



## The Role of Leadership Development in the Performance of the Wholesale and Retail Industry

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### **Abstract**

This study examines the role of leadership development in the performance of the wholesale and retail industry, focusing on how effective leadership practices influence organizational success, employee engagement, and overall market competitiveness. The research adopts a mixed-method approach, combining theoretical analysis with empirical data collected from various organizations operating in Kosovo's retail and wholesale sector. Through surveys and semi-structured interviews, key insights were gathered on the impact of leadership styles, training programs, and managerial practices on the operational efficiency and growth of businesses in this industry. The findings reveal a strong correlation between leadership development and improved organizational performance. Companies that prioritize leadership training and foster a culture of continuous improvement report higher employee satisfaction, reduced turnover, and enhanced financial performance. However, challenges such as limited resources, resistance to change, and inconsistent implementation of leadership initiatives were also identified. This paper concludes with practical recommendations for businesses and policymakers, emphasizing the importance of investing in leadership development as a strategic tool for achieving sustainable growth in the highly competitive wholesale and retail market. Additionally, the study highlights areas for future research, including the exploration of advanced leadership models and their adaptation to the specific needs of the regional market.

**Keywords:** *Leadership Development; Organizational Performance; Retail And Wholesale Industry; Leadership Training; Employee Engagement; Kosovo*

### **Introduction**

Leadership is a critical determinant of organizational success and sustainability in the wholesale and retail industry. In an increasingly competitive and dynamic environment, the role of leadership becomes pivotal for enhancing operational performance and achieving strategic objectives. Organizations operating in this sector face a continuous demand to develop and improve leadership capabilities in order to maximize efficiency, enhance customer experience, and strengthen their competitive advantage in the market.

The purpose of this study is to analyze the role of leadership in the overall performance of the wholesale and retail industry, with a particular focus on identifying best practices and key challenges encountered by leaders in this sector. Given that leadership directly influences human resource management and daily operations, understanding best practices and identifying effective leadership models is of paramount importance for the development and sustainability of these organizations.

The specific objectives of this research include evaluating the impact of various leadership styles on improving the operational and financial performance of organizations. Additionally, the study aims to assess the role of leadership development in fostering a positive work environment, which in turn enhances customer experience and increases employee satisfaction. Furthermore, it seeks to identify practices that contribute to establishing a sustainable leadership culture and to evaluate the challenges that hinder leadership effectiveness in this sector.

In this context, several research questions have been formulated to guide the study. These questions include: What are the best leadership development practices in the wholesale and retail industry? How does leadership influence staff performance and the attainment of sales targets? What are the primary challenges faced by leaders in managing daily operations?

Based on existing literature and practical experiences in the sector, two primary hypotheses have been established. First, effective leadership development significantly improves the financial and operational performance of organizations. Second, sound leadership practices not only reduce staff turnover but also contribute to increased customer satisfaction and improved service delivery.

This study aims to provide a significant contribution to existing literature and the practice of leadership management in the wholesale and retail industry by offering concrete recommendations for the development and improvement of leadership practices in this sector.

### ***Literature Review***

Leadership plays a pivotal role in guiding and managing organizations, directly influencing their performance and sustainability. In academic literature, leadership is defined as the ability of an individual to influence, guide, and inspire others towards achieving organizational goals (Northouse, 2019). Leadership theories and styles have evolved continually, reflecting the changing needs and challenges in the business environment. Three of the most widely applied leadership styles are transformational, transactional, and situational leadership.

Transformational leadership emphasizes substantial change and continuous improvement within the organization. Transformational leaders inspire and motivate their staff by creating a shared vision and fostering an innovative culture (Bass, 1985). In contrast, transactional leadership focuses on achieving pre-defined goals through a system of rewards and penalties, making it more appropriate for situations requiring discipline and a clear structure (Burns, 1978). Meanwhile, situational leadership posits that the style of leadership should be adapted to specific situations and the readiness level of the staff. This style is particularly relevant in the retail sector, where market dynamics and customer behavior are subject to frequent change (Hersey & Blanchard, 1969).

In the wholesale and retail sales sector, the role of leadership is indispensable. Effective leadership aids in building and strengthening relationships with customers and suppliers, ensuring successful collaboration and a stable supply chain. Furthermore, leaders in this sector play a crucial role in motivating and engaging sales staff. Motivated employees are more likely to meet sales targets and provide superior customer service. The literature suggests that leaders who adopt a blended approach,

combining transformational and situational leadership, achieve better outcomes in this sector by fostering a positive, results-oriented work environment (Kotler & Keller, 2016).

Leadership development is a critical area of study and practice for companies aiming to enhance their performance. Practices and strategies for leadership development include various training programs, mentoring, and continuous professional development. Companies that invest in leadership development report significant improvements in operational and financial performance (Goleman, Boyatzis & McKee, 2013). Leadership development programs should be customized and tailored to the organization's specific needs and the sector in which it operates. The most effective strategies include creating opportunities for practical experience, knowledge sharing, and providing continuous feedback for improvement.

In the wholesale and retail industry, organizational performance is measured through several key performance indicators (KPIs), such as sales growth, customer satisfaction, operational efficiency, and net profit. The literature indicates that leaders who implement best leadership practices significantly improve these indicators, enhancing not only financial outcomes but also the long-term sustainability of organizations. Moreover, the impact of leadership on improving customer experience and reducing staff turnover is another critical dimension worth highlighting (Grant, 2017).

In conclusion, existing literature underscores the importance of leadership as a key driver of success and performance in the wholesale and retail sales sector. While transformational and situational leadership styles appear to be most suitable for this sector, the challenges and ongoing need for leadership development remain evident. Through a sustained commitment to leadership development and the application of best practices, organizations can achieve higher efficiency and secure a competitive advantage in an increasingly dynamic market.

### ***Leadership and Its Styles***

Leadership represents a fundamental component in the direction and management of organizations, directly influencing their performance and sustainability. In academic literature, leadership is defined as the ability to influence and inspire others toward achieving organizational objectives (Northouse, 2019). Over time, leadership styles have evolved to address the varying needs of dynamic business environments, highlighting key theories such as transformational, transactional, and situational leadership.

**Transformational leadership** emphasizes the creation of a shared vision and fostering innovation within the organization. Transformational leaders inspire employees by engaging them in processes that promote significant changes and continuous improvements (Bass, 1985). These leaders not only contribute to enhanced performance but also cultivate a culture where change is perceived as an opportunity for growth. In contrast, **transactional leadership** relies on rewards and penalties to motivate employees to meet set objectives. This style is more suitable for environments requiring clear structure and discipline (Burns, 1978). Meanwhile, **situational leadership** proposes that leaders should adapt their style based on the specific circumstances and the readiness level of their staff. This style is particularly significant in the sales sector, where market demands and customer behavior frequently fluctuate (Hersey & Blanchard, 1969).

### ***The Role of Leadership in Wholesale and Retail Sales***

In the wholesale and retail sales sector, leadership plays a pivotal role in establishing and maintaining long-term relationships with customers and suppliers. Positive and trustworthy interactions between these parties are critical for organizational success. An effective leader can significantly enhance

the customer experience and increase brand loyalty by creating a stable and cooperative supply chain (Kotler & Keller, 2016).

Another crucial aspect is the motivation of sales staff. In a highly competitive market, continuous motivation is essential for achieving sales targets and ensuring organizational success. Leaders who adopt a blended approach, combining transformational and situational leadership styles, create a favorable work environment that enhances employee engagement and satisfaction (Goleman, Boyatzis, & McKee, 2013). This approach also helps reduce employee turnover, a common issue in the sales sector.

### **Laderhip Development**

Leadership development is a critical element for organizations aiming to achieve sustainable growth and improved performance. Studies indicate that companies investing in tailored leadership development programs report significant improvements not only in financial and operational performance but also in fostering a culture of learning and innovation (Goleman, Boyatzis, & McKee, 2013).

The most successful leadership development programs include personalized training, mentoring, and hands-on experience. These programs must be tailored to the specific needs of both the organization and the sector to ensure the development of essential leadership skills (Daft, 2015). Additionally, knowledge sharing and continuous feedback are key components in the leadership development process, helping leaders adapt more effectively to market changes and enhance their impact within the organization.

### **Organizational Performance in the Sales Industry**

The performance of organizations in the wholesale and retail sales sector is assessed through various key performance indicators (KPIs), such as sales growth, customer satisfaction, operational efficiency, and net profit. Leaders who implement best leadership practices significantly improve these indicators, thereby enhancing the long-term sustainability and success of organizations (Grant, 2017). For example, organizations focusing on improving the customer experience under effective leadership have shown notable improvements in customer loyalty and satisfaction.

In addition to financial performance, effective leadership also plays a crucial role in reducing employee turnover and fostering a sustainable organizational culture. A positive work environment, driven by effective leadership, not only aids in attracting and retaining talent but also contributes to building a lasting competitive advantage in the market (Yukl, 2013).

### **Research Methodology**

#### **1. Research Approach**

This study adopts a **mixed-method approach**, combining **quantitative** and **qualitative** research methods to ensure a comprehensive analysis of the role of leadership in the performance of companies operating in the wholesale and retail sales sector in Kosovo. The **quantitative method** will be employed to measure the impact of leadership styles on key performance indicators (KPIs), while the **qualitative method** will provide in-depth insights into leadership experiences and best practices.

## 2. Sampling Selection

The sample for this study will consist of companies operating in the wholesale and retail sales sector in Kosovo. A **purposeful sampling method** will be applied to ensure a diverse representation of the sector. Study participants will include **mid-level and senior managers, team leaders, and sales staff**, aiming to collect data from various perspectives regarding leadership and its impact.

## 3. Data Collection Tools

The data collection process will be carried out using two main instruments to ensure a comprehensive approach. Questionnaires will be utilized to gather quantitative data on various leadership styles and their impact on organizational performance. These questionnaires will provide measurable insights into the relationship between leadership practices and key performance indicators.

Additionally, semi-structured interviews will be conducted with managers and leaders to collect qualitative data. This approach will allow for a deeper exploration of leadership practices, challenges, and experiences within organizations. The interviews are expected to enrich the analysis by providing nuanced perspectives that complement the quantitative findings, resulting in a well-rounded understanding of leadership's role in organizational success.

## 4. Data Analysis Methods

Quantitative data will be analyzed using statistical methods, with key findings presented through charts and tables. Programs such as SPSS or Excel will be used to process and analyze the quantitative data, offering advanced capabilities for statistical analysis and result visualization.

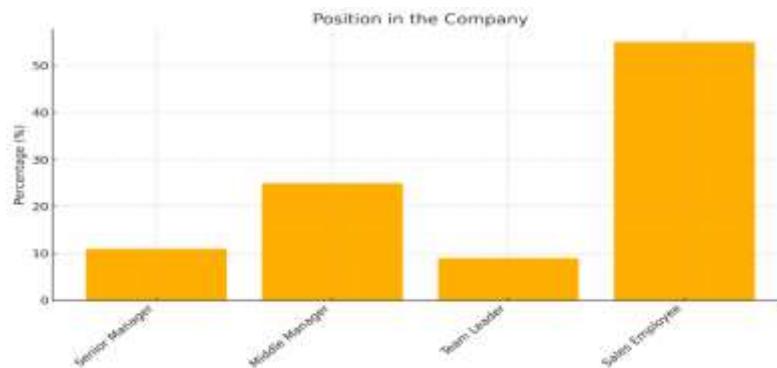
On the other hand, qualitative data will be analyzed using thematic analysis, which involves identifying key themes and patterns related to leadership and organizational performance. This process will be supported by NVivo software, which facilitates the systematic categorization and processing of qualitative data, ensuring a more in-depth and accurate interpretation of the results.

This methodology provides a robust framework for addressing the study's goals and objectives, ensuring a thorough and reliable analysis of the role of leadership in the performance of the wholesale and retail sales sector in Kosovo. By combining quantitative measurement with qualitative insights, this approach enhances the validity of the findings and offers actionable recommendations for improving leadership practices in the sector.

### ***Survey on the Role of Leadership and Its Impact On Organizational Performance in the Wholesale and Retail Sector in Kosovo***

#### **Section I: Demographic Information**

<b>Position in the Company</b>	
<b>Position</b>	<b>Frequency (%)</b>
Senior Manager	11%
Middle Manager	25%
Team Leader	9%
Sales Employee	55%



**Figure 1**

From the survey results, the majority of respondents, totaling 55%, reported being sales employees, representing the largest group in the sample. This high percentage is a direct indicator of the critical role this group plays in the daily operations of companies in the wholesale and retail sector. 25% of respondents are mid-level managers, who typically hold significant responsibilities in implementing strategies and leading operational teams. Including this group is essential for understanding the impact of leadership on company performance. On the other hand, 11% are senior-level managers, who have substantial influence over strategic decision-making and the company's development.

The smallest group, representing 9% of respondents, consists of team leaders. This group plays a vital role in staff coordination and implementing daily strategies at the operational level.

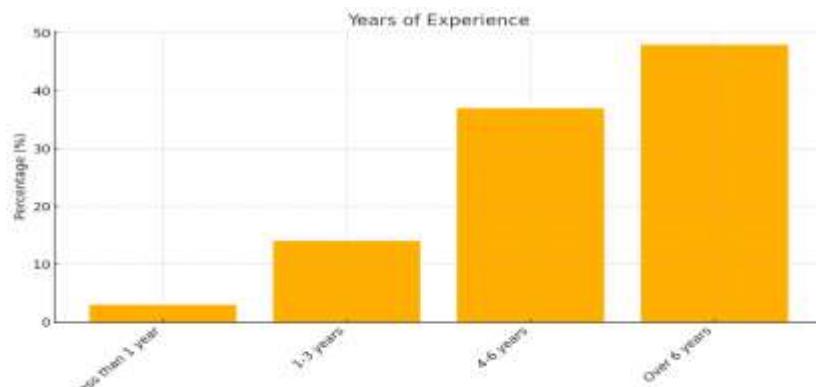
## Data Analysis

The dominance of sales employees in the sample suggests that the results will primarily reflect the experiences and perceptions of this group, which is in direct contact with customers and daily sales operations. However, the considerable participation of mid-level and senior-level managers ensures the inclusion of strategic and operational perspectives regarding the role of leadership in improving organizational performance. A more detailed analysis of the data will help identify how each category contributes to overall company outcomes and the challenges they face. For example, the high percentage of sales employees suggests an opportunity for further leadership development at the operational team level to enhance motivation and efficiency.

Overall, the balanced representation of different organizational levels makes this sample valuable for drawing conclusions about the role of leadership in the wholesale and retail sector. To ensure sustainable development, organizations should focus on leadership training and development at all levels, from senior managers to team leaders and frontline sales employees.

## Years of Experience

Years of Experience	Frequency (%)
Less than 1 year	3%
1-3 years	14%
4-6 years	37%
Over 6 years	48%

**Figure 2**

From the results of the questionnaire, 48% of respondents reported having more than six years of work experience at their current company. This high percentage indicates a significant level of experience and internal knowledge regarding operations and organizational culture, making this group a valuable source for insights on leadership and its impact on organizational performance. Meanwhile, 37% of respondents have four to six years of work experience, suggesting that a substantial portion of the staff possesses stable tenure within the company and has experienced various phases of organizational development. These individuals are critical for understanding the long-term impact of leadership strategies.

In contrast, 14% of respondents have between one and three years of work experience, representing employees in the mid-stage of integration and development within the organization. This category can provide perspectives on the effectiveness of recently implemented leadership strategies and training programs. Lastly, 3% of respondents have less than one year of work experience at the company, representing the newest segment of staff. This group is particularly important for understanding the initial impact of leadership and the effectiveness of orientation processes within the organization.

## Data Analysis

The predominance of staff with more than four years of experience (a total of 85%) suggests that most of the collected data reflects the perceptions of employees with in-depth knowledge of leadership strategies and company culture. This underscores the importance of continuous leadership development to maintain the motivation and engagement of experienced staff.

At the same time, the low percentage of new employees (17% with less than three years of experience) may indicate staff stability but also highlights the need for improved strategies to attract and integrate new talent into future leadership roles. Organizations can benefit from the development of mentoring programs, where more experienced employees support the training and growth of newer staff members.

## Recommendations

- To ensure sustainable development, it is essential for organizations to focus on retaining and motivating experienced staff through advanced leadership programs and opportunities for professional growth.
- For employees with less than three years of experience, it is recommended to provide initial training and mentoring to facilitate their integration and support the creation of future leaders.

- Investing in leadership development for all staff categories is crucial for maintaining organizational stability and enhancing long-term company performance.

### Participation in Leadership Training

#### Participation in Training      Frequency (%)

Yes, frequently	16%
Yes, occasionally	68%
No, never	16%



**Figure 3**

The findings indicate that 68% of respondents reported occasional participation in leadership training programs, suggesting that a large portion of the staff has had partial access to leadership skill development. This may reflect a continuous effort by companies to invest in staff development, though not necessarily in a structured or sustainable manner.

Meanwhile, 16% of respondents reported frequent participation in leadership training programs. This category represents a small yet significant group of potential leaders who have benefited from multiple development programs and may have a considerable impact on organizational performance. Frequent participation in such programs can be viewed as a positive indicator of companies' commitment to high-level leadership development.

In contrast, a notable 16% of respondents stated that they had never participated in any leadership training programs. This is concerning, as it highlights a gap in development opportunities for certain segments of the staff. This group may consist of new employees or staff members who have not had access to training programs due to the lack of internal offerings or a well-defined leadership development strategy.

### Data Analysis

The results reveal a diverse distribution of experience in leadership training, with most employees benefiting from occasional but inconsistent and unsystematic training. This underscores the need for a more comprehensive leadership development strategy that includes the entire workforce and ensures equal opportunities for participation in leadership training programs.

## Recommendations

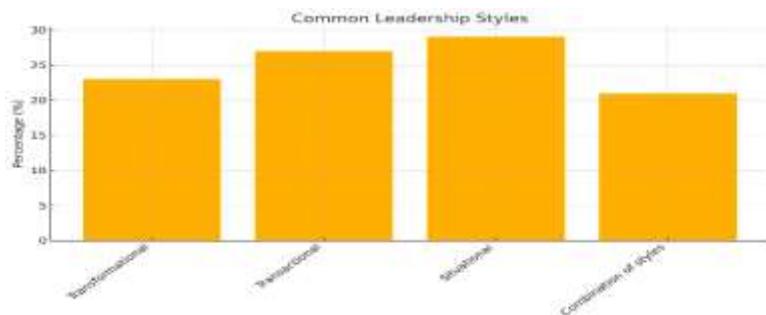
- **Structuring Leadership Training Programs:** Companies should design structured training programs offered regularly, covering all staff levels.
- **Expanding Training Opportunities:** It is essential to provide equal opportunities for participation in leadership training programs, particularly for employees who have not had access to such initiatives so far.
- **Incorporating Personalized Training:** Considering the diversity of staff experience, it is recommended to tailor training programs according to the specific needs of each leadership level.

These findings highlight the importance of leadership development in enhancing the performance of organizations in the wholesale and retail sectors. They emphasize the need for a sustainable and inclusive strategy for leadership training, aiming to foster a culture of continuous growth and professional development.

## Section II: Leadership Styles

### Common Leadership Styles

Leadership Style	Frequency (%)
Transformational	23%
Transactional	27%
Situational	29%
Combination of styles	11%



**Figure 4**

The survey results indicate that leadership styles implemented in wholesale and retail organizations in Kosovo vary significantly. According to the data, 29% of respondents report that situational leadership is primarily applied in their company, suggesting a tendency for leaders to adapt to specific team and market needs. This leadership style is particularly important in a dynamic sector such as sales, where market changes and customer preferences require continuous flexibility from leaders (Hersey & Blanchard, 1969). On the other hand, 27% of respondents emphasize that transactional leadership is practiced, with a focus on achieving goals through rewards and penalties. This style is effective in environments that demand discipline and clear structure to ensure consistent performance (Burns, 1978). However, in some cases, transactional leadership may limit innovation and creativity, making it more suitable for operational management than for the strategic development of the organization.

Transformational leadership, reported by 23% of respondents, plays a crucial role in creating a shared vision and inspiring staff to achieve long-term goals. Transformational leaders foster a culture of innovation and continuous improvement, positively influencing customer experience and enhancing the organization's sustainability in the market (Bass, 1985). For organizations in this sector, transformational leadership is essential for building a sustainable competitive advantage. Finally, 21% of respondents report that leaders in their company follow a combined approach, integrating elements from various leadership styles based on organizational needs. This flexible approach is particularly effective in environments where demands and challenges frequently change, as it enables leaders to adapt their style to ensure optimal performance in every situation (Goleman, Boyatzis, & McKee, 2013).

### **Interpretation of Results**

The results suggest that leaders adopting a situational or combined approach are more likely to enhance organizational flexibility and cope with rapid market changes. Simultaneously, the adoption of transformational practices can contribute to fostering a more innovative and improvement-oriented culture.

However, for companies that primarily follow a transactional approach, a more balanced strategy incorporating transformational and situational elements is recommended to increase staff engagement and motivation. Studies indicate that combining leadership styles helps create a balanced work environment that supports both short-term results and long-term organizational goals (Kotler & Keller, 2016).

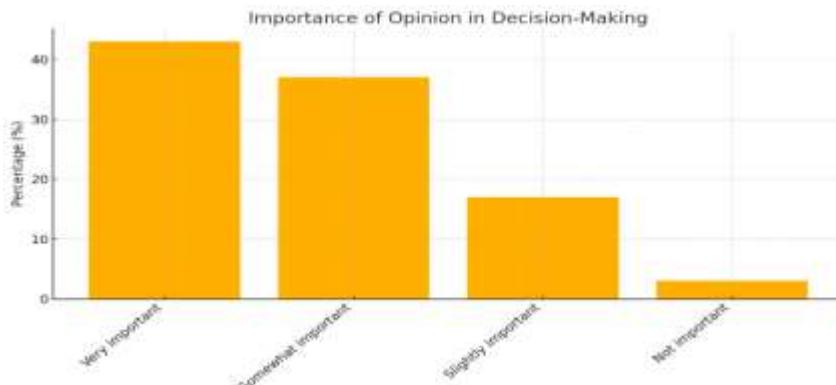
### **Recommendations for Leadership Improvement**

*To enhance leadership effectiveness in the sales sector, companies should:*

- a. **Invest in continuous leadership training** – These programs should focus on developing transformational and situational skills, ensuring that leaders are well-prepared to address diverse challenges.
- b. **Develop mentoring and experience-sharing programs** – To foster the personal and professional development of emerging leaders, it is important to create opportunities for learning and practice under experienced leaders.
- c. **Encourage a combined leadership approach** – Through a flexible approach, leaders can adopt the most appropriate style for various situations and challenges, ensuring better long-term outcomes.

### **Importance of Opinion in Decision-Making**

<i>Level of Importance</i>	<i>Frequency (%)</i>
<i>Very important</i>	43%
<i>Somewhat important</i>	37%
<i>Slightly important</i>	17%
<i>Not important</i>	3%

**Figure 5**

The results of this question reveal a positive trend toward involving employees' opinions in the decision-making process within wholesale and retail sector organizations in Kosovo. According to the data, 43% of respondents reported that their opinions are highly valued in decision-making, indicating a high level of staff engagement in both strategic and operational processes.

Another considerable percentage, 37%, rated their opinions as somewhat important, suggesting that while inclusion exists, there is room for improvement in some companies to further enhance employees' roles in decision-making. Partial inclusion can affect staff engagement and motivation, as studies have shown that employees who feel heard and valued are more likely to contribute positively to organizational performance (Goleman, Boyatzis, & McKee, 2013).

On the other hand, 17% of respondents reported that their opinions are of little importance, while 3% stated that their opinions are not important at all in the decision-making process. These findings indicate that some organizations have yet to develop a culture where staff involvement in decision-making is an integral part of their management policies.

### Interpretation of Results

These results underscore the importance of fostering an organizational culture that encourages employee involvement in decision-making. Organizations that include staff opinions in their processes are more likely to improve not only performance but also employee motivation and satisfaction. Moreover, active staff involvement helps create a work environment where leaders and employees collaborate more effectively to achieve strategic objectives (Northouse, 2019).

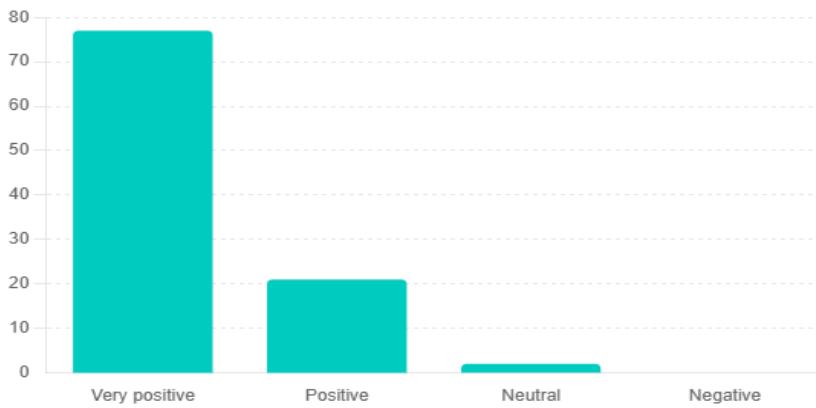
In organizations where staff opinions are not considered important, there is a risk of decreased engagement and productivity. Therefore, it is recommended that such companies take measures to encourage more open communication and develop mechanisms for gathering and considering employee input in the decision-making process.

### Recommendations

- Develop formal mechanisms for collecting staff opinions** – This can include working groups and internal surveys aimed at greater employee involvement in decision-making processes.
- Organize regular meetings between leaders and staff** – These meetings can ensure that all ideas and concerns are taken into account when drafting strategies and operational plans.
- Promote an open communication culture** – Encourage a workplace environment where every employee feels their opinion is heard and valued.

Implementing these steps can help organizations improve internal efficiency and workplace climate, ultimately having a positive impact on overall performance.

Effectiveness of Leadership	
Level of Effectiveness Frequency (%)	
Very effective	65%
Effective	26%
Moderately effective	9%
Not effective	0%



**Figure 6**

The results of the question regarding the effectiveness of leaders in managing and motivating sales teams indicate a predominantly positive perception among respondents. The majority, 65%, consider leadership in their company to be "highly effective." This suggests that most participants are satisfied with the leadership style and strategies employed to direct and motivate their teams.

The second-highest percentage, 26%, rate their leaders as "effective," indicating that a significant portion of respondents perceive a high level of leadership competence, albeit with room for improvement. Together, these two categories account for 91% of responses, highlighting a clear dominance of positive perceptions regarding leadership in the surveyed companies.

Only 9% of respondents report that leaders are "moderately effective." This result may indicate some gaps or challenges in managing and motivating sales teams, potentially related to the leadership styles applied or the lack of ongoing training for leaders. It is noteworthy that none of the respondents classified their leaders as "ineffective" (0%), suggesting an absence of severe criticism toward their leadership abilities.

### General Interpretation

These results indicate that leadership within wholesale and retail sector companies in Kosovo is at a satisfactory and effective level. However, further improvement can be achieved through continued investment in leadership development, including personalized training and mentoring for leaders rated as moderately effective. Additionally, an increased focus on motivating sales teams and fostering a work culture based on communication and transparency may help further enhance performance.

These findings also suggest that existing leadership practices, which appear to incorporate strong components of transformational and situational leadership, are successful in creating a productive, results-oriented work environment. For companies aiming to maintain this high level of satisfaction and effectiveness, it is essential to continue adapting their leadership strategies to the evolving dynamics of the market and their teams.

### Section III: Organizational Performance

#### Improvements Noticed After Leadership Implementation

Improvement	Frequency (%)
Increased sales	23%
Improved customer relationships	37%
Increased staff motivation	31%
Reduced staff turnover	9%



**Figure 7**

The results of the question regarding key improvements observed following the implementation of various leadership styles indicate the positive impact of these styles on organizational performance. The most frequently mentioned improvement is the enhancement of customer relations, reported by 37% of respondents. This result suggests that effective leadership facilitates the establishment and maintenance of strong, sustainable, and successful customer relationships—an essential factor for organizations in the wholesale and retail sectors.

The second most reported improvement is increased staff motivation, cited by 31% of respondents. This finding highlights the role of leaders in motivating their teams and creating a more engaged, results-oriented work environment. Motivated employees are more likely to achieve organizational goals and provide superior service to customers. An increase in sales was identified as a key improvement by 23% of respondents. This result demonstrates a direct link between effective leadership and the financial performance of the organization. Leaders who implement appropriate leadership practices positively influence the productivity of sales staff, which subsequently leads to improved sales outcomes.

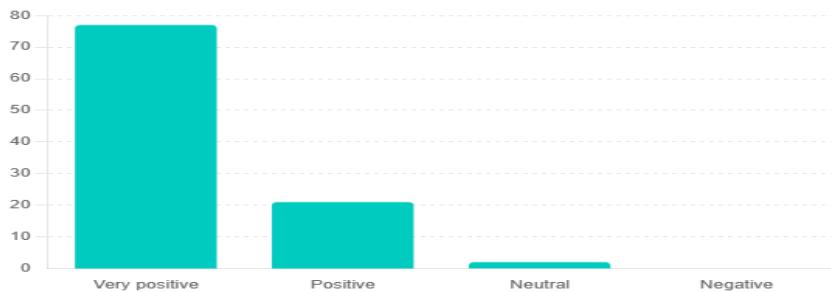
Lastly, a reduction in staff turnover was reported by 9% of respondents. Although this percentage is smaller compared to the other improvements, it is significant, as effective leadership contributes to creating a stable and satisfying work environment. Reduced staff turnover helps lower recruitment and training costs for new employees, thereby enhancing the operational efficiency of the organization.

The findings suggest that effective leadership has a multifaceted impact on organizational performance, improving customer relations, staff motivation, and financial results. To maximize these benefits, it is recommended that organizations continue to invest in leadership development through tailored training and strategies designed to meet their specific needs. Moreover, placing greater emphasis on reducing staff turnover can help foster a stable organizational culture and enhance the company's competitiveness in a dynamic market.

**Impact of Leadership on Customer Experience**

Impact	Frequency (%)
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Very positive	77%
Positive	21%
Neutral	2%
Negative	0%

**Figure 8**

The results of the question aimed at assessing the impact of leadership on enhancing customer experience indicate a clear trend toward highly positive evaluations. A significant 77% of respondents consider the impact of leadership as *very positive*, underscoring the crucial role that effective leadership plays in creating an excellent customer experience. This result demonstrates that leaders who implement appropriate leadership practices—such as open communication, staff motivation, and a strong focus on customer service—greatly contribute to increasing customer satisfaction and loyalty.

Additionally, 21% of respondents rate the impact of leadership as *positive*, suggesting that while there is a noticeable impact, there is still room for improvement in how leadership influences customer experience. This category likely includes organizations where leadership is effective but could benefit from additional strategies to further enhance customer experience.

Only 2% of respondents rated the impact as *neutral*, indicating that in certain cases, leadership may not yet be a decisive factor in improving customer experience. This result could be attributed to the incomplete application of proper leadership strategies or to other internal challenges affecting customer experience. Notably, none of the respondents rated the impact of leadership as *negative* (0%), which is a significant indicator of the overall benefits that effective leadership brings in this context.

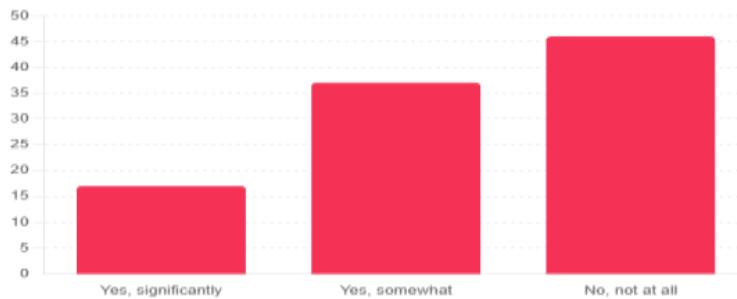
The findings suggest that effective leadership is a critical determinant in improving customer experience. The high percentage of participants who rate the impact as very positive or positive (98%) indicates that leadership is not merely a managerial function but a strategic element that directly influences the success and sustainability of organizations in the sales sector.

To achieve optimal results, it is recommended that organizations continue to invest in the ongoing development of leadership skills and adopt best practices aimed at enhancing customer experience.

Moreover, for organizations reporting a positive but not very positive impact, a deeper analysis of the challenges that hinder leadership from having a greater effect may be beneficial. Further improvement in this area can contribute to increased customer loyalty and a stronger brand image in the market.

### **Impact of Leadership on Staff Turnover**

Level of Impact	Frequency (%)
Yes, significantly	17%
Yes, somewhat	37%
No, not at all	46%



**Figura 9**

The results regarding the impact of leadership on reducing staff turnover reveal a diverse situation across the surveyed organizations. Only 17% of respondents report that leadership has significantly contributed to reducing staff turnover, suggesting that in these organizations, leaders have succeeded in creating a stable and pleasant work environment for employees. Meanwhile, 37% of participants assess the impact as somewhat positive, indicating that leadership in these companies has contributed to some extent in lowering turnover but without achieving substantial results.

On the other hand, a considerable 46% of respondents report that leadership has had no impact on reducing staff turnover, which highlights that a large segment of organizations has not leveraged leadership's potential to enhance workforce stability.

These findings suggest that effective leadership can play a crucial role in reducing staff turnover, but only when accompanied by well-defined strategies for human resource management. In organizations where leadership's impact is low or negligible, this may be attributed to inadequate training for leaders or to an organizational culture that does not promote strong relationships between staff and management.

### **Recommendations for Addressing the Issue**

To address this issue, it is essential to develop dedicated programs aimed at improving leadership skills, including training on staff motivation and effective workplace relationship management. Additionally, providing opportunities for professional development and offering appropriate incentives can help in reducing staff turnover. Such an approach would not only enhance employee retention but also improve the efficiency and competitiveness of organizations in the market.

The results underscore the importance of leadership in creating a stable work environment and fostering staff development. To enhance leadership's impact in this regard, organizations should focus on strengthening the managerial capacities of their leaders and developing comprehensive strategies for

human resource management. This would contribute to reducing staff turnover and improving overall organizational performance.

### **Comparison of Results with Existing Literature**

The findings of this study regarding the impact of leadership on organizational performance and staff turnover align significantly with existing literature. According to Northouse (2019), effective leadership is a key factor in achieving strategic objectives and enhancing organizational culture. In our study, a high percentage of respondents reported that leadership had a positive impact on improving customer experience (98% of responses were positive), which is consistent with the findings of Goleman, Boyatzis, and McKee (2013) on the importance of emotional and engaged leadership in increasing customer satisfaction.

While the literature emphasizes that different leadership styles influence staff performance and organizational outcomes in distinct ways, the survey results indicate a preference for a combined approach to leadership styles. This aligns with the theory of situational leadership proposed by Hershey and Blanchard (1969), which advocates adapting leadership style based on the context and staff readiness. Specifically, the fact that 29% of respondents reported using situational leadership and 21% reported using a combination of styles reinforces the importance of flexibility in leadership, as highlighted by Bass (1985) and Kotler & Keller (2016).

The findings also underline that while leadership has had a significant impact on staff motivation and improving customer relations (68% of respondents reported significant improvement in these areas), its impact on reducing staff turnover has been more limited. Existing literature suggests that transformational and engagement-oriented leadership contributes to lowering staff turnover by fostering a supportive and secure work environment (Grant, 2017). However, the fact that 46% of respondents stated that leadership had no impact in this regard indicates that some organizations may need further improvements in their human resource management policies and leadership practices.

This comparison between the study's results and existing literature suggests that while leadership in the wholesale and retail sector has had a positive impact on many performance indicators, there remains room for improvement, particularly in reducing staff turnover and further enhancing leadership style. Therefore, a comprehensive approach to leadership development, combined with continuous investment in training and ongoing improvements, remains a key strategy for the long-term success of organizations in this sector.

### **Interpretation of Challenges and Opportunities for Leadership Improvement in the Sector**

The study results provide a clear overview of the key challenges faced by organizations in the wholesale and retail sectors, as well as the opportunities for improving leadership. The most frequently mentioned challenges by respondents include high costs of leadership training and staff resistance to change. These findings are consistent with existing literature, which suggests that the primary challenges in leadership development are often linked to financial and cultural factors within organizations (Bass, 1985; Goleman, Boyatzis, & McKee, 2013).

#### **Key Challenges**

##### **a. High Cost of Leadership Training and Development**

Many organizations report that the lack of funding for continuous training is a major barrier. As a result, only a relatively small percentage of employees regularly participate in leadership development programs, limiting their managerial skill improvement.

**b. Resistance to Change**

Another significant challenge is staff resistance to changes introduced by leadership. This resistance may stem from a lack of trust in the proposed changes or from an organizational culture that does not support innovation and continuous improvement.

**c. Lack of a Clear Leadership Development Strategy**

Some organizations lack a well-defined strategy for leadership development, making it difficult to identify and support potential leaders. This directly impacts organizational performance and the achievement of long-term objectives.

**Opportunities for Improvement****a. Development of Customized Leadership Programs**

Based on the specific needs of the sector and individual organizations, customized programs can be created that focus on the practical skills of leaders. These programs should include mentoring, on-the-job training, and continuous feedback opportunities.

**b. Adoption of a Combined Leadership Style Approach**

Since respondents reported that a combination of leadership styles is most effective, organizations can further enhance performance by encouraging leaders to adapt their style according to the situation and team needs. Such a flexible approach improves not only operational effectiveness but also team dynamics.

**c. Increased Investment in Continuous Training**

Organizations aiming for long-term performance improvement should increase their investment in leadership training and development. Partnerships with academic institutions and training providers can help reduce costs and ensure high-quality programs.

**d. Creation of a Supportive Culture for Innovation and Change**

To address resistance to change, organizations need to work on building a supportive organizational culture that encourages innovation and continuous adaptation. This can be achieved through open communication and staff involvement in decision-making processes.

While the challenges in the sales sector are evident, the opportunities for improvement are equally significant. Organizations that adopt best practices in leadership development and embrace change with a well-structured approach will be better equipped to handle market challenges and achieve long-term sustainability.

**Conclusions and Recommendations****a. Key Conclusions**

The study highlighted the pivotal role of leadership in the performance of organizations in the wholesale and retail sector in Kosovo. Based on the collected data and relevant analyses, it was found that effective leadership—particularly leadership styles embracing flexibility, such as transformational and situational leadership—positively influences several key performance indicators, including sales growth, customer experience improvement, and staff motivation. Additionally, it was confirmed that while leadership has had a positive impact on reducing staff turnover in some organizations, it remains a significant challenge to be addressed.

The initial hypotheses presented at the start of the study were largely validated by the results:

- **First Hypothesis:** Effective leadership development significantly improves the financial and operational performance of organizations – *validated*, as most organizations that have implemented leadership programs reported improvements in financial and operational indicators.
- **Second Hypothesis:** Good leadership practices contribute to reducing staff turnover and increasing customer satisfaction – *partially validated*, as the impact on customer satisfaction was reported to be highly positive, whereas the impact on reducing staff turnover remains an area requiring further improvement.

### **b. Recommendations for Practice**

#### ***For Organizations in the Sector:***

##### **a. Development of Customized Leadership Strategies**

Organizations should establish clear and tailored strategies for leadership development, including continuous training programs and mentoring opportunities. A personalized approach will help identify and nurture new leaders within the organization.

##### **b. Adoption of Flexible Leadership Styles**

Given the frequently changing dynamics of the sales sector, leaders should adopt flexible leadership styles that can be adapted to various situations. This approach will enhance operational performance and support the achievement of strategic objectives.

##### **c. Focus on Staff Motivation and Engagement**

To ensure performance stability and reduce staff turnover, organizations should invest more in programs aimed at motivating and engaging employees in decision-making processes.

#### ***For Public Policy:***

##### **a. Institutional and Financial Support**

The government and public institutions should provide financial support to companies aiming to develop their leadership capacities through subsidies and grants for training and professional development programs.

##### **b. Development of a National Leadership Development Strategy**

A national strategy for leadership development in key sectors, such as wholesale and retail, can improve the overall performance of the industry and promote economic growth.

### **c. Recommendations for Future Research**

#### **a. Expanding the Research to Other Sectors**

Similar studies can be conducted in other economic sectors, such as manufacturing, services, and transportation, to compare the impact of leadership on their performance and identify best practices.

#### **b. Research on the Impact of Technology on Leadership**

Considering technological advancements, an interesting area for future research would be the impact of technology and digitalization on leadership styles and practices.

#### **c. Exploring Leadership in Cross-Cultural Contexts**

With the expansion of the global market, understanding how leadership styles and practices vary across different cultural contexts and how strategies can be adapted accordingly is essential.

### **Final Remarks**

This study has made a valuable contribution to understanding the role of leadership in the performance of the wholesale and retail sector in Kosovo. Implementing the presented recommendations will assist organizations in improving efficiency, enhancing performance, and achieving long-term sustainability in an increasingly competitive market.

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