Why to change leadership of ailing organizations

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Abstract

It has been a general practice for mature organizations to continually change the main leadership to maintain a growth trend. This leadership change at the highest level is not recommended in all situations. In contrast to it a lot of organizations have delivered astonishing results without changing the CEO for a very longer period.

So, which of the policy is workable and in what situations? Let us delve into it.

Keywords: Leadership change • ailing organizations.

Leadership Change, why?

We know many great leaders in corporate world who filled colors and life into great ideas. Some of these types of leader became an organization in themselves. They rise beyond organizations and became a symbol of success. Then why should we talk about leadership change?

Dilemma of ailing organizations

However, in some of the organizations, especially in the ailing ones We find that ordinary level of persons finds their way to the top hierarchy through bonding with likeminded. The problem with this mindset is that as it is not capable of driving the organization in the right direction. So, they hire less capable people on important positions to safeguard them. This approach fills the whole hierarchy with such incapability that it becomes almost impossible to improve the organization.

The company is filled with these link minded people and any attempt to correct the organization is nipped in the bud. As this hierarchy is so strong that any such attempt is highlighted from the roots and not allowed to prosper

Identification of ailing organizations

These kinds of organizations are easy to identify by the following:

• It's constantly degraded technical and financial numbers.
• The management continually changes policies on key issues.

• There is almost zero documentation of processes and guideline.
• Company is never properly audited, especially for the technical audit.
• It is almost impossible to find long term strategy of the company.
• Top management does not change.

Middle and low management is continually changed. So that no one else can get enough footing to challenge them.

Solution:

Solution of this problem is quite simple, but it needs the direction from the board. The management of the organization should continually change as per a normal and regular process. And no one should violate this process in any circumstances.

Also, there should be a change in management. If the company is not able to improve the technical and financial KPIs for a certain period (To be documented in the same process mentioned above).

Conclusion

It is not impossible to drive an organization in the right direction. However, it needs constant vigil and understanding of issues by the people who hold the responsibility of it.