Chapter 12

Paths to Success: Leveraging Culture, Leadership, and Learning Strategies

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ABSTRACT

The purpose of this chapter is to highlight the importance of cross cultural collaboration and leadership contextualized in a knowledge management paradigm with innovation and intangibles as cornerstones of competitive advantage. It is our intent to shed light on the importance of new knowledge arising from the paradigm shift of organizational values wherein intangibles lie. An innovative culture based on learning steers organizations on human potential with a new mindset to develop core competencies. This chapter demonstrates how core values of commitment, tolerance, involvement and willingness to take risk foster organizational sustainability in the new age paradigm. Complex, dynamic and turbulent organizational environments lead to second order learning, as opposed to first order learning. Organizational memory is reinforced in an environment of collaborative effort and committed knowledge workers. The quality of learning depends on leadership fostering teamwork and harnessing a common vision and organizational principles that nurture and encourage trust.

INTRODUCTION

Organizations necessarily need to redefine their behavior in order to nurture competitive advantage within the fluctuating external environments. This behavior requires organizations to be more decisive and proactive with regard to stakeholders especially, clients and competitors, as well as to adopt a new management paradigm. In this way, client satisfaction, scanning the competitive environment (Senge, 1990) revisiting ethically driven values and implementing an innovative culture within the organization, are all sources of inspiration which help to sustain creativity and organizational innovation. Nowadays,

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organizational sustainability and longevity are threatened by the external environments which become ever more turbulent and unpredictable as the economic globalization evolves. However, this process can be slowed down or reduced by adopting entrepreneurial behaviors that are more decisive, such as, responding carefully to clients as well as to competitors (Morgan & Hunt, 1994). Nevertheless, on the whole, companies tend to ignore the importance of paying attention to specific stakeholders and fail to see economic and social value (Fry, 2003) in general. This chapter highlights a shift in paradigm, namely from the classical approach to the knowledge management (KM) paradigm. The aim of this chapter is to show the importance of intangible resources as a source of creating sustainable value through knowledge (Carter & Scarbourough, 2001). The constructs of leadership and leaders' self-efficacy in organizations demonstrate their influence on organizational cross-cultural efforts. The ensuing effect arises from the linkage between organizational performance and efficiency with leadership self-efficacy. Studies on both leadership self-efficacy and leader efficacy measure leadership self-efficacy as specifically focusing on the capacity of leaders to lead change efforts (Paglis & Green, 2002). It is our intent to shed light on the importance of new knowledge arising from the paradigm shift of organizational values wherein intangibles lie. This chapter is divided into the following sections, introduction, the theoretical framework as a nexus of the shift in paradigms to emphasize the importance of leadership, culture, learning and knowledge. This framework further highlights the inimitable nature of intangible values that are distinguishing elements in organizational performance and sustainability. Conclusions, reflections and recommendations for future research are set forth.

LEADERSHIP SELF-EFFICACY, CULTURE AND ORGANIZATIONAL PERFORMANCE

The constructs of leadership and leaders' self-efficacy in organizations demonstrate their influence on organizational cross-cultural efforts. The ensuing effect demonstrates that organizational performance and efficiency are associated with leadership self-efficacy. The construct of leadership self-efficacy, as an instrument of self-awareness and its association with individuals' competencies, skills and limitations, has slowly been introduced in management. By the same token, self-confidence enables the leader to be capable to spread positive organizational values among followers, thus converging towards common aims based on sharing knowledge and experiences. The self-efficacy construct has been studied since Bandura (1977) first introduced it, when it was understood as being the expectation that an individual is able to perform effectively so as to achieve desired results. As a pivotal construct in cognitive social theory, self-efficacy influences behavior at the levels of persistence, initiation and intensity. In this way, those individuals who have a high level of self-efficacy are more open to experimenting tasks which are challenging, they exert higher levels of effort in ensuring tasks are successful as well as demonstrate greater tenacity in their effort to overcome obstacles. Studies on both leadership self-efficacy and leader efficacy measure leadership self-efficacy as specifically focusing on leaders' capacity to lead change efforts (Paglis & Green, 2002). It is pertinent to highlight that Semadar, Robins and Ferris (2006) put forward a discussion of four constructs of efficacy, namely, (1) leadership self-efficacy; (2) self-monitoring; (3) emotional intelligence and (4) political acumen. These authors demonstrate a strong correlation between the results of managers' annual performance appraisals and leadership self-efficacy, emotional intelligence and political acumen. Furthermore, a high level of self-efficacy is the result of perceived organizational flexibility. Consequently, three organizational characteristics, namely, managers' autonomy, abundant 18 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:

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