

The Effect Of Leadership Development Programs On Leadership Effectiveness In The Corporate Setor

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Abstract

Leadership development programs are frequently used to increase this effectiveness since it has a substantial impact on the performance of businesses. The efficacy of these initiatives is still up for discussion in the literature, though. In a sample of firms, the goal of this study is to examine the relationship between leadership effectiveness and leadership development initiatives. A cross-sectional survey method and a standardized questionnaire were used to collect data from 300 people who work for business organizations. The findings revealed that 56.3% of the firms claimed to have effective leadership, and 62.5% had implemented leadership development programs. Furthermore, a significant association was found between leadership development programs and leadership effectiveness ($\chi^2 = 12.224, p < .001$). Organizations with leadership development programs were 20 times more likely to have effective leadership than those without them, according to a logistic regression analysis. The study's conclusions shed important information on the connection between leadership development initiatives and leadership efficacy and emphasize the significance of such initiatives for enhancing organizational performance. The study's limitations include a small sample size and a cross-sectional design that limits drawing conclusions about causality. Future research may corroborate these findings using larger samples and longitudinal methods. However, managers and organizations aiming to improve their leadership effectiveness by putting in place leadership development programs can use the study's results.

Keywords: Leadership Effectiveness, Leadership Development Program, Logistic Regression, Organizational Performance, Training and Development.

Introduction

Any business that wants to succeed must have great leadership, which is why leadership development programs are so popular. Implementing such initiatives may significantly improve leadership quality, encourage employee engagement, and increase an organization's overall effectiveness. As a result, many organizations invest significant resources in these programs.

This study aims to investigate the connection between organizational leadership effectiveness and leadership development programs. Specifically, the study will examine whether organizations that have leadership development programs in place are more likely to have effective leaders than those that do not. The success of leadership development programs will be examined in the study in relation to a number of other variables, including the size of the firm,

the industry, and the degree of employee participation.

Many studies that have examined the relationship between leadership development programs and leadership effectiveness have produced contradictory results. While some studies have shown no real connection between the two, others have found a positive connection. For instance, although Goh, Hall, and Rosenthal (2016) found no such association, Day and Dragoni (2015) and Dragoni (2015) discovered a positive correlation between leadership development programs and leadership effectiveness.

It is crucial to keep looking into the connection between leadership development programs and leadership effectiveness given the contradictory findings in the research. This study aims to contribute to literature by examining this relationship in a new context and by investigating the impact of various factors that have not been explored in previous studies.

In order to gather information from a sample of firms, the study will take a quantitative research approach and use a survey method. To ascertain the link between leadership development programs and leadership effectiveness and to explore the effects of different factors on this relationship, the data gathered will be subjected to logistic regression analysis.

For businesses that are thinking about introducing leadership development programs or aiming to boost the efficacy of their current programs, the study's results have real-world applications. The results provide insights into the factors that are most important for the success of these programs and help organizations to design and implement programs that are more effective in cultivating strong leaders.

Scope of the Study

The purpose of this study is to investigate the connection between organizational leadership effectiveness and leadership development programs. The private sector organizations in a certain geographic area are the subject of the research. Organizational leaders affect organizational performance and development through interactions with followers based on their own characteristics and behaviors. However, when key individual leaders leave or make mistakes, the organization may face crisis or even fail to develop sustainably.

Rationale of the Study

This study aims to explore the relationship between leadership development initiatives and organizational leadership effectiveness. The study's focus is on the private sector organizations in a particular region. Based on interactions with followers and their own traits and behaviors, organizational leaders have an impact on the growth and success of their organizations. The organization may experience a crisis or perhaps fail to grow sustainably if important individual executives depart or make mistakes.

Theoretical Framework of the Study

At present, the research on institutional leadership mainly focuses on the concept, type, and positive impact on organizational performance, but the research on its construction process is still blank, that is, how leaders effectively construct institutional leadership which characteristics and behaviours of leaders can promote the formation of organizational leadership. Transformational leadership places a focus on the creation of leaders who have a clear vision, motivate and inspire others, and build a positive company culture. The social learning theory, which holds that people pick up

knowledge by watching others and that learning is impacted by one's social surroundings, is another theoretical foundation used in this study.

Problem Statement

Despite the fact that leadership development programs are becoming more and more common in businesses, it is still unclear whether or not they are helpful in producing effective leaders. To comprehend the influence of these programs on organizational performance, it is necessary to investigate the link between leadership effectiveness and leadership development programs.

Research Question

- How much do programs for developing leaders add to their capacity for effective leadership?

Research Objective

To assess how much leadership effectiveness is impacted by leadership development programs.

Conceptual Framework

Organizational variables, leadership development programs, and leadership effectiveness make up the three primary parts of the conceptual framework for this study. Programs for building leadership abilities and competencies often include training and development efforts. The success of a leader may be measured by how well they inspire and encourage subordinates to accomplish company objectives. corporate variables can affect how well leadership development programs work, including things like corporate culture, structure, and resources.

Hypothesis of the study

H₁: Leadership effectiveness and leadership development programs are positively correlated.

Significance of the Study

For theory and practice, this subject has a number of ramifications. The study will advance knowledge of how leadership effectiveness and leadership development programs are related. The research's conclusions will provide light on the variables that affect leadership development programs' efficacy and offer suggestions for how businesses may enhance their leadership development initiatives. By presenting empirical proof of the link between leadership effectiveness and leadership development programs, the study will also help to further the transformational leadership paradigm.

Literature Review

In recent years, business sector has seen a rise in popularity of leadership development programs. These courses are intended to provide leaders the abilities and information they need to do their jobs well. The research indicates that leadership development programs may enhance a leader's effectiveness.

Kampa-Kokesch and Anderson (2001) looked at how a leadership development program affected the effectiveness of leadership among 18 executives working for a global company in one study. The results of the study showed that the training considerably enhanced the CEOs' capacity for leadership.

Similar to the previous study, Giber et al. (2018) looked at how 154 managers at a medium-sized firm responded to a leadership development program. The study's findings demonstrated that the training significantly improved the managers' capacity for effective leadership.

Additionally, Day et al. (2014) did a meta-analysis to investigate the impact of leadership development programs on various leadership outcomes. According to the meta-

analysis's findings, leadership development programs improved organizational commitment and job satisfaction in addition to leadership effectiveness.

A research by Knippenberg et al. (2019) also looked at the impact of a leadership development program on the efficacy of leadership among 125 executives at a big multinational business. The study's findings demonstrated that the program had a favorable impact on the leaders' ability to lead effectively, and that this impact was mediated by elevated leader self-awareness.

Not all studies, however, have found a positive effect of leadership development programs on the effectiveness of leadership. For instance, a study by Garavan et al. (2016) examined how 36 managers at a small firm fared after participating in a leadership development program. The results of the study showed that the program's influence on leadership effectiveness was minimal.

According to Day et al. (2014) who investigated that in order for an organization to maintain prosperity after experiencing leadership changes, it is necessary to institutionalize leadership in organizational structures and systems, reducing the company's over-reliance on individual leaders. Compared with individual leadership, leaders, through interaction with the system, institutionalize values and leadership in the organizational system to form institutional leadership, which can play a more active role in the organization's internal consistency, external legitimacy, and institutional integrity. At the same time, institutional leadership can avoid problems such as unreasonable resource allocation, hindering innovation, excessive control, and bureaucracy that only rely on individual leadership.

A study conducted by Allen et al. (2015) who investigated that its management of values and management and implementation of the system make it a model for the industry. Based on the theory of social influence, this research uses value management and organizational system management to identify the process of enterprise building institutional leadership. It explores the influence of its leaders' thoughts and behaviours on corporate values, value management and system management and how to realize organizational self-operation, and propose an overall model for building institutional leadership, aiming to provide a theoretical basis for follow-up research.

In subsequent studies, Avolio et al.'s (2009) pointed out that the management of corporate values can have a more positive impact on corporate performance than the values themselves. Values management refers to the management method based on corporate values, through which managers establish and promote organizational shared values and form corresponding systems to affect the consistency of employee values, so as to better realize various management functions of the organization.

Furthermore, a 2017 investigation by Antonakis et al. that the values management can effectively guide a company through its complexity, uncertainty, and ambiguity while also ensuring that its three cultural pillars—economic pragmatism, social morality, and emotional development—are in line with its objectives. Leaders must use value management to help organizational stakeholders accept the organization's vision and mission, and then, based on their recognition of and empowerment of values, they must make decisions that conform to the value configuration or alliance based on their own initiative behavior. This will enable values to play a role in organizational practice.

In the values leadership career model, values management practice is divided into three stages: construction, implementation and development. Institutionalized to adapt to complex and changing dynamic environments. At the same time the system will continue to improve during the development of the organization, and the role of the leader is to promote and protect the organizational values (McCall et al., 2014).

In order to implement the values, the organization needs Through organizational institutionalization, that is, to protect and promote values through institutional work, while implementing values, solidify values in the organizational system and form institutional leadership; thirdly, as the core of institutional leadership, the system through normative , regulations, and cultural cognition can regulate and guide organizational stakeholders (Giallonardo et al., 2017)..

Similar to this, Kwon et al. (2020) investigated how value management can be used to build institutional leadership, which can not only complement research on the practice and outcomes of value management but also provide an answer to the question of how leaders incorporate values into organizational systems to create institutional leadership. Systems, as the carriers of values, enable values to propagate across an organization and depend on values for recognition. Values serve as the foundation of organizational culture and offer a unifying subject for system creation.

Additionally, a Miller et al. (2018) study looked into how 68 executives in a major US firm would do in terms of their ability to lead effectively. The study's findings demonstrated that the program improved the leaders' capacity for effective leadership, and that this impact was mediated by a rise in transformational leadership behaviors.

In addition, Meyer et al.'s (2018) study looked at how 65 leaders in a South African firm fared in terms of leadership effectiveness after participating in a program for developing leaders. The study's findings demonstrated that the training improved the leaders' capacity for effective leadership, and that this impact was mediated by raised emotional intelligence.

A positive effect of leadership development programs on leadership effectiveness has not always been shown, nevertheless, according to studies. A leadership development program's effect on the performance of 42 executives at a UK company, for instance, was the subject of a research by Arnold et al. in 2017. The study's conclusions showed that there was little of an influence of the training on leadership effectiveness.

Research Methodology

Research Design

This study employed a quantitative research design as its methodology. The study entails gathering numerical data, which is then subjected to statistical analysis.

Research Approach

In this study, a cross-sectional research design was adopted. Data gathering for the study takes place at a specific moment in time.

Targeted Population

Organizations that have a program for leadership development are the study's target group.

Unit of Analysis

The unit of analysis for this study is the organization.

Size of Sample

300 respondents from the corporate sector make up the study's sample.

Sampling

In this study, convenience sampling was the method of sampling used. The organizations were selected based on their willingness to participate in the study and availability.

Data Collection Tool

A survey questionnaire was employed as the method for gathering data for this investigation. The purpose of the questionnaire was to gather data about the organization's leadership effectiveness and leadership development program.

Consent for Data Collection

Before gathering any data, the organizations provided their organizations with their informed consent. The research's objective, their involvement in the study, and the confidentiality of the information gathered were all explained to the organizations.

Data Collection Type

Primary data gathering was the method employed in this investigation. The survey questionnaire

was used to directly gather data from the organizations.

Procedure of Data Collection

The organizations received the survey questionnaire through email. Two weeks were provided to the organizations to complete the questionnaire and send it back to the researchers.

Confidentiality of Data Collected

Only the researchers had access to the acquired data, which was kept private. Following the conclusion of the research, the data was securely kept before being deleted.

Limitations of Research Methodology

The study's limitations include its small sample size and use of convenience sampling. This limits the application of the findings to a larger variety of businesses.

Ethical Considerations in Data Collection

Before gathering data, organizations provided informed consent. The organizations were made aware of the investigation's goals, the nature of their involvement, and the privacy of the information gathered. The study was carried out in conformity with ethical standards and values.

Analysis and Interpretation

Table 01: Frequencies of organizations have Leadership Development Program

Responses	Percentages
No	37.5
Yes	62.5
Total	100.0

The table shows that out of all the organizations surveyed, 62.5% have a leadership development progra, while 37.5% do not have such a program.

Responses	Percentages
No	43.8
Yes	56.3
Total	100.0

The table shows that out of all the organizations surveyed, 56.3% have leadership effectiveness, while 43.8% do not have such effectiveness.

		Leadership Effectiveness		Total
		No	Yes	
Leadership Development Program	No	83.3%	16.7%	100.0%
	Yes	20.0%	80.0%	100.0%
Total		43.8%	56.3%	100.0%

The table shows that among organizations without an LDP, 83.3% do not have LE, while only 16.7% have LE. Among organizations with an LDP, 20.0% do not have LE, while 80.0% have

LE. The total percentage adds up to 100.0% for each row and column, indicating that all responses have been accounted for.

	Value	df	Asymptotic Significance (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)
Pearson Chi-Square	12.224 ^a	1	0.000		
Continuity Correction ^b	9.786	1	0.002		
Likelihood Ratio	13.031	1	0.000		
Fisher's Exact Test				0.001	0.001

Linear-by-Linear Association	11.842	1	0.001		
N of Valid Cases	32				
a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 5.25.					
b. Computed only for a 2x2 table					

With one degree of freedom and a significance threshold of 0.000, the Pearson chi-square test score is 12.224, demonstrating a significant association between LDP and LE. Further

confirming the substantial correlation between LDP and LE is the continuity correction chi-square test value of 9.786 with one degree of freedom and a significance level of 0.002.

Step	-2 Log likelihood	Cox & Snell R Square	Nagelkerke R Square
1	30.830 ^a	0.334	0.448
a. Estimation terminated at iteration number 4 because parameter estimates changed by less than .001.			

The value of Cox & Snell R Square is 0.334, indicating that the Leadership Development

Program accounts for 33.4% of the variance in leadership effectiveness.

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	Leadership Development Program (1)	2.996	0.955	9.835	1	0.002	20.000
	Constant	-1.609	0.775	4.317	1	0.038	0.200
a. Variable(s) entered on step 1: LDP.							

According to the table, the coefficient of LDP is 2.996, which suggests that the probability of having LE rise by 20 times for every unit increase in LDP ($\text{Exp}(B) = 20.000$). The impact of LDP on LE is statistically significant, according to the Wald test statistic for LDP, which is 9.835 with

one degree of freedom and 0.002 as the significance threshold.

Discussion

The goal of this study was to examine the connection between organizational leadership

effectiveness (LE) and leadership development programs (LDPs). The study's results will be examined in the context of pertinent literature in this debate, and its implications for practice and future research will also be covered.

The study found that 62.5% of organizations had LDPs, and 56.3% of organizations had LE. The crosstabulation analysis revealed that 80% of organizations with LDPs had LE, while only 16.7% of organizations without LDPs had LE. The chi-square test showed a significant association between LDPs and LE ($\chi^2(1) = 12.224, p < .001$).

These results are in line with other studies Antonakis & Day, (2017), Huang et al., (2020), Judge & Piccolo, (2004) that shown a favorable correlation between LDPs and LE. Employees' LE may improve as a consequence of LDPs, which are created to help staff members build their leadership abilities and competencies (Avolio et al., 2009). In order to provide a succession plan and the ongoing development of leadership potential, LDPs may also assist the business build a pipeline of future leaders (Collins & Holton, 2004).

To ascertain how well LDPs predict LE, a logistic regression analysis was performed. LDPs were a significant predictor of LE, according to the analyses ($B = 2.996, SE = 0.955, Wald = 9.835, p = .002, Exp(B) = 20.000$). The -2 log likelihood value of 30.830 and the Nagelkerke R^2 value of 0.448 both showed that the model matched the data well.

The results are in line with other studies that employed logistic regression analysis to examine the connection between LDPs and LE (Huang et al., 2020; Judge & Piccolo, 2004). The predictive value of a variable may be determined using logistic regression analysis, and in this case, the research showed that LDPs are an effective predictor of LE.

Conclusion

The study investigated the link between organizational leadership performance and programs for developing leaders. The results show that most polled firms have leadership development programs and think these programs have a good influence on leadership effectiveness. Organizations with leadership development programs have greater levels of leadership effectiveness than those without, according to the crosstabulation study. This conclusion is supported by the logistic regression analysis, which shows that companies with leadership development programs are 20 times more likely than those without to have high levels of leadership effectiveness.

Recommendations

- Businesses should make an investment in the leadership development of their employees by giving them access to training, coaching, and mentorship opportunities. Their ability to lead successfully will be improved as a result of this.
- To analyze the efficacy of their leadership development programs and pinpoint areas for growth, organizations should think about conducting frequent evaluations. This will make it easier to make sure the programs are in line with what the organization and its executives require.
- Businesses should foster an atmosphere where its leaders may put the information and skills they have learned via leadership development programs to use. To motivate people to put what they have learned into practice, this may be accomplished by offering them resources, criticism, and acknowledgment.

- To increase their accessibility and flexibility, organizations should think about integrating technology into their leadership development programs. This can include webinars, online coaching sessions, and training modules.
- Organizations have to make an effort to foster a culture where leaders are encouraged to partake in continual professional development. This may be accomplished through encouraging a growth mentality, offering chances for education and advancement, and praising and rewarding leaders who take part in such endeavors.

Limitations of Research

- A limited sample size was used in the study, which means that it could not be entirely representative of the population. The results may have been more reliable and the statistical analysis could have been more thorough with a bigger sample size.
- It was based on self-report information, which might be biased and inaccurate. The statistics may not be accurate because participants may have given answers that were socially acceptable or because they misinterpreted the questions.
- The study was carried out in a particular geographical location; thus it might not be generalizable to other areas or nations. The efficacy of leadership development programs may be impacted by cultural and socioeconomic variables; hence the findings of this study may not generalize to other contexts.
- Only the association between leadership effectiveness and leadership development programs was studied in the study. Future study should thus look into additional aspects including organizational culture, leadership style, and employee engagement since these may also have an impact on leadership effectiveness.

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