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Organizational Success in Selected Universities in  
Meru County, Kenya**

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# Relationship between Leadership Development and Organizational Success in Selected Universities in Meru County, Kenya

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## Abstract

Leadership development is a key ingredient to the success of every organization since leaders show the organizational direction in terms of goals setting and achievement. If organizations fail in developing their leaders then it means that there is likelihood of losing the focus leading to organizational failure. Studies have revealed that if proper leadership development is done then organizations tend to perform well in terms of production, profitability and competitiveness. The purpose of this study was to examine the relationship between leadership development and organizational success in selected Universities in Meru County. The study was based on the human capital theory and adopted a descriptive research design. It targeted 58 members of staff who were drawn from the selected Universities in Meru County. The study conducted a census where all the targeted population took part in the study. The findings revealed that the organizations had practices on job training that helped employees cope with the work around them. The employees were also allowed for a study leave which helped them further their studies. The regression results found a very strong relationship between training and organizational success. In conclusion, organizations seem to be putting emphasis on training whereby there is on job training that helps enhance employee competences. To some extent the organizations are able to grant study leave to employees, which enables them further their studies. The knowledge acquired is used in the organization thus enhancing efficiency and effectiveness. The study recommended that Universities should continually offer job training as this equips the employees with hands on skills that increase employee competency and adoptability. The Universities should also be open minded on issues of granting study leave to employees even if it means a paid study leave since the skills acquired are used for the benefit of the organization.

**Keywords:** *Leadership development, organizational success, universities in Meru County*

## **1.0 INTRODUCTION**

### **1.1 Background of the Study**

Leaders are considered the drivers in every organization and an influencing factor to all that happens in an organization (Senior & Fleming, 2012). Most organizations' success depends on the kind of leadership adopted in an organization (Gruban, 2010). This means that leadership development is critical in every organization and if it is not done correctly, it may ruin an organization's success. . Improvement of leader confidence, the abilities and their skills is what is referred to as leadership development. The manner of teaching the cost involved and the level of complexity vary from different organizations (Armstrong, 2012). Leaders could also be developed through ways like mentorship and coaching. A person's ability to learn and the style of learning during development matters a lot in leadership development while bearing in mind the management support level and the programme quality (Baldwin and Ford, 2013). The development programmes that focus on general leadership defines leadership development while the concentration on an individual is what is referred to as the leader development.

According to Mariani, Buckley, Reidy and Witmer (2013), leadership development programs are meant for high-performing employees. They focus on long-term goals other than the short-term goals that are more operational than strategic. . Successful organizations need both inspirational leaders and sound managers in order to achieve increased and sustainable results, organizations need to execute strategies and engage employees. Organizational success therefore is measured by analyzing where the organization is in regards to its goals and its mission. Successful organizations have teamwork, committed employees, motivation is evident, flexibility, high production, low employee turnover and management support. Success of an organization is highly dependent on the type of leaders in an organization. Garavan, O'Brien and Watson (2015) conducted a study on leadership development strategies and innovation on several companies in California and concluded that more than a third companies on average are implementing the leadership development programs while on the other hand they realized that 36% of the companies are way below average on leadership development practices.

Komives (2016) stated that there are four essential key success measures and one auxiliary measure that are all of great value. The four essential key measures are financial, Customer satisfaction, Employee satisfaction, Contribution to society while the one auxiliary measure key operational results. Financial viability is important for organizational survival and growth. An organization is said to be financially viable when it is has the ability to continue to achieve its operating objectives and fulfill its mission over the long term. A business entity should be having the ability to generate sufficient income to meet its operating expenses and financial obligations, as well as provide the potential for future growth. Managing people with respect, from the time they are being interviewed for possible hire, to the time of their leaving the organization, is the hallmark of modern, successful organizations. Managers should be constantly striving to build good relationships and strong esprit within their organizations (Clinton, 2018).

In the realization of effective leadership development, an organization must emphasize training and development. This could help in a way that employees are much aware of the organizational goals and fit so well into the organization's culture. Armstrong and Taylor (2014) state that training and development grows employees' courage in executing their day to day activities and they develop a sense of belonging and ownership to the organization.

This is important to the organization since it is going to improve efficiency and effectiveness of employees thus goal achievement and this is what amounts to organizational success. Career development is a motivating factor for leaders in an organization. It makes them realize their worth in an organization as they are given career development opportunities and more challenging roles and this becomes their perfect opportunity for them to showcase their ability. Career development is thus considered a very successful strategy in leadership development.

Organizational Success is an analysis of where the organization is in regards to its goals and its mission (Aguinis & Bradley, 2015). It is basically the evaluation of the actual and the expected results for the organization to know its status. This helps the organization to know the action to take since if the result is negative it means it's time to define improvement strategy and if the outcome is good, it is the high time to define strategies to maintain or widen the gap with the competitors. Success cannot be realized without total commitment especially by the management through things like identifying and growing potential leaders, reviewing talent regularly, assessing performance of potential leaders, putting forth retention measure for the intended leaders and defining strategies for leadership development (Kaliannan & Adjovu, 2015).

Plugge, Bouwman and Molina-Castillo (2013) states that keeping everything dynamic, focusing on the future and benchmarking are some of the very key things in ensuring the success of every organization. It is always good to benchmark and get to know what your competitors do different to keep on going since no organization can operate in a vacuum and know what to change or adopt for success. An organization that is not future oriented does as good as not exist since every organization should be goal orientated and goals are set for the future. This means that for organizational success, organizations should try incorporating the three ingredients and ensure they are consistent and monitoring and evaluation should be a culture to be adopted and feedback is key.

Leadership development refers to activities that improve the skills, abilities and confidence of leaders (Komives, 2016). They continue to argue that the success of leadership development is influenced heavily by the quality of the programmes, level of support and acceptance from superiors, and the characteristics/learning style of the person being developed. Some commentators differentiate between leadership development and leader development, the former being used when referring to development programmes focusing on collective leadership in an organization and the latter on individuals. Leadership development is a common process in succession planning, which aims to produce high-calibre leaders to take over senior positions when they become vacant (Clinton, 2018).

Leadership development can be achieved through continuous assessment of the current talent and improvement of the same while considering achievement of the set aims and goals of an organization. According to Armstrong and Taylor (2014), leaders are identified from the very first day of joining an organization and they are nurtured to be. This is only achieved through continued efforts to grow them each and every day. Gothard and Austin (2013) state that strong leadership and departmental relationships can be realized through effective leadership development strategies that enable the organization to review the organizational goals frequently.

Universities are high-level educational institution in which students study for degrees and academic research is done. Higher education in Kenya started back in 1961 with Royal College in Nairobi and it became University College of Nairobi under University of London to train students and award degrees. Under the umbrella of University of East Africa,

University College of Nairobi was promoted to a University of its own and became University of Nairobi in 1970 until mid-1980s. Since then there has been tremendous growth of universities in Kenya spreading to all parts of Kenya (Makhatiani, 2016). Meru is the home of four universities namely: Kenya Methodist University, Meru University of Science and Technology and Mount Kenya University. KeMU was started in 1997 and Meru University of Science and Technology was started in 2008. And all the above mentioned universities still exist to present date.

## **1.2 Statement of the Problem**

Many organizations do well in talent selection but they fail on the talent development part which is a key ingredient in organizational success. Lack of proper leadership development strategies has seen to the fall of organization since they fail to achieve their long term goals. Organizations have always put effort on talent selection for the leaders over the years but have failed on the area of leadership development. This has led to the fall of organizations since they lack proper leaders to help in achievement of the overall goals and objectives. A survey carried out by Garavan, O'Brien and Watson (2015) show that 77% of companies are not sure of the leadership development strategies while a whole 36% do not have any leadership development strategies at all making organizations to fall or struggle to achieve their goals. This is a serious state since an organization that has poor leadership is prone to fail and cannot survive in today's stiff competition. Martin, Epitropaki and O'Broin (2017) did a study on the relationship between leadership training and organization performance in U.S. firms and concluded that firms that train their leaders have a competitive advantages over those that do not put emphasis on training. Studies have been done revolving around leadership development and other variables but there has not been one that gave a clear guideline on the appropriate strategies for leadership development for the purpose of organizational success. Therefore this study sought to fill the gap of knowledge and answer the question of the relationship between leadership development (employee training) and organizational success in selected universities in Meru County.

## **1.3 Objective of the Study**

The objective of the study was to determine how leadership development (employee training) contributes to organization success in selected Universities in Meru County.

## **2.0 LITERATURE REVIEW**

### **2.1 Theoretical Review**

#### **2.1.1 Human Capital Theory**

According to Fitzsimons (2017), human capital theory is the totality of organization available competences, personal characteristics that create intrinsic and measurable value to the economy, knowledge available within a given period of time in an organization and employee social aspect in an organization. He continued to argue that mathematically, human capital theory is what an individual can be able to add in the economy. Cultural contribution to human capital, social setup, symbolic capital and the present economic capital all contribute to the wellbeing of organizational success. Employee training, career development, talent nurturing, and retention strategies are things an organization does to ensure they have the correct human capital which would be considered an asset in the organization. How human beings can be transformed into capital assets and further assessed vital aspects of organizational success is one of the interests in management accounting (Ketchen Jr, Crook, Todd, Combs & Woehr, 2017). This therefore will lead to a situation where the success of an organization would be forecasted through objective decisions in comparison of the future

preference and expectation verses the current outcome. Human capital can be achieved through continued training, talent management, career development and experience.

The intangible asset in an organization which is the human capital contributes a lot to the overall organizational success. Through the acquired skills, talent management, employee retention and training the employees, the organization is able to accumulate wealth in the form of human capital (Ketchen Jr, *et al.*, 2017). Every organization should ensure they have unique set of human capital in terms of skills and competences which mean the competitors could not be able to copy easily thus a competitive advantage. Assets in the form of human capital can hardly be copied nor can it be bought which means that if an organization could be able to retain employees with unique skills and competences then success is likely to be achieved. This would also mean that the responsibility of every organization is to hold closely to the needs of its human capital and ensure good working condition and motivation which in turns leads to effectiveness efficiency and commitment thuds the success of the entire organization. Also having the right resource requires the right human capital to ensure optimum utilization of the resources.

The theory is important to this study in that organizations can have control between the human capital demand and supply. Organizations will also know the current competency gaps and the future gaps that may arise and where to target in case they have to fill the same. The theory also helps in the establishment of the kind of human capital that will see to the long term survival of the organization while at the same time leaping the service benefits that accrue through having the required human capital in an organization. . This also affects all the study objectives since an organization will need to have the correct talent, have the employees trained, do continued career development and finally ensure they the proper retention strategies to make sure they do not develop employees and the next minute they are leaving the organization giving birth to recruitment and training costs.

## **2.2 Empirical Review**

### **2.2.1 Employee Training and Organizational Success**

Leadership development is the attempt to improve the current and future performance of employees by increasing their ability to perform through learning, achieved through changing the employee attitude or increasing her knowledge and skills (Das & Baruah, 2013). Leadership development in organizations may be enhanced by having refresher courses for their employees, facilitating for scholarships for their employees, doing on-job-training, or taking their employees for formal education to advance their skills for performance purposes in the organization. Employees may also go an extra mile and decide pay for their own career advancement. This should be well embraced so that after gaining new skills that improve performance in the organization, employees are considered maybe for promotion as a motivating factor and a motivated workforce in most cases guarantees good performance.

Hanaysha (2016) states that formal education, experience on the job, interpersonal relationships and assessment that is continued are some of the components of effective leadership development. To effectively achieve assessment, data collection, analysis and interpretation not forgetting feedback are important. He continued to say that effective communication is a key ingredient in assessment. Work experience puts an employee in a better position in terms of positioning and competition since a fresh graduate in most instances cannot compare to an experienced employees when they are competing for a position. Experience is achieved through continued assessment and this occurs only in a work set up as compared to formal education where theory is taught which means one has to familiarize with work environment to achieve career training and experience.

According to Elnaga and Imran (2013) training occurs where there are learning opportunities in a work setup and it is developed by the management, the human resources training department and could also engage the services of an external specialist to train on specific areas of interest. This, therefore, means that organizations should have training programs in place which would ensure training needs are identified and taken care of in due time. Organizations should give equal training opportunities to employees to recognize employees' competences and capabilities. . If employees are equipped with the required skills they become more effective and efficient in the work place which means same sense of direction, achievement of organization goals and mission giving birth to organizational success.

Companies are confronting expanded rivalry because of globalization, changes in innovation, political and financial situations and in this manner provoking these associations to prepare their workers as one of the approaches to set them up to change in accordance with the increments above and in this way upgrade their execution. It is essential to not disregard the overarching proof on development of information in the business corporate world in the most recent decade. Continuously working for the development and nourishment of the workforce increases their role in the betterment of the work environment of any organizations (Evans, Pucik & Barsoux, 2002). Owing to this most of the managers around the world are creating and enhancing their roles in providing extensive training with the aim of achieving defined goals of the organization. It can not only lift the position of the employees but also the image of the organization to outside world (Sundaray, 2011).

Elnaga and Imran (2013) claim that leadership training allows employees to overcome obstacles related to lack of sufficient knowledge on their part about certain aspects of their jobs, and this is especially useful to employees who originate from rural areas where technological and financial literacy may be low both of which can hinder effective adoption of services. Troshani, Jerram, and Rao-Hill (2011) in their study on management found that Asia puts that training and development gives the employee confidence of their job that they deliver their services with a smile because we are living an era where many people are willing to learn and even though some of the organizations are placed in the rural areas people there also are not so ignorant and thus when the company workers are trained the clients will be more confident and will not doubt the advice they get from the organization. This is evident in the organizational workers who have gone through some training deliver their services more effectively because they are confident that whatever they are telling clients is the truth.

### **3.0 RESEARCH METHODOLOGY**

The study employed a descriptive survey research design. The target population included all the 58 selected staff from the respective departments from the selected Universities in Meru County. The selected Universities included Kenya Methodist University and Meru University of Science and Technology. The two were selected on the basis that they are the main campuses and that leadership policies and organizational goals are set from within the main campus and applied across the respective branches under the Universities.

### **4.0 DATA ANALYSIS, PRESENTATION AND INTERPRETATION**

#### **4.1 Descriptive Analysis**

The respondents were required to indicate their level of agreement with the statements of career goal setting in the organization. Majority, 18(43.9%) agreed followed by 12(29.3%) who were neutral, 9(30%) strongly agreed while 2(4.9%) disagreed that there was career goal setting. The respondents were required to indicate whether there is feedback in the organization. Majority 21(51.2%) agreed followed by 10(24.4) neutral. The study sought to

find out whether project that promote leadership are evident in the organization. Majority of the respondents were neutral 13(31.7%) while 11(26.8%) disagreed. This indicates that inadequate capacity building and trainings on leadership.

#### 4.2 Inferential Analysis

**Table 1: Analysis of Variance-Training**

| ANOVA <sup>a</sup> |            |                |    |             |       |                   |
|--------------------|------------|----------------|----|-------------|-------|-------------------|
| Model              |            | Sum of Squares | df | Mean Square | F     | Sig.              |
| 1                  | Regression | 11.553         | 5  | 2.311       | 7.807 | .000 <sup>b</sup> |
|                    | Residual   | 10.359         | 35 | .296        |       |                   |
|                    | Total      | 21.912         | 40 |             |       |                   |

The results presented in Table 1 indicate that the overall model was statistically significant. This was supported by an F statistic of 7.807 and the reported p-value of 0.000 which was less than the conventional probability significance level of 0.05.

**Table 2: Regression coefficients on Training**

| Coefficients |  |                             |            |                           |       |      |
|--------------|--|-----------------------------|------------|---------------------------|-------|------|
| Model        |  | Unstandardized Coefficients |            | Standardized Coefficients | t     | Sig. |
|              |  | B                           | Std. Error | Beta                      |       |      |
| 1            | (Constant)   | .833                        | .439       |                           | 1.896 | .066 |
|              | Organization has programs for refresher courses    | .073                        | .120       | .114                      | .612  | .545 |
|              | Organization gives scholarships to employees       | .266                        | .098       | .417                      | 2.716 | .010 |
|              | Organization does on job training                  | -.069                       | .131       | -.091                     | -.525 | .603 |
|              | Organization employees are given time off          | .322                        | .121       | .366                      | 2.662 | .012 |
|              | Organization employees are entitled to study leave | .103                        | .084       | .166                      | 1.224 | .229 |

The study sought to find out the relationship between training and organization success. The findings in Table 2 shows that scholarships significantly explains organizational success (Beta= 0.417, p=0.010). This implies that 41.7% of variations in organizational success is dependent on scholarships given to staff for study. The results also indicate that time off given to employees significantly explains organizational success (Beta=0.366 p=0.012). These results concur with a study conducted by Hanaysha (2016) who found out that employee training was essential for improvement of organizational productivity as it improves interpersonal relationships and perfects employee skills for task accomplishment.



## **5.0 CONCLUSIONS**

In conclusion, organizations seem to be putting emphasis on training whereby there is on job training that helps enhance employee competences. To some extent the organizations are able to grant study leave to its employees which enables the employees further their studies and the knowledge acquired is used in the organization thus efficiency and effectiveness. Feedback on the training that occurs is not very well given as it should timely and addressed to the respective parties for it to be more effective and serve the intended people. Organizations have in place most programs that enhance training thus a key ingredient towards organizational success. Thus it is concluded that there is a significant relationship between training and organizational success in selected universities in Meru County.

## **6.0 RECOMMENDATIONS**

It is recommended that Universities should continually offer job training as this equips employees with skills that increase employee competency and adoptability. The Universities should also be open minded on issues of granting study leave to its employees even if it means paid study leave since the skills acquired are used for the benefit of the organization. A consideration on scholarships would also be a key boost on the employees morale towards work thus improve performance which in turns leads to organizational success. Having refresher course programs will ensure employees are continually developed on the areas of duty thus effectiveness and efficiency. Time off to go and study leave will also act as an assurance that organizations are for the development idea thus earn employee loyalty.

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