

ASSESSMENT 1

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1.0 INTRODUCTION

In today's modern organizations, leaders' plays a significant role in a company as they are the decision maker and that will lead to an impact on the direction, culture and productivity of subordinates. Current organizational environments are often facing challenges with uncertainties and complexities. This emerges from several factors such as technological advancements, globalization, dynamic market conditions, and evolving workforce expectations. Thus, due to the complexity in leading the contemporary organization, has requires leaders to manage different aspects and use diverse techniques to achieve the company's goal. In this essay, it will be consisting of a discussion and analysis on the role of leaders in contemporary organization by emphasizing on application of leadership style and theories.

2.0 SATYA NADELLA (Microsoft)

One of the leaders that will be used in this essay to illustrate the role of leaders in contemporary organization is Satya Nadella as the CEO of Microsoft company which is well known as technology company. Microsoft was founded by Bill Gates and Paul Allen in 1975, it involves in producing software products including the Windows operating system, Microsoft Office suite, and cloud services through Azure (Zhao 2022). In the year of 2014, Satya was appointed as the CEO of Microsoft, and it has been 10 years of Microsoft under the leadership of Satya Nadella (Kessler, S. 2017). When he first became the CEO in Microsoft, the company was going through a falling behind competitively in the important areas such as cloud computing and mobile technology. He then identified that the cause was from having a ineffective of corporate culture in the company that lead to low of improvement and innovation (Kellner, 2015). In order to address the issue, Satya approach was more closely towards relationship-Oriented Leadership (Leonard, 2016). His first initiative was to change the firm's corporate culture from cultural mindset of "know-it-all" to a "learn-it-all" as previous culture was associated to employees that highly competitive among themselves and that has led to limits in innovation and collaboration. Her focus that time was to improve the relationship between leaders and member as well as increasing the employee's satisfaction. With this aimed has proven that it is align with the relation-oriented leadership style as it prioritizes the well-being and development of employees (Dweck, 2016). His first initiatives to address the issue has

contributed to the improvement in innovation and collaboration due to enhancing and aligned the organizational culture with company goals.

The next step that taken by Satya in his journey as a leader is when he recognizes that the company is in need of strategic realignment (Prakash et.,2021). This is because, Microsoft is an influential technology company and with the evolution environment that is centralizing on technology has requires companies to strive in innovating and advancement in order to remain competitive. In this case, he needs to make changes on the company's strategy which critically for Satya to provide an immediate decision that effecting the organisation level of structure. Satya efforts in addressing this issue was the aquation of LinkedIn for \$26.2 billion (Smith, 2016). This bold decision has shown significant correlation in autocratic approach where the decision was made without any intervention from employees. The outcome of this decision was highly expected for Microsoft to dominate in new domain.

Moreover, throughout the journey of Satya Nadella as the leader in Microsoft has demonstrate a contingency theory. In which contingency theory is theory was developed by Fred Fiedler in the 1960s that introduce an idea of there is no ideal leadership style which it can describe such as individual can be and effective leaders in some situation, but it can also be an ineffective leader in some circumstances if applying the same leadership style. Contingency theory is more on adopting leadership style depending on the situation that align in achieving best outcome for the company. The way of Satya Nadella directing Microsoft has reflecting the effectiveness of contingency theory (Johnson, 2017). This can be proven through his major cultural

transformation that using the approach of relationship-oriented style and while for some cases that are critically required to make decision has reflecting his autocratic approach. Another example that shown Satya is adopting different style of leadership depending on situational demand is when he foresees that Microsoft strategy must need to address in new market demands and technological advancements. His direction more on task-oriented leadership way to transitioning traditional software licensing model to a cloud-based business model (Brown, 2019). The application of task-oriented approach is by setting a clear goal on expanding Microsoft's cloud computing by emphasizing Azure. With that has led to execution in resources allocation which required detailed planning and execution to ensure that the cloud strategy was effectively implemented. Other than that, he performed an organizational restructuring in which he formed a new business unit and break down into groups. He then, established a clear performance metrics to evaluate whether restructuring is success. Thus, by performing efforts that aligning towards specific goal with efficiently is considered as task-oriented approach (Nair, 2014).

Under Satya's leadership style we can see that he demonstrates the contingency theory by shifting it leadership style according to the firm's demands. Those leadership approaches that implemented by Satya is an effort in addressing issue or challenges that faced by Microsoft in this modern and advancement world. By applying different types of leadership style are able for Microsoft to remain competitive in technology marketplace as it is an answer and solution to solve the issues.

3.0 JEFF BEZOS (AMAZON)

Furthermore, another example of leaders in contemporary organization that is well known with his leadership role in organization is Jeff Bezos as a leader to Amazon. Jeff Bezos is one of the great leaders in this modern era and with an academic background in electrical engineering and computer science. He then got interested to become an entrepreneur and with the knowledge had led him in development of software which has become a platform in selling books as a virtual bookstore in July 1995 that named as Amazon (Galloway, 2017). The business was a success and raised up as the leader in e-commerce which now has a wide variety of products. As for that, it has drawn an attention on Jeff Bezos leadership approach in directing the company in which his leadership style is more exemplifies the core principle of transformational leadership theory (Gradinaru, 2020). Transformational theory of leadership was introduced by Burns in 1978 and developed by Bass is referred to emphasising in motivation and encouragement style towards the employees in order to make extraordinary results are possible to achieve (Northouse, 2018). There are 4 core principle that describing the context of transformation theory such as inspirational motivation, intellectual stimulation, individualized consideration and idealized influence.

As a leader, it is crucial to think in a visionary way as to ensure that business remains competitive at all costs aligning with the advancement of technology and to inspire subordinate in striving targets that are beyond the current aim within marketplace. Jeff Bezos has the ability to foresee business opportunity and with that he had been consistently expressed a clear vision

that contributing to profit in a long run. This is because, when Amazon was founded, Jeff Bezos had set up a clear and bold vision of goals towards the business in which the vision was not only focusing being dominate and established as virtual bookstore beside that Amazon should be a transformative platform that would "become the Earth's most customer-centric company." By setting a wide and clear long-term goal has inspired employees to align their efforts to achieve the business target and indirectly fosters a sense of purpose and enthusiasm among employees (Stone, 2013).

Moreover, under the leadership of Jeff Bezos, he builds a culture of innovation and experimentation at Amazon where it requires his people to be experimental, creatively and critically thinker. One of the efforts made by Amazon is by implementing the "Two-Pizza Team" Concept where teams are kept small enough to allow his people have an open communication, collaborative problem-solving without excessive oversight freely contributing to new ideas and experimenting (Stone, 2013). The outcome of those efforts in ensuring subordinated remain innovated and experimental, the company achieved in developed new technologies and services such as Amazon Web Services (AWS) (Isaacson, 2015).

In addition, in Jeff Bezos's leadership shown that he practices individualized consideration that providing support in employee's career development (Brown, 2019). This practice can be seen closely related to servant leadership style in which focusing on the needs of team members, seeks to empower and provide support to the subordinates in order to get the employees returns by achieving best business outcome. A few efforts that were conducted such as Amazon

introduced programme known as "Career Choice "that provides financial support for employees to pursue educational opportunities and certifications to enhance their skills and knowledge. This is reflection on Bezos focus on hiring and developing the best talent (Kantor & Streatfield, 2015). Besides that, he also actively engages with employees across various levels by joining meetings and participate in open forum activities so that he could provide feedback and guidance at the same time helps to understand and addressing employees needs and concerns.

Additionally, Jeff Bezos is also a leader who sets a good example to employees. Where he is known to have high standard of performance and quality by strictly committed in achieving the business goals and have good personal ethical behaviour. For instance, he constantly searching for new solutions, strictly emphasizing that the customers satisfaction the primary goals and risk taking in innovation for the sake of achieving the desired business outcome. By leading with a powerful behaviour example has led Jeff Bezos to be seen as role model in the company in which has inspired the employees to strive for highest level of performance and quality that fits with best behaviour in achieving the business objectives (Brown, 2019).

Besides transformational style, Jeff Bezos way of direction Amazon is also often associated with transactional leadership. Transactional leadership can be defined as an approach that emphasizes in rewards and punishments to ensure that employees act in certain way (Kantor & Streitfeld, 2015). A few approach that driven to describing transactional approach by Jeff Bezos is when he is known as leaders that has set a high standard performance that expected to be

delivered by his employees (Mourdoukoutas, 2018). His effort to ensure that employees are maintaining their performance and operations run efficiently is by data driven culture and benchmarking. This is where employee's performance is closely monitored in which all work process such as delivery times, customer satisfaction, and operational efficiency are tracked and expected to hit the target or within the benchmark. With the expectation from Jeff Bezos and implementation of the performance metrics has led to ensuring employees and departments are aligned with the company's goals. Moreover, Jeff Bezos also proposed the reward systems and Incentives (Galloway, 2017). This is when management executing Jeff Bezos demands in requiring employees to have high performance, the monitored data will be evaluated and reviewed. Therefore, if the data shows the employees hit the target or provide extraordinary contribution on company's performance will be given a reward such as bonuses and career advancement while if its performance was below the benchmark, it will be under the responsibilities of the team to make an improvement. With this system, it has increase motivation in employees to contribute more towards achieving the firm's goal.

4.0 CONCLUSION

In conclusion from analysing the role of leaders such as Satya Nadella (Microsoft) and Jeff Bezos (Amazon) have virtualised the concept of complexity issues by contemporary organization. Due to fast of paced in evolution and advancement, businesses have demanded high innovation and efficiency in order to remain compete in the market. To be an effective leader in this modern business environment, leaders must be sensitive to the surrounding situation and the needs of the company in both ways of organization and operational efficiency. Therefore, two examples of leaders have demonstrated and effective leadership where they succeed in addressing issues and challenges that faced by their company with a mixture of leadership approach. Throughout their journey they must balance up their leadership style in order to maintain two important elements in the company, which is the people and profits. Thus, from the case of Satya Nadella we can see his way of leadership style is describing the contingency theory where he applied various of leadership style depending on the situational and the company's demand. He shifted from one leadership style to another in addressing the issues that Microsoft faced. If she using the same leadership style in managing the challenges Microsoft will not, be remains as well-known technology company as of today. Besides that, Jeff Bezos ways of directing the company much more in customer centric. That has led him in setting up leadership style that based on transformational approach in which promotes motivation, support, inspiring, innovation and influential behaviour to ensure that his people are acting in their best way to achieve the company's goal. However, in order to ensure that

efforts that have been done under transformational approach is success, he then also set a transactional approach in which monitoring, evaluate, rewards and punishment were applied in managing the company. This is to help balance up the leadership style and they could be realized by employees to contribute as much as they can. Therefore from this analysis has enhance the knowledge of leaders role in contemporary organizations.

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