to financial performance:** Showcased the direct and indirect impact of leadership effectiveness on business outcomes.

The findings emphasized that strong leadership practices, aligned with the organization's strategic goals, are critical for achieving organizational growth leading to financial success of the business.

Actionable strategies to enhance leadership capabilities and drive financial growth

To bridge the identified gaps and align leadership practices with key profitability drivers, the following strategies are recommended. The action to be taken and the impact it will bring along has already been discussed in detail in Section 4.5

The Organizational Insights on Leadership survey has provided a valuable lens into the leadership capabilities of organizations and their direct impact on financial outcomes. By addressing gaps in leadership perception and aligning practices with profitability drivers, organizations can cultivate a high performing leadership culture.

Through a combination of strategic alignment, skill enhancement, and fostering innovation, these actionable strategies pave the way for sustained organizational growth and profitability. Implementing these recommendations will not only improve leadership effectiveness but also ensure that organizations remain resilient, agile and poised for long term success.

CHAPTER VI: SUMMARY, IMPLICATIONS AND RECOMMENDATIONS

6.1 Summary

This study on the capabilities of leadership team that contribute to financial performance in corporates is revolves around the following topics :-

- What are the key competencies required by the leadership team to improve financial performance of the business?
- While building high performance teams and nurturing high performance culture are commonly spoken about, what does it take to display high performance leadership?
- What organisational insights on leadership does the collective capabilities of the leaders reveal?
- Is there an expectation gap on performance potential, between the leadership team and their reporting manager?
- Based on the organisational insights on leadership, what are the possible actions that can be taken to improve the financial performance of the organisation?

This study highlights the importance of :-

- Developing the key competencies of the leadership team and the impact it can have on the business performance
- Displaying high performance in leadership
- Gaining organizational insights on the leadership team

- Knowing and bridging the expectation gap between the leadership team and their reporting manager
- Actions on developing the capabilities of the leadership team that can improve the financial performance of the business.

Thus by taking necessary initiatives, measures and actions, organizations can develop their leadership team further with required skillset that enables better financial performance of the business leading to sustainable growth as leaders can make or break the organization with the decisions and actions they do, or do not.

6.2 Implications & Limitations

While this study is comprehensive and takes into account many different aspects of leadership that impact the financial performance of the business, the study also has its own set of assumptions and limitations. They can be summarized as below :-

Assumptions of the study

The following are the assumptions taken into account for the purpose of this study :-

- The leaders completing the self assessment questionnaire are being truthful and honest in assessing themselves.
- The reporting manager evaluating the leadership team is unbiased on their opinion of the members of the leadership team.
- The consideration for the self assessment as well as the evaluation is only a yes or a no. It is either a black or white and nothing in between. Hence no gradation is considered for the purpose of the OIL survey.

- The leadership team of the organisations comprises of the leaders who report to the CEO / MD and only these leadership members are considered for the purpose of this study.

Limitations of the study

The following are the limitations of this study :-

- The OIL score gives weightage to the perception of the reporting manager. Even if the leadership team member thinks different from the view of the reporting manager, that perspective is not considered for the purpose of this study.
- Should a leader display a capability partially, there is no provision to capture that. This assessment is purely based on black or white only.
- The leaders completing the self assessment will not be shying away in being open about their shortcomings.
- The reporting managers' input is considered as the final say, even if the reporting manager has not spent sufficient time working with the members of the leadership team,
- The OIL survey is conducted only on the leadership team reporting to the CEO / MD. Leadership performance of other leaders within the organisation are not considered.
- Considering the areas of improvement of the leadership capabilities, the organization may over look to leverage on the strengths of the leader.
- This study is industry and domain agnostic and does not take into account industry specific challenges that the leadership team may face.
- The study takes into account the leadership capabilities based on the past and is not future oriented.

Considering the above mentioned limitations of this study, it may also be noted that the self assessment and evaluations have been kept as a simple yes or no, leaving scope for the leaders to develop themselves to their full potential. Further, being members of the leadership team, their integrity is taken at face value. Weightage has been given to the CEO / MD as they are the ultimate decision maker and deciding authority in the business.

6.3 Recommendations for Future Research

The limitations of the present study highlighted above sets the guiding factor for further research direction in the leadership capabilities that contribute to financial performance in corporates. Hence, after keeping a note of the limitations of the present study, few recommendations are noted below in the way towards future research.

- For an indepth study on the leadership capabilities, the self assessment and evaluation by the reporting manager can probably include a rank or a gradation or weightage of each of the skills. This can probably also be customised to the requirement of each organisation.
- Industry specific challenges can also be included in the leadership self-assessment questionnaire and the evaluation forms for specific cases in order to customize it for certain industries.
- The ranking for the self assessment and the evaluation forms can be arrived at after open discussion between the reporting manager and the member of the leadership team, so that there are no or minimal differences in order to arrive at the OIL score of the organisation.

- Hypothetical situations or imaginary case studies can also be included to look through the thought process of the leaders. This will make it an elaborate study. However, it could also be rather time consuming for the leaders to fill in. This could work well with the support of the CEO / MD and needs to be driven by them for successful completion.
- Encourage in depth discussions between the reporting manager and the member of the leadership team on each of the items of the questionnaire wherever there is a point of contention. Get them documented with the views of both the parties, design an action plan and monitor the action plan over a fixed time frame with measurable and demonstrable outcomes.

6.4 Conclusion

In conclusion of this study it can be said that higher the capabilities of the members of the leadership team, (in terms of leadership drive, leadership skills, leadership analytics and leadership impact), the better the financial performance of the business. Further when these leadership capabilities are at their peak, these leaders demonstrate high performance in their leadership.

The collective capabilities of the leadership team of the organisation reveals the organisational insights on leadership. The higher the OIL score, the better for the organisation as it indicates high performance in leadership and the business is benefitted with these capabilities of the leaders by resulting in better financial performance of the business.

While it is not unusual to have leadership expectations gaps between the reporting manager and the member of the leadership team, in any organisation, actions taken to minimize these gaps is what successful organisations will act upon to either minimize or nullify these gaps. Based on the identified gaps, necessary steps, corrective measures and result oriented initiatives need to be implemented to create win-win for the CEO / MD, the leadership team as well as the business and the organisation as a whole. That is when the financial performance of the organisation will be at its peak to achieve the desired targeted financial results.

Thus taking necessary actions to bridge the expectations gaps as well as required actions based on the organisational insights on leadership can aid in improving financial performance of the business and create a win-win for the business, leadership team, employees as well as the shareholders.

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