

# LEADERSHIP ROLES, RESOURCE MANAGEMENT, ORGANIZATIONAL STRATEGY, PROFESSIONALISM AND EFFECTIVE LEADERSHIP IN SOCIAL SECURITY ORGANIZATION

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## Abstract

Which skills or abilities are more related to organization leaders to become more effective? This research question is examined in the context of leadership in Social Security Organization (SSO) that includes the top managers, middle level managers, Directors and Head of Departments. It is based on a research study that focuses on the investigation of effective organization leadership. In the present situation of globalization, organization excellence is often related to being Excellence Organization. Effective organization leaders need the skills and abilities as certain competencies to lead Social Security Organization (SSO) towards excellence. Roles of organization leaders are examined in relation to Mintzberg leadership roles. The ten roles identified by Mintzberg are categorized into three major roles of interpersonal contact, information processing and decision making. Estimates of leadership effectiveness are obtained from conventional earnings multiple regression, while estimates total effectiveness are based on four leadership styles and predictors are leadership roles, professionalism, resource management, organizational strategy derived through ordered enter regression method. Results shows that contribute of predictors in organization leaders with different styles are depend on preference of using styles for any predictors. Based on their situation it can be less or more. To summarize, effective organization leaders utilized various leadership competencies according to certain situations, possessed the required competencies and assumed certain roles when appointed as top managers, and Head of Departments in Social Security Organization (SSO). As such it is important that a systematic leadership development programs should be developed to ensure organization leadership effectiveness.

**Keywords:** Effective Organization Leadership, Resource Management, Organizational Strategy, Professionalism, Leadership Roles

## 1. INTRODUCTION

Today's leaders need to know new knowledge, abilities and skills to effectively cope with the constant organizational changes. Some scholars such as Al-Shuaiby(2009), Fagin (1977) said that leadership effectiveness is, the ability to maintain the equilibrium between his or her value system and the internal and external situations. The previous scholars took an alternative approach to identify leadership effectiveness by looking at leadership as a social meaning-making process occurring among groups of people engaged in joint activities. In a recent study it is indicated that "only a few studies have asked senior managers about what they do, what they need to know, and what characteristics or attitudes they need to possess" (Townsend & Bassoppo-Moyo, 1997, Mapp, 2008). Spendlove (2007) asserted, over the past ten years research in leadership effectiveness has moved towards identifying the leadership competencies such as knowledge, skills, abilities and behaviors of individuals. Also, Spendlove (2007) mentioned that, competencies are defined as sets of

behaviors that are instrumental in the delivery of desired results or outcomes in the previous studies (Bartram 2005). Even though some competencies are more difficult to learn than others (Tubbs and Schultz, 2005), such resource management, organizational strategy, professionalism however defining specific competencies can guide strategic human resource management practices in areas such as in recruitment and succession planning. Competencies and roles, offer a useful tool for leadership effectiveness. For effective leadership, competency models are not a prescription, but represent an attempt to capture the experience, lessons learned, and knowledge of seasoned leaders to provide a guiding framework for the benefit of others and the organization (Spendlove, 2007). As stated by Wallin (2002), "a number of studies have been conducted in an effort to determine just what skills, knowledge, and preparation lead to successful presidencies" (p. 2). We have little evidence of which particular competencies or roles are needed by the top leaders team of a Social Security Organization (SSO), or those who are second-in-command. Consequently, this research examined and explored the integrated relationship between roles, professionalism, resource management, organizational strategy and Effective Leadership (LE) in the Social Security Organization as a case study among SSO' s. Based on the objectives of this study, the following main research hypotheses were addressed:

H1: There is a significant relationship between resource management, organizational strategy, professionalism and Leadership Effectiveness (EL) in the Social Security Organization?

H2: There is a significant relationship between leadership roles and EL in the Social Security Organization?

## 1.1 Leadership Effectiveness

In 2007, Andre Martin in Central to the CCL (Center for Creative Leaders) asserted that definition of effective leadership is these three tasks: setting direction, building commitment and creating alignment. It is believed that if these outcomes are achieved, leadership must be present. The question is: How well are organizations accomplishing the outcomes at the present time? The Vroom-Yetton Model and the Tri-Dimensional Leadership Effectiveness Model represent contingency leadership theory and it explores the situational correlation between relationship behavior, task behavior and the readiness of the group. The basic, fundamental argument to contingency theory is that there is no one best way to lead. Contingency theory emphasize that leadership have to be situational; for a leader to truly be effective, he or she must apply different leadership principles in different situations. The contingency model recommends that the effectiveness of a group depend upon the relationship between leadership style and the degree to which the group situation enables the leader to be influential. Fiedler (1976) says, "the effectiveness of a group or an organization depends on the interaction between the leader's personality and the situation" (p. 9). A correct leader finds more influence over followers by switching character, from task-oriented to relationship-oriented, and back, based on the situation at hand. Contingency theory is presented to explain the impact of environmental factors and relationships with followers on leadership (Fiedler, 1976). Goleman, Boyatzie, and McKee. (2002) states "The best, most effective leaders act according to one or more of six separate approaches to leadership and skillfully switch between the various styles depending on the situation". This combines the emotional effect of empathetic resonance with situational leadership theory, moving the concept of leadership into the realm of transformational leadership for choosing the appropriate competencies.

Effective leaders adjust their leadership behaviors to the readiness levels of subordinates. In the situational leadership model, the two dimensions of task and relationship are related to a third dimension: the maturity levels of the group or organization, or rather its readiness. The main purpose of the readiness in situational leadership is defined as the extent to which a subordinate demonstrates the ability and willingness to accomplish a specific assigned task. Not only readiness is not a personal attributes; it is not an evaluation of a person's traits, values, or age, but also readiness is how prepared a person may perform a particular task (Hersey, Blanchard, & Johnson, 1996). Hersey, Blanchard, and Johnson (1996) suggested four leadership styles that reflect behaviors along two dimensions. Based on the Situational Leadership model, leadership styles refer to four salient communication patterns the leader may use in talking to followers, which are telling, selling, participating, and delegating. The two behaviors of telling and selling are primarily leader oriented with one-way communications. Alternatively, participating and delegating are largely follower-oriented with two-way

communications. Participating behaviors require the leader to invest considerable socio-emotional involvement in working with subordinates, while delegating behaviors involves a diminishment of involvement and support.

## 1.2 The Competencies and Roles approach

As the SSO leaders interacts with individuals, his role requirements will be constantly shifting in accordance with the demands and desires of peers, subordinates and superiors. The Nature of Managerial Work, of Henry Mintzberg's, originally published in 1973 and revised in 1979, is one of the most important examinations of leadership roles. According to Plunkett and Attner, (1989) Roles are the various behaviors a leader displays while functioning within an organization. Much that we find today in modern management theory relies heavily upon Mintzberg's work. Mintzberg's (1979) view of leadership behavior complements various organizational behavior theories, and emphasizes the motivation of the individual, proper communication, and leadership and decision making. Mintzberg observed that managerial work encompasses ten roles, which he grouped into three categories: interpersonal contact, Information processing, decision making.

In 2005, the Board of Directors unanimously approved a document entitled Competencies for Leaders. The competencies for leaders include:

**-Organizational Strategy:** the Board of Directors believe that an effective leader strategically improves the quality of the institution, protects the long-term health of the organization, promotes the success of all employees, and sustains the organization mission, based on knowledge of the organization, its environment, and future trends.

**-Resource Management:** In this term an effective leader equitably and ethically sustains people, processes, and information as well as physical and financial assets to fulfill the mission, vision, and goals of the organization.

**-Professionalism:** An effective leader needs to work ethically to set high standards for self and others, continuously improves self and surroundings, demonstrates accountability to and for the institution, and ensures the long-term viability of the organization.

## 1.3 Competencies and Leadership Effectiveness

Social Security Organization (SSO) leaders should be improved their leadership competencies to enable their organizations and departments to survive and continually develop. These competencies are included leadership skills, communication skills, persuasive skills, and professional skills. To be located in developed areas usually has a positive influence on an organization. On the contrary, to be located in undeveloped areas has a negative impact on an organization.

## 1.4 Leadership Roles

Roles are defined as various behaviors a leader displays while functioning within an organization (Plunkett and Attner, 1989). Mintzberg observed that managerial work encompasses ten roles, which is grouped into three categories:

*Interpersonal contact:* In this category, the roles of figurehead, leader, and liaison make up the interpersonal contact category. As a figurehead, the leader symbolizes and represents the organization by performing ceremonial duties. In the role of leader, he interacts with, supports, motivates and develops followers. As a liaison, the leader establishes formal and informal networks to gain information critical to the success of the organization.

**Information processing:** It contains the roles of monitor, disseminator and spokesperson. In the monitor role, the leader gathers information both external and internal to the organization. As a disseminator, the leader distributes information to subordinates through formal and informal means. Acting as a spokesperson, the leader gives information to those outside the organization.

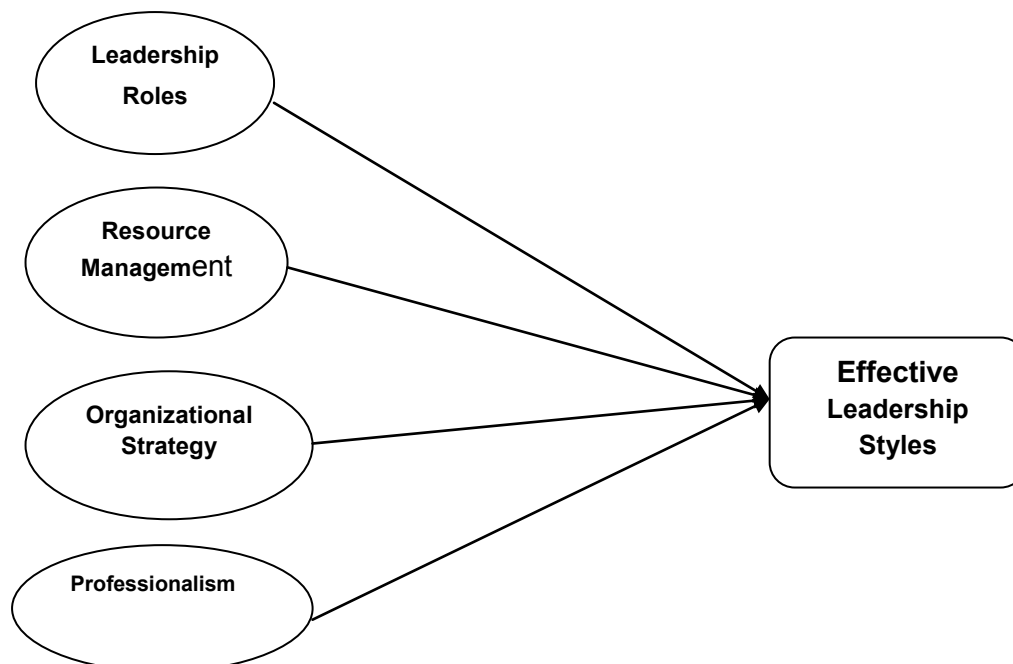
**Decision making:** It consists of entrepreneur, disturbance handler, resource allocator and negotiator. But the entrepreneur designs and initiates organizational change and the disturbance handler handles problems arising from organizational conflict and disruption. In a resource allocator, the leader controls and schedules the allocation of personnel, time and financial resources. Ultimately, as a negotiator the leader represents the organization in both external and internal negotiations (Mintzberg, 1979, pp. 54-99).

## 2. METHODOLOGY AND DATA ANALYSIS

The purpose of this study is to examine whether significant relationships exist in the dimensions of competencies such as professionalism, resource management, organizational strategy and leadership roles' aspects to provide effectiveness of the SSO leaders through leadership styles and style adaptability of top managers, middle level managers, head of departments as perceived by them. This study is quantitative in nature. The main purpose of correlation research is to determine, through application of a quantitative statistical analysis, whether a relationship exists between the variables under investigation. One might make predictions based on these relationships, but not statements of causality (Marguerite, G, et al. 2006). Participants completed a survey questionnaire. It included a five-point rating Likert scale for asking about professionalism, resource management, organizational strategy and leadership roles that it can be more appropriate and relevant to Effective Leadership.

### 2.1 Research framework

The independent variables in this research are in three parts. The first part is related to Leadership Roles (LR) with three categories: Interpersonal Roles, Informational Roles, and Decisional Roles. The second part is related to Leadership Competencies (LC). LC has three dimensions such as: organizational strategy, resource management, and professionalism. The third one is personal characteristics such as years of experience in leadership position (as predictor variables). The dependent variable embraces leadership effectiveness with four dimensions: (1) telling/directing; (2) selling/coaching; (3) participating/ supporting; and (4) delegating/monitoring (Figure 1).



**Figure 1: Research Framework: Roles, Resource Management, Organizational Strategy, Professionalism and LE**

## 2.2 Population and Sample Size

Some of researches indicate that the sample size is the actual number of subjects chosen as a sample to represent the population characteristics. For sample size, the researcher utilized Morgan table that it should be used to calculate the final sample size. The size of the population and amount of error determines the size of a randomly selected sample. This table helps the researcher determine (with 95 percent certainty) what the results would have been if the entire population had been surveyed (Krejcie, R. V., & Morgan, D. W, 1970). Participants completed a survey questionnaire. In this research, the population refers to the total number of Managers in the different levels (top managers, middle level managers, and head of departments) in SSO. For selecting the sample size, it is applied random sampling among all managers, with 140 populations. The number of sample size based on Morgan table is around 103. For avoiding of sampling reduction, this number of sample is multiply to 10 percent, and then finally total sample size was equal 117.

## 3. FINDING

### 3.1 Demographic Profile of the Respondents

The demographic characteristics of the respondents show that there are more females (n= 59, 57.9%) than males (n= 44, 41.5%). Also, the respondents ranged in age from 23 to 60 years while the average age of the respondents is 44 years. They also have a reasonable length of working experience with an average of 16 years and range from 2 to 16 years. However the average length of working experience in a leadership position is 3.6 years and range between 1 and 5 years. After distribution of survey among the respondents the researchers tried to follow up the data collection process, finally around 106 surveys was collected. We performed data analysis according to multiple regression by enter method (Table 1 to Table 4). In this research, predictors contribute to different leadership styles based on leadership situation.

### 3.2 Testing the Research Hypotheses

The research hypotheses formulated for the study are examined in this part through the use of appropriate regression procedures.

**Table 1- Result of Regression test between Predictors and Telling Style**

Predictors	B	t	Sig
Roles	.584	-2.657	.01
Resource Management	.186	.093	.926
Organizational Strategy	.538	3.522	.001
Professionalism	.477	-2.614	.011
<b>F : 4.69</b>			<b>Sig: .000</b>
<b>R : .45</b>			

Based on the results, the relationship between predictors such as roles, Organizational Strategy (OS), Professionalism and Telling Style, are positive and significant ( $\beta = .584, P = .01$ ;  $\beta = .538, P = .001$ ;  $\beta = .477, P = .011$ ;  $P \leq .05$ ) but for Resource Management (RM), this relationship is not significant ( $\beta = .186, P = .926$ ;  $P \leq .05$ ). Overall, the statistical results supported the research hypothesis but not for relationship between telling and RM (Table 1).

**Table 2- Result of regression test between Predictors and Selling Style**

Predictors	B	t	Sig
Roles	-.665	-6.033	.000
Resource Management	-.404	-4.683	.000
Organizational Strategy	.075	.649	.519
Professionalism	.270	2.568	.012
F : 22.3			Sig: .000
R : .74			

The results show that the relationship between roles, RM and selling style, are negative and significant ( $\beta = -.665$ ,  $P = .000$ ;  $\beta = -.404$ ,  $P = .000$ ;  $P \leq .05$ ). In Professionalism is positive and significant ( $\beta = .270$ ,  $P = .012$ ) but for OS, is not significant ( $\beta = .075$ ,  $P = .519$ ;  $P \leq .05$ ). Ultimately, the statistical results supported the research hypothesis but not for relationship between telling and OS (Table 2).

**Table 3- Result of regression test between Predictors and Participating Style**

Predictors	B	t	Sig
Roles	.063	.431	.668
Resource Management	.264	2.315	.024
Organizational Strategy	-.093	-.612	.542
Professionalism	-.463	-3.341	.001
F : 5.26			Sig: .000
R : .47			

According to the results, professionalism and RM is related to the participating style significantly ( $\beta = -.463$ ,  $P = .001$ ;  $\beta = .264$ ,  $P = .024$ ;  $P \leq .05$ ). The findings indicate that the relationships between roles, OS and participating style are not significant ( $\beta = .063$ ,  $P = .668$ ;  $\beta = .093$ ,  $P = .542$  respectively) (Table 3).

**Table 4- Result of regression test between Predictors and Delegating Style**

Predictors	B	t	Sig
Roles	-.129	.812	.420
Resource Management	-.137	-1.097	.276
Organizational Strategy	-.197	-1.185	.240
Professionalism	.274	1.811	.074
F : 1.5			Sig: .20
R : .28			

The results, show that professionalism is not related to the delegating style significantly ( $\beta = -.274$ ,  $P = .074$ ). The findings indicate that the relationships between roles, OS, RM and delegating style are not significant ( $\beta = -.129$ ,  $P = .420$ ;  $\beta = -.137$ ,  $P = .276$ ;  $\beta = -.197$ ,  $P = .240$ ;  $P \leq .05$  respectively) (Table 4).

#### 4. DISCUSSION

According to the first main research objective, the relationship between dimensions of leadership competencies (LC) (organizational strategy, resource management, professionalism) and Effective Leadership Styles (ELS) through utilizing four leadership styles (telling, selling, participating, delegating) in the SSO is investigated by



research hypotheses. First, competency is organizational strategy; it is positively related to telling, selling and style and negatively related to delegating and participating but relationships between organizational strategy and selling, participating, delegating leadership styles are not significant and for telling style is significant. The statistical results show that leaders with more OS competency are more likely to approach the telling/directing, selling/coaching and delegating/monitoring approaches to leadership effectiveness but for telling style, slightly more. Next, competency is resource management; it is positively related to telling style, participating style and negatively related to leadership styles including selling style and delegating style. Those organizational leaders who were more effective were found to use more telling/directing and participating/supporting and less selling/coaching and delegating/monitoring approaches to contribute to resource management in the SSO. Leaders prefer to utilize telling style rather than other styles. Overall, the results show that relationships between selling and resource management, participating are accepted and for telling, and delegating styles are rejected. Statistically significant relationships were found between the following pairs of leadership styles and professionalism: telling style negatively and delegating style positively. Not statistically significant relationship was found between delegating style and professionalism positively. Organizational leaders found themselves to be more effective when they were more likely to use telling/directing, selling/coaching, participating/supporting approaches and less likely to use, delegating/monitoring approaches to contribute professionalism in SSO. Thus, results indicated that this part of the research hypothesis for contribution of professionalism to leadership effectiveness for telling, selling and participating styles is accepted and for delegating style is rejected.

Based on the second main research objective, the relationship between collective categories of leadership roles (Visionary, Task Giver, Motivator, Ambassador, Liaison, Monitor, Disseminator, Change Agent, Disturbance Handler, Resource Allocator, Negotiator) by standardized regression weights ( $\beta$ ) and Effective Leadership Styles (ELS) through utilizing four leadership styles (telling, selling, participating, delegating) in the Social Security Organization is investigated. The Path-Goal theory as developed by House (1971) and further refined by House and Mitchell (1974), provides the theoretical framework for leadership roles, one of the independent variables in this research. The Nature of Managerial Work for leadership roles, based on path goal theory, by Henry Mintzberg, is one of the most important examinations of leadership roles. Several studies have indicated that roles are the various behaviors a leader demonstrates while functioning within an organization (Plunkett & Attner, 1989). In this research, significant and positive relationship was found between rating of the variable of leadership roles and telling style and significant and negative relationship was found between roles and selling style. Finally, not significant and negative relationship existed between participating and positively for delegating styles. Therefore, this research hypothesis has been rejected for participating and delegating styles. The statistical results indicated that leaders are more likely to make use of the telling/directing, selling/coaching and less likely using participating/supporting and delegating/monitoring approach to leadership effectiveness because of not significantly relationship.

## 5. CONCLUSION

Based on the first hypothesis in this study, Social Security Organization leaders should improve their leadership competencies to enable their organizations to survive and continually develop. These competencies include leadership skills, communication skills, persuasive skills, and professional skills. The competencies include organizational strategy, resource management, and professionalism in this study. Research results show that there is a meaningful relationship between resource management, organizational strategy, professionalism and different leadership styles. However, OS, RM and Prof do not have significant relationship with some of ELS. It means that one of the major conclusions of this study is lack of sufficient competencies to make appropriate decisions for leading the situations based on leadership styles in the SSO. Suggested solutions by the leaders to this type of obstacle were to make competencies with appropriate training and try to convince them to learn important competencies. This is because lack of sufficient competencies has negative impacts on the overall quality of leadership across the organizations. Based on this research, leadership roles referring to Mintzberg (1973) are categorized into three major roles of interpersonal contact, information processing and decision making. By evaluating the responses of the organizational leaders to the second research hypothesis, it can be concluded that most of the obstacles to leadership effectiveness are implicitly related to the policies and procedures at the higher levels of managers. Therefore, the leaders cannot use different leadership roles in

tandem with SSO roles. Baker (1999), Mintzberg (1973), Plunkett and Attner, (1989) believe that roles are the various behaviors a leader displays while functioning within an organization. As the organizational leader interacts with individuals within and without the organization, his/her role's requirements will be constantly shifting in accordance with the demands and desires of peers, subordinates and superiors. But, the results of this study do not match those of the above scholars and do not have significant relationship between leadership roles and participating, delegating styles because of the existence of some policies and procedures at the higher levels of managers in the SSO.

So, the findings of this study recommend the establishment of appropriate training, policies and procedures at the SSO in order to address the issues. Ultimately, the selection of leaders should be subject to specific criteria, chief of which are managers competence, roles, future vision or mission for organizational tasks and the relevant multidimensional knowledge.

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