Leadership Decision-Making and Management Approaches for Generating Value in Business Ecosystems

Dr. Niko Scholz[1], Dr. Aaliyah Qureshi[2]

[1,2]*Alpine Research Centre for Managerial Change, Austria.*

Abstract

Value Generation in business ecosystems (VG-BE) via Decision-Making (DM) is a growing focus for academics and professionals. Previous studies have concentrated on creativity in products and services, with little research into the significance of future-generation leaders using data management strategies in business environments. Many studies on leadership have focused only on top-level executives inside firms. This arose because, until recently, it was considered that middle-management and top-level executives had far fewer duties in contributing to the organization's performance. Leadership development at all tiers has become essential for organizational success owing to modifications in corporate structure and the application of empowerment. However, no information exists on studies on management behavior despite the considerable importance of management style in BE. This study presents Leadership Decision-Making and Management Approaches for Value Generation in Business Ecosystems (LDM&M-VG-BE). This research examines management routines and approaches across different levels in BE. It establishes a comprehensive research paradigm connecting the attributes of future leaders (context) to LDM (method) tools and methodologies, facilitating VG in BE (outcomes). The research methodology employed in this study aimed to analyze the similarities and differences in the management approaches of executives at various hierarchical levels in BE. Numerous LDM philosophies address either interpersonal or task-oriented leadership.

Keywords: Leadership; Management; Decision-making; Business ecosystem; Value Generation.

I. INTRODUCTION

Leadership plays a crucial role in the organizational process. Besides managing diverse organizational levers, leaders frequently serve as exemplary role models for subordinates. Leadership is the most extensively studied subject in the social sciences and behavioral management (Pauceanu et al., 2021). Leadership entails the ability to influence individuals to accomplish collective or organizational objectives. Leadership is a multifaceted phenomenon that necessitates the consideration of various aspects and elements for accurate characterization. Leadership comprises a set of unique traits or characteristics that individuals possess and utilize to motivate followers toward goal attainment (Bush, 2020).

Towers Perrin's study indicates that leadership is paramount to employee engagement. Employees seek guidance from leaders regarding appropriate reactions and behaviors, motivation, and focus during transformation and disruption (Cotterill, 2017). Leaders can

significantly impact the response of both organizations to mergers and acquisitions by cultivating a sense of belonging and purpose among employees of both firms based on experience.

The efficacy of transformation is contingent upon leaders' perceptions among their workforce. Employees desire to feel valued by their employers. Arian asserts that employees are more amenable to essential changes when they believe their leaders genuinely care for them (Imhangbe et al., 2019). They give employees the commitment, engagement, assurance, and support necessary to navigate difficult transitions. Employees can maintain focus and high engagement during acquisition and post-merger integration when their leaders foster a sense of cohesion, solidarity, and trust through their actions and communication.

Although management and leadership are often used interchangeably, interpersonal skills are greatly esteemed in leadership. It generally pertains to the readiness of both the leader and the followers. Nonetheless, leadership can be identified beyond a hierarchical structure within an organization. Numerous individuals assume leadership positions without having their roles delineated or defined. A leader can frequently influence individuals' perspectives and enhance acceptance of change. Consequently, leadership may be perceived chiefly as an act of inspiration (Voegtlin et al., 2020).

Business leadership requires the capacity to make decisions and resolve issues. The decision-maker should consider the welfare of others and maintain an optimistic perspective. Certain decisions are straightforward and pertinent to others. Certain options are more complex and impact a population. Consequently, the capacity to rapidly differentiate between effective and ineffective managers may be achieved (Serrat, 2021). Businesses possess a variety of viewpoints regarding the environment and their interactions with it. These discrepancies may influence decision-making processes, subsequently impacting BE's financial performance.

II. FEATURES OF LDM

The following are some of the features of LDM and are depicted in Figure 1:

Selective: This strategy entails choosing the optimal option from multiple alternatives. The optimal solution is selected only after all alternatives have been evaluated against the objectives.

Reasoning: It qualifies as a cognitive activity due to its requirement for mental faculties such as knowledge, analysis, experience, prediction, and awareness, among others.

Active: It is an active process that evolves in response to temporal and situational variables, offering multiple solutions to a potential issue.

Figure 1: Features of LDM

Positive or negative: A choice may not always be beneficial, regardless of its positive or negative nature. Despite the consideration of all factors, an erroneous LDM may still occur.

Continuous procedure: Each organization possesses a comprehensive succession plan, with various tiers of authority making daily decisions to ensure the seamless operation of the business. These decisions are made in alignment with the company's objectives.

Assessment: A phase in the LDM process involves appraising the available alternatives through critical evaluation methods. Organizations are increasingly prioritizing LDM to enhance the effectiveness of their executives. The researcher analyzes the utilization of demographic data (age, education, gender, and designation) by decision-makers. These demographics elucidated how disparities in age and educational attainment influence LDM. This research seeks further to investigate the impact of leadership styles on LDM.

III. LDM&M-VG-BE

Particularly stressing the part played by next-generation leaders, the suggested framework shows the junction of LDM with VG-BE. The section on context lays out the qualities of rising leaders: sympathetic, creative, and agile. These leaders are change agents committed to sustainable impact, real in their behavior, and value-based decision-makers. Their special skills—from risk-taking and on-the-job learning to storytelling and critical thinking—form the basic traits required to successfully start and negotiate the LDM process.

Using its fundamental tools and approaches, the phenomena of LDM are investigated in the section on processes. LDM starts with a VG-driven method of innovative problem-solving that results in applying tools, including journey mapping, value proposition design, assumption testing, and prototyping. These approaches help leaders co-create solutions with consumers and stakeholders, improving empathy and creative inspiration. Moreover, methods like visualization and learning launches give constant chances for improvement. This methodical, human-centered one enhances important links in the BE and fits the changing needs of modern BE.

The outcome part emphasizes the observable effects of using LDM inside a company ecosystem. It emphasizes advantages, including strategic alliances, creativity, group problem-

solving, and competitiveness. LDM promotes knowledge exchange, system-level learning, social impact, and organizational effectiveness. When embraced by visionary leaders, these outcomes show the broad consequences of LDM and are reflected on several levels: personal, team, and society. In the end, the person clarifies how, when matched with the competencies of future leaders, LDM can be a strong catalyst for BE transformation and sustainable development.

IV. METHODS

The survey was modified based on pilot research involving 200 participants obtained from SPSS data (Sallis et al., 2021). The survey investigated ten factors: strategy, data collection, administration, assessment, adaptability, disputes, restrictions, interactions, supervisors, and employees.

The study's sample comprised four governmental and seven private manufacturing sectors, chosen from ten. These prominent corporations employed a global employee selection, recruitment, and composition strategy. Initially, 200 participants were chosen through stratified random sampling for the study. A final random sample of 175 was acquired after responses were excluded for reasons of uniformity and authenticity during the processing phase. The participants were directed to review the eight statements for each dimension and provide up to four evaluations of 10 points each. The participants had diverse choices, from selecting a single item to choosing four assertions. The extent to which a statement reflects the displayed points indicates the participant's role behavior during work. The ratings constituted the foundation for determining the rankings. A percentage evaluation was conducted. A two-way rank analysis examined the correlation between the dependent and uncontrolled variables. The governmental sector comprised 150 200 participants (75%), whereas the private sector comprised 50 (25%) of the total. The private sector attracted fewer participants because a greater proportion of their comments were disqualified. Upper executives constituted 40% of respondents, while managers comprised 60%.

A correlation study examined the relationship between LDM&M and VG in BE. The correlation was analyzed utilizing Pearson's correlation coefficients, with the findings presented in Table 1.

Table 1: Leadership Decision-Making and Management Approaches (LDM&M) for Value Generation (VG) in Business Ecosystems using SPSS data

Indicator	LDM&M	VG
Mean score	3.26	3.72
Standard deviation	1.19	0.95
R-value	0.53	
Significance	0.01	

Using SPSS data, Table 1 summarizes the interaction between Value Generation (VG) in corporate environments and Leadership Decision-Making and Management Approaches (LDM&M). The mean scores show that, in the noted BE, LDM&M (3.26) and VG (3.72) are rather practiced or perceived. With LDM&M displaying somewhat more dispersion, the standard deviations—1.19 for LDM&M and 0.95 for VG—suggest moderate response variability. With a

modest positive correlation coefficient (R-value) of 0.53, leadership approaches and value generation show a moderate positive relationship. Value creation inside the corporate ecosystem usually improves as effective decision-making and management practices increase. The significance level (p = 0.01) attests to the statistical relevance of this link, supporting the need for strategic leadership in generating value inside linked BE.

V. CONCLUDING REMARKS

This study introduces Leadership Decision-Making and Management Approaches for Value Generation in Business Ecosystems (LDM&M-VG-BE). This study investigates management practices and methodologies at various levels within BE. It establishes a comprehensive research framework linking the characteristics of future leaders (context) to LDM (method) tools and methodologies, thereby facilitating VG in BE (outcomes). With a modest positive correlation coefficient (R-value) of 0.53, leadership approaches and value generation show a moderate positive relationship. Value creation inside the corporate ecosystem usually improves as effective decision-making and management practices increase. This study's research methodology sought to examine the similarities and differences in the management strategies of executives across different hierarchical levels in BE.

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