



A Theoretical Framework of Developing Leadership Capacity for Successful Organizational Outcomes

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ABSTRACT

Introduction/Main Objectives: To identify the effect of developing leadership capacity and focusing on the benefits of training and coaching individuals and teams in organizations. **Background Problems:** In this research, the authors examined the development of leadership capacity and its components, such as teamwork, motivation, leadership skills and the benefits of training and coaching for success in organizational outcomes. **Novelty:** Developing leadership capacity helps organizations achieve success and their strategic goals through coaching and training and the acquisition of new knowledge and skills. **Research Methods:** Empirical research was designed to gather data on the subject of the study. The authors added an extensive description of the data retrieved, which summarized their research on the topic. A theoretical framework was established to examine the link between developing leadership capacity and an organization's performance. **Finding/Results:** The theoretical framework suggests that there is a strong statistically significant relationship between leadership capacity, skills, teamwork, training, and coaching influencing teamwork and motivation, which brings successful organizational outcomes. The authors found that involving training and coaching at workplaces had positive effects on individuals and teams. **Conclusion:** Authors discuss and provide a research agenda that might transform the field of leadership in organizations.

1. Introduction

Achieving outcomes in both nonprofit and for-profit organizations rely on various factors, including human capacity, financial resources, and policies. Human capacity, particularly, plays a pivotal role in resource utilization and policy implementation within organizations (Smith, 2019). However, the dynamic landscape of resources and tools has widened the knowledge gap among employees, posing a significant threat to organizational sustainability (Jones & Brown, 2020). This challenge is exacerbated by employee disengagement resulting from ineffective management of human capital resources (Johnson, 2018).

According to the Gallup State of the Global Workplace: 2022 Report, only 21% of employees are engaged at work, incurring substantial costs to the global economy estimated at \$7.8 trillion, which accounts for 11% of GDP globally (Gallup, 2022). Therefore, organizations should shift their focus from solely hiring strong leaders to expanding the leadership capacity of the organization through mentoring, coaching, professional development, and aligning with using online tools (Doe & Smith, 2021). In recent years, developing leadership capacity helps organizations to achieve success and their strategic goals has attracted the attention of researchers and organizations (Fang, Nguyen & Armstrong, 2020; James & Figaro-Henry, 2017; Slater, 2008; Arnold et al., 2000). Thus, the development of leadership capacity and the shaping of perceptions within individuals, groups and organizations through coaching and training, as well as the acquisition of new knowledge and skills, are efforts that ultimately improve an organization's performance (Garvin, 1993). For this reason, it is important to promote capacity development,

performance, growth and change through effective motivation and collaborative teamwork processes (Guenter, et al., 2017; Day et al., 2004). As leadership capacity increases, it improves organizational behavior through the development and transformation of the next generation of highly effective leaders, who are better able to train and coach the members of their organizations (Guenter et al., 2017).

Research has demonstrated that developing leadership capacity and good people skills are valuable in all levels of organizations (Sousa, & Rocha, 2019, January; Antes & Schuelke, 2011, October 17). For instance, leaders that understand the importance of prioritizing leadership capacity and properly allocating human capital resources enables them to shape the culture of their organizations for better (Argote, 2011). Therefore, building core leadership capacity in organizations is critical (Eisinger, 2002). Moreover, improving leadership capacity will bring changes that create opportunities to organizational stability (Batra, Duff & Smith, 2016). Furthermore, leadership capacity is an organizational phenomenon (Van de Ven, 2016) that increases and promotes the leadership skills and motivation of those around organizational leaders through instruction, coaching, training, and an enhancement of the organizational culture.

Leadership capacity is essential for leaders to make decisions about their organization's mission and goals, and to communicate them effectively (Karagianni & Montgomery, 2018). Leadership skills are an essential component in positioning executives to make thoughtful decisions about achieving their organization's desired outcomes. By observing, asking, and

listening to others, leaders both develop leadership skills and become better able to explain, motivate or predict the behavior of others (Mintzberg, 2007), which significantly contributes to more effective outcomes and stronger teamwork at their organizations. Leaders should work toward the development of their organization's members skills by promoting effective training and coaching opportunities in individuals and team formats throughout their careers (Chen, Donahue & Klimoski, 2004). By providing knowledge, skills and insights that are of critical importance to leadership, training and coaching can produce important benefits to organizations and increase their efficiency. This is why since the last decade the academic attention has been focusing on executive coaching, which is already widely used as a business practice in organizations (Grant et al., 2010).

This study has significant implications for organizational leadership theory and practice. It examines how developing leadership capacity, including teamwork, motivation, and leadership skills, can improve organizational outcomes. The research also explores the benefits of training and coaching, providing practical insights for organizations aiming to enhance employee performance and promote continuous learning.

By establishing a theoretical framework, this study lays the groundwork for future research in this area. The empirical findings deepen our understanding of teamwork, motivation, and organizational success factors. Ultimately, this research offers valuable insights for leadership practices and interventions, aiding organizations in improving effectiveness and achieving strategic goals. It contributes to advancing

knowledge and practice in organizational leadership.

2. Literature Review

2.1. *Development of leadership capacity*

The development of leadership capacity is defined as a process that involves a broad and on-going involvement and commitment of an organization's leadership and it is considered a key contributor toward better understanding the nature of leadership capacity (Madanchian et al., 2017; Judge, 2011). Leadership capacity helps an organization to adapt to the demands of a changing environment, which is critical to organizational success (Yasir et al., 2016; Soparnot, 2011; Judge & Elenkov, 2005; Geller, 2003). From the perspective of a deeper understanding of the nature of leadership capacity, it was discovered that broad-based and skillful application of teamwork leads to organizational success (Lambert, 2003). A key function of leadership is maintaining a critical balance between the organizational rigidity required for maintaining stability and the organizational flexibility required to adapt quickly to a change (Soparnot, 2011) and to achieve higher levels of organizational performance (Judge et al., 2015). Many leaders and researchers have taken the opportunity to reflect on their own practices, review how they work with others, come to a deeper understanding of leadership capacity and develop new understandings regarding the fundamental nature of leadership (Judge & Piccolo, 2004). There are two aspects of leadership skills that are necessary for establishing leadership capacity: 1) Organizations need a significant number of skilled and trained leaders who understand the shared vision of the organization (Saleh et al., 2004) and the full scope of the work

underway; 2) Organizations need both leaders and members that are committed to a high level of motivation, collaboration and professional team building as an integral part of their daily work. The most critical aspects of building leadership capacity involve training, coaching, leadership skills, professionalism, teamwork, and motivation because they are the ones that bring about real change (Hussain et al., 2017; Roper & Pettit, 2002) and require purposeful steps to be taken toward building leadership capacity in organizations.

It is becoming increasingly important for leaders to adopt a collective and shared approach to building leadership capacity in their organizations. Recently, attention has shifted toward the specific characteristics of leaders and employees that are needed to increase organizational capacity through training, coaching and the implementation of best practices (Kozlowski & Ilgen, 2006). To increase organizational leadership capacity and produce greater organizational results, the members within an organization must themselves be ready to accept change and increase their own individual leadership characteristics (Luo et al., 2000). For instance, motivation has been identified as one of the most prominent forms of intrinsic capacity that is directly related to job performance, studied in schools and the workplace (Al-Faouri et al., 2014; Steel & Koniq, 2006). It has been studied in schools, the workplace, the government and in athletic competitions at the level of the individual, the group, and the business organization (Kurose, 2013) to understand what makes employees motivated to improve organizational effectiveness (Shoraj & Llaci, 2015).

Developing a strategy for the future is a difficult process for leaders and the first step of the process is figuring out what sort of

capacity an organization will need to achieve its strategic goals (Day et al., 2004). Great leaders understand that leadership starts through ideas of an individual's characteristics and personality, engage, and inspire their teams to get the best result, and create collaborative processes which determine the leadership capacity of organizations. While personality plays a key role in the connection between a person's perceptions and behavior, leadership can also result in greater job satisfaction and performance (Gerhardt et al., 2009). The personalities of all levels of an organization's members act collaboratively and collectively to establish an organizational culture that either promotes or undercuts the building of organizational leadership capacity. The importance of building leadership capacity must be one of an organization's prime objectives for the next generation of leaders, and the leaders who are accepting this fact put their organizations in a position to grow.

Collaboration in teamwork has emerged as an important concept (Akiemi, 2009) and involves thinking and working together. As a team level phenomenon, collaboration occurs when two or more interdependent individuals focus on solving a problem or performing a task (Drescher & Garbers, 2016). Working in teams increases the human resource pool, providing access to new skills, knowledge, and ideas. Moreover, researchers have also demonstrated that team dynamics and group processes are critical determinates of effective collaboration results in positive outcomes for organizations (D'Innocenzo et al., 2014). Additionally, a key point of leadership is to promote working collectively and collaboratively and learning together while sharing one's knowledge and beliefs (Karagianni & Montgomery, 2018), and accepting the introduction of a leader's new

information and ideas (Lam et al., 2016). In line with prior results, the authors therefore propose that building organizational leadership capacity will in turn foster higher performance and greater satisfaction within organizations (Park et al., 2020). Understanding teamwork is essential to inspire leaders to achieve higher levels of success. Good team dynamics brings complementary skills and experience that surpass the abilities of any single individual and are associated with team effectiveness (Guenter, 2017).

2.2. Effectiveness of Training and Coaching

Many organizations, researchers and leaders have identified effective coaching as an important method by which they can develop critical leadership and managerial competencies (Ozduran & Tanova, 2017; Lawrence & Whyte, 2014). Coaching is also one of the best tools for leaders' growth and development of leadership skills and capacity to secure current and future success for their organizations. Furthermore, coaching improves individual and organizational effectiveness while having a positive effect on organizational outcomes (Saleh et al., 2004). Coaching embeds leadership skills by focusing on general concepts and practical insights that are applicable to many circumstances in organizations (Grant & Hartley, 2009). Moreover, coaching provides a path for lifelong learning and building two-way partnerships where both partners engage in sharing mutual knowledge, skills, and experience in order to achieve their objectives (Harms & Credé, 2010). When performed correctly, coaching becomes a valuable resource for knowledge, insight and mentoring for those individuals who want to

grow into leadership roles. Researchers have not only been interested in coaching, but also in other key predictors such as staff training and development activities believed to offer more effective ways to meet the needs of future organizational leaders (Gan et al., 2020). Organizations need to coach their workforce to develop the important conceptual skills of analyzing, understanding, and managing (Salas et al., 2012) required for effective leadership. When done well, coaching not only reinforces what employees learn through training, but also opens the door to improvements that might not otherwise emerge.

Timely, well-developed, and presented leadership training as well as leadership development programs directly improves the effectiveness of leaders, individuals and teams (Truitt, 2011; Crisp et al., 2000). Establishing collaborative relationship teamwork is central to build leadership capacity for organizational success by establishing collaborative relationship teamwork (Baron & Morin, 2010). However, to develop leadership capacity, individuals and teams need training, coaching and support to develop their leadership skills and continue to work effectively (Salas et al., 2012). Training and coaching go together and provide the benefits of increased individual engagement, motivation, and collaboration. Training is a part of coaching and is valuable for developing leadership capacity. For instance, as training provides individuals with the knowledge and techniques to develop their skills, while coaching instils these skills by helping individuals apply them through teamwork.

Effective coaching is based on this shared knowledge and a collective focus on all the milestones that need to be accomplished along the way (Salomaa, 2015).

To build leadership capacity in organizations by training and coaching, individuals should work together to create opportunity for organizational leadership (Athanasopoulou & Dopson, 2018). Coaching and training lead to high leadership performance, collaborative teamwork, and satisfaction in organizations (Theeboom et al., 2014). Coaching and training, when done correctly, can be a valuable resource for individuals to grow into leadership roles and for teams to work together (Tafvelin et al., 2019). Therefore, trainings and coaching that are focused on individuals with specialized expertise and complementary skills produce greater collaboration, innovation, organizational culture, and consistently superior results (Milner, Milner & McCarthy, 2020; McCarthy & Milner, 2013). Some researchers argue that coaching has not yet developed into a formal discipline and needs broader theoretical and empirical research and the establishment of a coaching theory (Gray, 2011).

In summary, the literature reviewed highlights the significance of leadership capacity development in organizations and its multifaceted relationship with organizational outcomes, teamwork, and motivation. The concept of leadership capacity encompasses a broad and ongoing process that involves the collective involvement and commitment of organizational leadership. It serves as a key contributor to organizational success by facilitating adaptability to changing environments and maintaining a critical balance between stability and flexibility. However, it is essential to distinguish leadership capacity from leader skills. While leader skills represent specific competencies possessed by individual leaders, leadership capacity encompasses a broader set of

attributes and behaviors that contribute to organizational effectiveness. Leadership capacity involves not only the skills and capabilities of individual leaders but also the collective motivation, collaboration, and professional team-building efforts within the organization. In considering the mediating variables in the relationship between leadership capacity, teamwork, motivation, training, and coaching, it is evident that teamwork plays a crucial role in translating leadership capacity into organizational outcomes. Teamwork serves as a mediating variable, facilitating the effective implementation of leadership strategies and contributing to improved organizational performance. Similarly, motivation emerges as a critical mediating variable linking training and coaching interventions to enhance teamwork within organizations. By fostering a culture of motivation and engagement, training and coaching initiatives can promote collaboration and synergy among team members, ultimately driving organizational success. To visually represent these relationships, the structural scheme illustrated in Figure 1 provides a conceptual framework. This framework illustrates the interplay between leadership capacity, teamwork, motivation, training, and coaching in achieving organizational outcomes. It serves as a guide for future research endeavors aimed at further exploring and understanding the dynamics of leadership capacity development in organizations.

However, the authors proposed that, training and coaching do improve teamwork and motivation in organizations. They also therefore proposed that developing leadership capacity will lead to high performance and satisfaction. The four hypotheses reflect a theoretical structural

framework, where the authors suppose that developing leadership capacity, which involves the leader's motivation, skills and the collaborative teamwork required by the organizations, is strongly connected to the outcomes of an organization. Based on previous research, four hypotheses are proposed for investigation:

Hypothesis 1. Leadership capacity leads to improved teamwork which results in better organizational outcomes.

Hypothesis 2. The effectiveness of an organizational outcome is strongly connected with developing and improving leadership skills, motivation, and teamwork.

Hypothesis 3. There is a relationship between leadership skills and motivation.

Hypothesis 4. Training and coaching improve teamwork and motivation.

3. Method, Data, and Analysis

3.1. Survey

This research is based on a sampling survey conducted via the Internet on a single occasion. The survey's questionnaire consists of 49 main questions and 5 others (number, age group, gender, position, and years of experience). For simplicity, we denoted the main questions in the database with Q_i , $i=1, \dots, 49$. The questions were designed to provide insight into the participant's philosophies, perception, and experience as relate to the organizational leadership capacity, training, and coaching. The main questions provided a choice of 5 response options organized for a 5-point Likert scale ranging from Strongly disagree (1), Disagree (2), Neutral (3), Agree (4), and Strongly agree (5). The creation of questions was designed to

accurately measure the opinions and experiences of the participants and then was organized to form a questionnaire. There are 6 subscales in the survey that measure motivation, teamwork, leadership skills, coaching and training, leadership capacity, and organizational outcomes. About the subscales, we have the following:

- **Coaching and training.**

The 10-item coaching and training subscale is used to measure the participants' perception of coaching and training engagements. It consists of questions Q1 - Q10.

- **Leadership capacity.**

The 9-item leadership capacity subscale is used to measure the participants' self-reported leadership capacity. It consists of questions Q11 - Q19.

- **Motivation.**

The 9-item motivation subscale is used to measure the participants' self-reported motivation. It consists of questions Q35 - Q43;

- **Teamwork.**

The 8-item team collaboration subscale is used to measure the participants' self-reported teamwork. It consists of questions Q20 - Q27;

- **Leadership skills.**

The 6-item leadership skills subscale is used to measure the participants' self-reported leadership skills. It consists of questions Q28 - Q33;

- **Organizational outcomes.**

The 7-item organizational outcomes subscale is used to measure the participants' opinion on the correlation between the already mentioned measures and the successful organizational outcomes. It consists of questions Q43 - Q49.

The subjects of this research were individuals holding leadership positions, such as CEOs, Owners, Directors, and

Managers, who were invited to participate in a survey. The population from which the sample was drawn consisted of prospective participants globally.

The sampling method used in this research was a combination of convenience sampling and targeted sampling. Convenience sampling was employed by reaching out to individuals who held leadership positions and were accessible through email contact. Targeted sampling was utilized to ensure a degree of context and understanding for readers by specifically targeting individuals with leadership roles. All the participants were emailed a cover letter that contained an overview of the research objectives and the purpose of the study. Participants were instructed to read each question carefully and enter the response that most accurately represented their viewpoint. The email also contained a link to the survey questionnaire. The emails were sent to participants who had leadership positions such as CEOs, Owners, Directors, and Managers as a way of assuring a degree of context and understanding for readers (Sutton & Austin, 2015).

The survey was distributed globally to 212 prospective participants. Of the 205 respondents, there were 125 Owners/CEOs and 80 Directors/Managers. Most of the participants were male (76.5%). There were 36 respondents with less than 5 years' experience, 24 with 5 to 10 years, 55 with 10 to 15 years, 60 with 15 to 20 years, and 30 with more than 25 years. 109 of the participants were from the USA, 55 were from Europe, and 41 were from Asia.

3.2. Statistical Approach

To investigate the proposed hypotheses, we used internal consistency measures (Cronbach's alpha and McDonald's omega), descriptive statistics, confirmatory factor

analysis (CFA) using SEM, and structural equation modelling (SEM). Most of the research in the field of leadership has been based on correlation analysis (Jung & Avolio, 2000); we used SEM to derive the final conclusions. Moreover, the authors assumed that the variables are ordinal type (all Likert scales have ordinal variables, but they are often treated as continuous data). The ordinal variables imply the need of special estimation technique for SEM - corresponds to estimation option "robust" in JASP. The statistical analysis in this study was performed using JASP software, 2019 (Version 0.11.1), and further validated using R language, package lavaan (Rosseel, 2012). We used the "EQS emulation" option of JASP to estimate SEM under the assumption that the variables are ordinal type. We used EQS to correct the standard errors associated with the parameter estimates for the extent of the non-normality (Bentler & Dijkstra, 1985).

The estimated Cronbach's alpha (standardized) of the scale is 0.663 and McDonald's omega is 0.669. There are some questions that were reversed-scaled (Q2, Q5, Q8, Q9, Q10, Q15, Q16, Q17, Q18, Q22, Q24, Q27, Q37, Q45, Q46). The authors are not going to improve the internal consistency of the scale by omitting questions.

The authors used CFA to improve the consistency of the factors from the initial subscales by relocating some of the questions, to threaten any possible correlations between the questions by letting them to covary, and to examine the possible relationships between the factors. The authors used the obtained factors from the CFA in SEM to explore relationships between them. The statistically significant and meaningful coefficients in SEM along with the obtained model's structure are used to confirm or reject the statements in this paper.

For the hypothesized measurement model, as a base point, the authors used the following fit criteria: Tucker-Lewis Index (TLI) should be greater than 0.95 and Root Mean Square Error of Approximation (RMSEA) should be lower than .06, according to Hu & Bentler (Marsh & Wen, 2004).

3.3. Confirmatory Factor Analysis

Confirmatory factor analyses via the SEM approach using the computer software JASP were carried out to provide evidence about the econometric properties of all the subscales in the current sample. As we mentioned, the statistical estimation procedure is specially designed for ordinal data. The authors examined the statistical significance of the estimated covariances between the factors. Additionally, we improved the structure of the initial factors by adding or omitting some of the items. An item is omitted from a factor when the corresponding coefficient is statistically insignificant, or when the factor explains less than 2% of the information in the item. An item is added to a factor when it improves the framework based on the criteria and when this has meaningful explanation. Finally, the authors allow some of the items to covary when suggested by the JASP's modification indices. For the initial start of the CFA technique, we used the design of the subscales from the survey.

After the completion of all possible and meaningful improvements of the initial CFA, the structure of each factor is as follows: Coaching and training – Q1, Q2, Q3, Q4, Q5, Q6, Q7, Q44; Leadership capacity - Q11, Q12, Q13, Q27, Q32, Q14, Q15, Q16, Q17, Q6, Q9, Q26, Q35, Q39, Q18; Motivation – Q33, Q34, Q35, Q36, Q37, Q38, Q39, Q40, Q41, Q49, Q42; Teamwork – Q20, Q21, Q22, Q23, Q24, Q25, Q48, Q26, Q15, Q19, Q38, Q18;

Leadership skills – Q28, Q29, Q30, Q31, Q10, Q46; Organizational outcomes – Q43, Q44, Q45, Q46, Q47, Q8, Q48, Q49. The repeated questions between the factors are brought to numbers as small as possible, and we did not perform any relocation which is not meaningful. Additionally, the authors added some the questions to covary, the related pairs are as follows: (Q19, Q42), (Q5, Q6), (Q12, Q13), (Q2, Q23), (Q30, Q21), (Q4, Q7), (Q26, Q48), (Q4, Q6), (Q4, Q10), (Q1, Q40), (Q5, Q10), (Q6, Q42), (Q32, Q1), (Q32, Q11), (Q35, Q33), (Q35, Q38), (Q10, Q8), (Q11, Q21), (Q2, Q49). The authors did not allow to covary pairs of questions that do not have any connection between each other.

For the final CFA model, we have $\chi^2(1081, N = 204) = 1256.664, p = 0.0002$. The test is statistically significant, but we have signs that the theoretical framework may fit the data because the ration between the χ^2 -statistic and the degrees of freedom is less than 2. We can further validate the model by the other indices of model fit, see Table 1.

While examining the fit indices, CFI is close to 0.95 which is the desired level. Additionally, the RMSEA is 0.028 which is a way lower than the threshold of 0.6. Thus, the authors concluded that the framework fits the data relatively well and the research can continue with SEM.

The authors summarized the estimates of the potential relationships between the obtain factors by the covariance and correlation matrices in Table 2. The variances of the factors are well estimated, except the variance of Motivation which is statistically significant at level of significance 0.1. Moreover, a lot of covariances are statistically significant which are signs of interactions between the factors. The correlations are estimated from the covariance matrix by the Pearson's

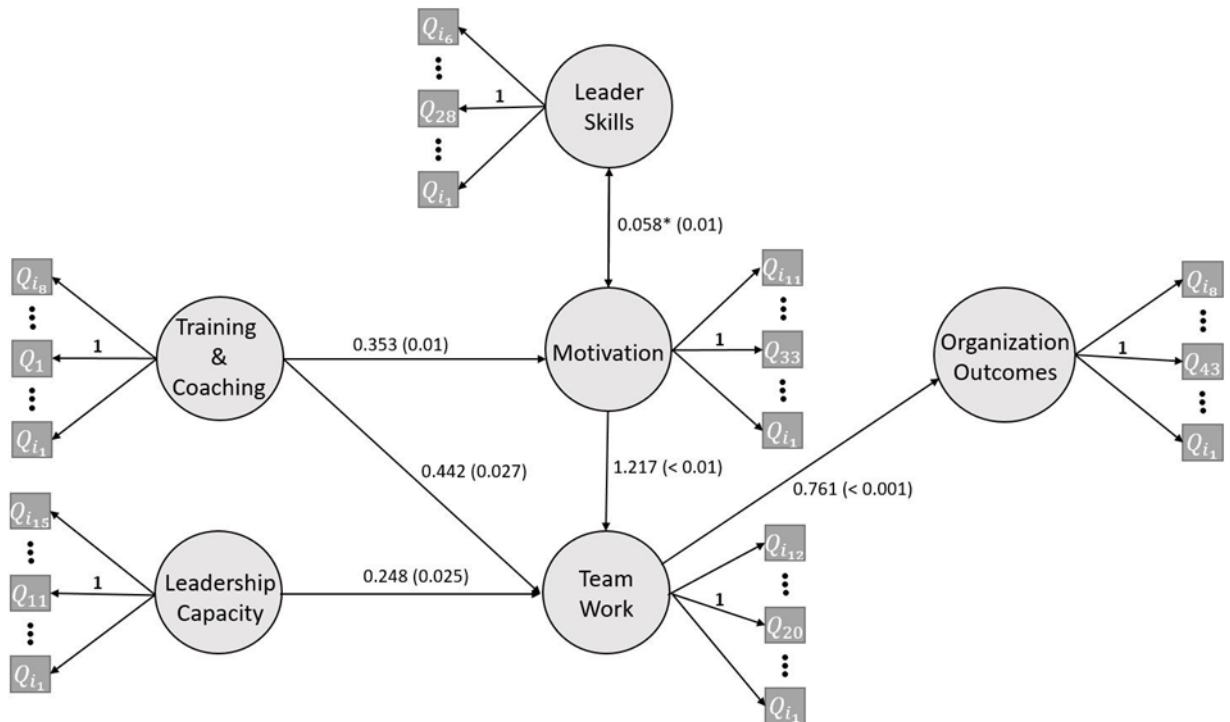
correlation coefficient. The authors will further examine and validate the structure of these relationships by SEM.

3.4. Structural Equation Modelling

The authors used the information from the obtained factors by CFA as factors in SEM. Also, the authors examine all of the possible paths between the factors. The achieved structure of the theoretical framework is shown on Figure 1, which represents only the statistically significant (p -value < 0.05) and meaningful relationships

that are present after the analysis, the related p -values are in the brackets. Figure 1 follows the adopted way for graphical representation of SEMs; only the errors are omitted for parsimony. The values of the coefficients (unstandardized) and their standard errors in the brackets are on the arrows that link the factors. There are some arrows with ones, they show the fixed coefficients. Next to each factor is the set of questions used to form it (the exact sets of questions are described for each of the factors in the CFA's section)

Figure 1. The structural scheme of the theoretical framework



Note that all of the paths are well estimated ($p < 0.03$) and meaningful. The estimate between Skills and Motivation is not a parameter but the covariance of this pair. There are some estimated a covariance which is not included in the structural model's scheme. The covariance between Training & Coaching and Leader Skills is -0.039 ($p = 0.07$), between Training & Coaching and Leadership Capacity is -0.028 ($p = 0.11$) and

between Leadership Capacity and Leader Skills is -0.062 ($p = 0.11$).

For the final SEM model, we have $\chi^2(1088, N = 204) = 1285.253, p = 0.00003$. In addition, the test is statistically significant, but we have signs that the framework may fit the data because the ration between the χ^2 -statistic and the degrees of freedom is less than 2. Indeed, the

test statistics indicate a relatively good framework fit, see Table 3.

Using CFA estimated by SEM, the authors managed to obtain an adequate factor for each of the given subscales. Each factor is related to a notion in our study, such as motivation, teamwork collaboration, leadership skills, coaching and training, leadership capacity and organizational outcomes. The authors summarized the relationships between the factors obtained by the CFA using the estimated covariance and correlation matrices (see Table 2). The authors further investigated the structure of the relationships between the factors using SEM.

Figure 1 shows how the different factors are interacting with each other. The results from the SEM analysis indicate that there is a strong statistically significant relationship between leadership capacity and teamwork. Moreover, training and coaching are influencing teamwork and motivation, which on the other hand are connected with the success of the organization's outcomes. Additionally, the structure of the theoretical framework shows that there is a relationship between leadership skills and motivation. Finally, the authors found that the structure of the theoretical framework supports the presented hypothesis in this study.

4. Results and Discussion

The purpose of this study was to investigate the possible relationships within organizations aiming to build their leadership capacity. This process typically involves the leader's motivation and skills, as well as the collaborative teamwork required by the members of organizations to improve the organizational outcomes. The authors examined the role of coaching and training in promoting opportunities for building leadership capacities in organizations.

Overall, the findings in this paper were built on those of prior studies that primarily focused on leadership skills, teamwork, and motivation as functions of the process associated with motivated people working together to accomplish their goals (Dweck & Leggett, 1988) for a successful outcome.

Hypotheses 1, 2, and 3 predicted that building leadership capacity improves skills, motivation and teamwork in organizations and it is supported by the estimated theoretical framework. Motivated teamwork always leads to greater productivity and can directly influence the success of organizational outcomes. The possible reason that will account for the mediating effect of collaborative teamwork is the ability of the leadership capacity to improve the fulfilment of the leaders' present competency in, and assuming a leadership role. Furthermore, the leadership capacity enables leaders to successfully deal with management dilemmas.

Hypotheses 4 predicted that training and coaching promoted teamwork and motivation in organizations and it was supported by structural model (a statistically significant path coefficient). Attending leadership trainings and coaching programs will increase a leader's motivation (Posner, 2009). Additionally, we documented that training and coaching increase areas such as teamwork and motivation in organizations. Specifically, the results suggested that training and coaching that apply various learning practices in organizations affect the leader's skills, motivation, and innovative performance (Sung & Choi, 2014).

5. Theoretical Implications

The study offers theoretical implications. The authors confirmed through the theoretical model that building organizational capacity brings successful

outcomes in organizations. Moreover, the results are in line with the results of Danseco (2013), who found that building leadership capacity in organizations is a result of openness to skills, motivation, learning and growth.

The theoretical implications address a research in the organizational behavior literature by showing how leadership capacity, coaching and training can be indirectly linked to leadership skills, teamwork and motivation (Judge et al., 2008). This means that teamwork has a strong statistically significant relationship with leadership capacity and it is connected with the success in organization's outcomes.

Furthermore, other implications suggest the importance of a balance between leadership roles and management dilemmas to prepare motivated teams in organizations. In the field of human resource management, practitioners should promote an environment wherein leaders can be trained and coached to influence teamwork and motivation. For example, human resource management practitioners can develop training programs in coaching to boost their leadership skills. Moreover, the findings of the research seem to suggest that leadership capacity interventions may serve as a promising approach to cultivating team collaboration and improve decision making through leadership skills.

The central focus in this study was on leaders' perceptions of coaching and training engagements. Another encouraging finding was that training and coaching significantly improved teamwork and motivation. Results show, as predicted, that satisfaction depends on the combination of training and coaching for promoting performance and success in organizations. This is particularly encouraging in light of recent findings that

knowledge and skills significantly develop during training (Born & Zaccaro, 2002).

High-performance teamwork has an advantage over individual involvement because each member can offer new ideas, talent and viewpoints. In addition, high-performing teams seamlessly execute strategies, meet goals and require management oversight, because they are empowered, given responsibility for their functional activity and held accountable for their performance. These findings develop understanding of how an organization's training and coaching resources can be strategically combined and aligned to positively influence the success of the organizations.

6. Limitations and Future Research

First, the responses from the participants were purely based on their perceptions. The findings need to be tested in a deeply logical manner to provide more details about the leaders' coaching, training, and development of leadership capacity. Second, the survey needs some modifications to better measure the wanted factors through questions that measure the factors in a direct way, which tends to bias the results. There are also questions which were relocated from one subscale to another, as suggested by CFA. Because of this, the research needed to develop a variety of scenarios directly connected to the topics of the research to measure change over time. The third limitation of the study is that the authors focused on the relationships at the highest levels of leadership structures, such as the ones between owners, CEOs, directors, and managers.

What has not been discussed in any detail is the relationship between leaders and

followers. While such an approach is not uncommon for a study that introduces a new collective construct to the literature, future research should examine the relationship between high levels of management and employees in organizations. Further research should add other factors that may affect organizational outcomes over time, such as organizational culture and leadership style. Additionally, the framework must be tested at different times.

7. Conclusion

Based on the research findings, the authors proposed that leadership capacity, training and coaching influence teamwork, leadership skills and motivation, which are connected with successful organizational outcomes. Leadership capacity is a core component of teamwork which brings

organizations to success. The findings provide a better understanding of the effect in organizations of building leadership capacity through coaching and training.

Moreover, the findings suggest that by training and coaching organizational leaders, teamwork and motivation are improved. The results have implications for theoretical and empirical research on building leadership capacity, training, and coaching. Organizations, leaders, and teams could benefit from the research by improving their leadership skills and motivation through training and coaching.

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Appendices

Table 1. CFA analysis – some fit indices

User model versus baseline model		Root mean square error of approximation	
	Value		Value
Comparative Fit Index (CFI)	0.931	RMSEA	0.028
Tucker-Lewis Index (TLI)	0.925	Upper 90% CI	0.035
Bentler-Bonett Non-normed Fit Index (NNFI)	0.925	Lower 90% CI	0.020
Bentler-Bonett Normed Fit Index (NFI)	0.664	p-value RMSEA \leq 0.05	1.000
Parsimony Normed Fit Index (PNFI)	0.610		
Bollen's Relative Fit Index (RFI)	0.634		
Bollen's Incremental Fit Index (IFI)	0.934		
Relative Noncentrality Index (RNI)	0.931		

Table 2. CFA analysis – the estimated covariances and correlations between the factors

Covariance (above) and correlation (below) matrices						
	Training & Coaching	Leadership Capacity	Teamwork	Skills	Motivation	Outcomes
Training & Coaching	0.112 (0.032)	-0.023 (0.182)	0.093 (0.003)	-0.044 (0.051)	0.029 (0.029)	0.045 (0.085)
Leadership Capacity		0.276 (< 0.001)	0.040 (0.165)	-0.068 (0.081)	-0.015 (0.381)	0.043 (0.301)
Teamwork			0.298 (< 0.001)	0.041 (0.282)	0.093 (0.003)	0.288 (< 0.001)
Skills				0.443 (< 0.001)	0.046 (0.036)	0.056 (0.329)
Motivation					0.076 (0.084)	0.070 (0.014)
Outcomes						0.636 (< 0.001)

Note. The p-values (in the brackets) show how well are estimated the values in each cell. The statistically significant estimates ($p < 0.1$) are with corresponding p-values in bold.

Table 3. SEM analysis – some fit indices

User model versus baseline model		Root mean square error of approximation	
	Value		Value
Comparative Fit Index (CFI)	0.923	RMSEA	0.030
Tucker-Lewis Index (TLI)	0.917	Upper 90% CI	0.036
Bentler-Bonett Non-normed Fit Index (NNFI)	0.917	Lower 90% CI	0.022
Bentler-Bonett Normed Fit Index (NFI)	0.656	p-value RMSEA \leq 0.05	1.000
Parsimony Normed Fit Index (PNFI)	0.607		
Bollen's Relative Fit Index (RFI)	0.628		
Bollen's Incremental Fit Index (IFI)	0.926		
Relative Noncentrality Index (RNI)	0.923		