CHAPTER I

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CHAPTER I

INTRODUCTION

1.1 Significance of Leadership

Leadership is an important aspect of managing. The ability to lead effectively is one of the keys to bring an effective organisation. Leadership is a topic that had fascinated people down throughout history. It seems that every one is virtually concerned with the questions 'Who's who 'and 'Who is incharge'. It has been always recognised and accepted that the difference between the success and failure whether in war, a business, a service, a movement or in a game of cricket or kabaddi can be largely attributed to leadership. Leading is the element of management that impels others to action.

To lead is to guide, conduct, direct and proceed towards the attainment of distinctly perceived goals. Leadership enables the group to attain objectives with the maximum application of their capabilities. Leaders do not stand behind the group to push and to prod; they place themselves before the group as they facilitate progress and inspire the group to accomplish organisational goals.

A leader influences others by his qualities and approaches. In the absence of leadership the followers are left without guidance and directions, and such situations will only lead towards confusion and nonattainment of the objectives.

The effective leadership is the life blood of organisational survival. Its importance can never underestimated or ignored in any organisation. The basic importance of leadership lies in the fact that it deals with human factor. Leadership is a crucial internal aspect of the firm. So many differing points of view exist about the nature, functioning and effectiveness of leadership industrial organisations that the executives and supervisors are somewhat confused. The modern management is much concerned about the leadership for better results.

Definitions of Leadership

Various authors have defined leadership. The following are some of the definitions :

According to Knootz, O'Donnell and Weihrich 1, leadership is generally defined as the art or process of

^{1.} H. Knootz, C. O. O'Donnell and H. Weihrich. 1982. Essentials of Management. New Delhi: Tata McGraw-Hill Publishing Company, p. 423.

influencing people so that they will strive willingly and enthusiastically towards the achievement of organisational goals. Ideally, people should be encouraged to develop not only willingness to work but also willingness to work with zeal and confidence.

In the opinion of Tannenbaum and his associates²
"Leadership consists of interpersonal influence, exercised in a situation and directed, by means of communucation process, toward the attainment of a specific goal or goals ".

Keith Devis³ visualizes that, "Leadership is the ability to persuade others to seek the defined objectives enthusiastically. It is the human factor that binds a group together and motivates it towards goals ".

Field Marshal the Rt. Hon. the Vincent ${\rm Slim}^4$ defines leadership in the following words :

^{2.} R. Tannenbaum, R. W. Irving and Massarik. 1961. <u>Leadership</u> and Organisation: A Behaviour Science Approach. New York: McGraw Hill Book Company, p.24.

^{3.} K. Devis. 1977. Human Behaviour at Work: Organisational
Behaviour. New Delhi: Tata McGraw Hill Publishing
Company, p. 107.

^{4.} R. S. Davar. 1969. The Human Side of Management. Bombay: Progressive Corporation Private Limited, p. 87.

It is the projection of personality. That being so a leader must have a personality to project. Now what sort of personality, what qualities of character, ought he to have? It is most important that we should have clear in our minds what these qualities are, because we should not only cultivate them in ourselves but to be able to recognize them.

A definition offered by Douglas McGregor⁵ views "Leadership as a relationship with four variables, namely, the charecteristics of leader, charecteristics of followers, charecteristics of organisation and socio - economic and political setting.

According to Encyclopedia of Social Sciences⁶,

"Leadership is a concept applied to the personality
environment relation to describe the situation when a
personality is so placed in the environment that his will,
feeling and insight direct and control others in the pursuit
of a common cause.

^{5.} D. McGregor. 1960. The Human Side of Enterprise.

New York: McGraw Hill Book Company, p. 182.

^{6. &}lt;u>International Encyclopedia of Social Science</u>. 1972. 9, p. 92.

Katz and Kahn⁷ maintain that " the term leadership has three major meanings: the attributes of a position, the characteristics of a person, and a category of behaviour ".

According to David C. McClelland⁸ in leadership " a strong drive for achivement is an important attribute for motivation and the quality which charecterises outstanding leaders ".

Tarry describes leadership as; "the relationship in which one person, or the leader, influence others to work together willingly on related tasks to attain that to which the leader desires ".

Salient Features of Leadership

Leadership is the process of influencing others
 i.e. leader influencing followers.

^{7.} M. S. Saiyadin. 1988. <u>Human Resource Management</u>. New Delhi: Tata Mcgraw Hill Publishing Company Limited, p. 136.

^{8.} R. S. Davar. 1976. <u>Personnel Management and Industrial Relation in India</u>. New Delhi : Vikas Publishing House Pvt. Ltd., p. 212.

^{9.} G. R. Tarry. 1968. <u>Principles of Management</u>. Homewood: Richard D. Irwin Inc., p. 449.

- ii. Leadership is an art. It requires on the part of leader certain qualities, skills and mode of approach to deal with the followers.
- iii. Leadership is a relationship. This relationship exists between the leader and the followers and the followers themselves.
- iv. The leadership is based on position, authority, ability or on some other similar factors.
- v. Leadership is the process of stimulating the followers.
- vi. The stimulation is provided to the followers through leadership for the attainment of objectives.
- vii. Leadership is exercised in a situation and directed by means of communication.
- viii. Leadership is usually a positive process.

 However, some times it can be negative also.
 - ix. Leadership is basically the ability to form and mould attitudes and behaviour of the followers.
 - x. Leadership depends upon the leader's personal characteristics, abilities, and personality , variables.
 - xi. Leadership depends upon characteristics of followers.

xii. Leadership depends upon the organisational characteristics, socio-economic and political setting.

Leadership Skills

According to Kieth Devis¹⁰ three different types of skills are used.

- ability in any type of process or technique. Such as skilled learned by accountant, engineers, personnel managers, etc. As the employees are promoted to higher status and leadership responsibilities, their technical skills become proportionately less important. They increasingly depend on the technical skills of their subordinates.
- 2) Human skill is the ability to work effectively with people and to build teamwork. No leader at any organisational level escapes the requirement for effective human skill.

^{10.} Devis, op.cit., pp. 109-110.

3) Conceptual skill is the ability to think in terms of models, frameworks, and broad relationships, such as long range plans. The need for possession of conceptual skill increases as one is promoted to higher position.

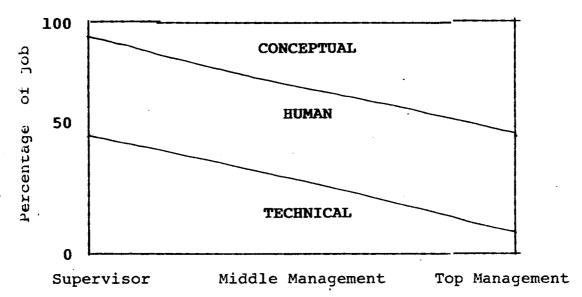


FIGURE 1.1 Variations in use of leadership skills at different organisational levels

1.1 shows variations in use of leadership skills at different organisational levels namely, supervisor, middle management, and the top management. Conceptual skill deals with ideas while human skill concerns people and technical skill is with things. Analysis of leadership skills helps explain why outstanding to department heads sometimes make poor vice presidents.

1.2 Leadership in Management

Devis and Newton¹¹ view that; "Leadership is an important part of management"; Koontz and his associates¹² expressed that:

The ability to lead effectively is one of the keys to being an effective manager; also, undertaking the other essentials of managing - doing the entire managerial job - has an important bearing on ensuring that a manager will be an effective leader ... By carrying their functions of planning, organising, staffing, and controlling managers will get some results. But these results are likely to be far inferior to what could be achieved if managers added to their operations the extra ingredient of effective leadership.

Robert Dubin 13 explains that :

Ordinarily, leadership is exercised at the top of an organisation by its 'top executives'. This is leargely because the legitimate rights and obligation to make broad policy decisions rest at that level of organisation. We must not overlook the fact however, that leadership can be exercised at any level of the organisation.

^{11.} K. Devis and J. W. Newton. 1986. Human Behaviour at Work:
Organisational Behaviour. New Delhi: McGraw Hill Book
Company, p. 158.

^{12.} Koontz, O'Donnell and Weihrich, op. cit., p. 422.

^{13.} R. Dubin. 1977. Human Relations in Administration. New Delhi: Prentics - Hall of India Private Limited, p.452.

Koontz, O'Donnell and Weihrich draw no basic distinction between managers, executives, administrators, or supervisors. A given situation may be different at various levels in an organisation or various types of enterprise, the scope the authority held may vary, the type of problems dealt with may differ widely ... Managing is essential in all organised cooperation, as well as levels of organisation.

Dubin 15 adds that "Leadership in an organisation involves the exercise of authority ". It is by virtue of the status in the organisational hierarchy a manager, executive, or supervisor who have element of supervision in their function over the performance of their subordinates is considered as a formal leader. It is his leadership in the capacity of the supervisor that influences the behaviour of the subordinates to accomplish the goals.

1.3 Theories of Leadership Styles

Different theories have been developed by various thinkers about the leadership styles or patterns.

The following are the various theories of leadership styles.

^{14.} Koontz, O'Donnell and Weihrich, op.cit., p.5.

^{15.} Dubin, op.cit., p. 450.

Authoritarian, Democratic and Free-rein Style of Leadership

The authoritarian or autocratic style of leadership is built on power. The subordinate of follower is often motivated by fear. Under this style, the leader orders his subordinate to do a task or fulfill an assignment and the subordinate is expected to complete it without questioning. There is very little delegation of authority and the leader does not give explanations for his decisions Autocratic type of leader is usually remote or actions. from the group and this style of leadership can create hostility towards the leader. Lippitt and White define the situation in which the authoritarian leader functions. this situation :

- i. All policies are set by the leader;
- ii. All the activities are dictated by the leader and this keeps the subordinates uncertain of future steps;
- iii. The subordinates are directed at every stage as to what to do, how to do and with whom to work;
 - iv. Though the leader tends to be 'personal' in his criticism of the work of each subordinate, he remains away from group participation except when actually working with the group.

^{16.} J. M. Putty. 1980. The Management of Securing and Maintaining the Work Force. New Delhi :S.Chand and Company Ltd., p. 352.

The Democratic or Participative style 17 of leader encourages the subordinates to participate in group activities and decision-making. Under such leader, friendly relations among the members exist. The leader holds his position because he is loyal to the group and is concerned with their interests. There is no fear or threat to motivate people. The climate in which they operate, provides motivation to do their best. Lippitt and White state that a democratic leader:

- i. Permits all members to discuss policy and encourage them to get involved in making necessary decisions;
- ii. Permits not only discussions on present activity, but also future activity. Members are not uncertain about future plans.
- iii. Permits members to define their own job situation as much as possible; and
 - iv. Focuses on 'objective 'facts on 'human Problems '. Any praise is based on these objective facts and not upon his personal needs.

^{17.} ibid.; p. 353.

Campbell reviewed the literature on democratic leadership, and from this review he concluded that democratic leadership minimizes the amount of interpersonal hostility, frustration and aggression, grievances, creates greater group-feeling, increases job satisfaction and morale.

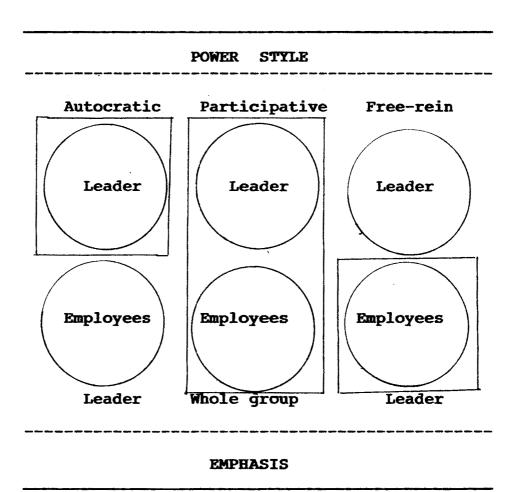


FIGURE 1.2 Different emphasis results from different leadership styles in use of power

Free-rein¹⁸ leadership ignores the leaders contribution. This type of leadership provides complete freedom for individual and group activity. In highly professional jobs this approach can be fruitful. The free-rein leaders:

- i. They depend largely on the group to establish its own goals and work out its own problems.
- ii. Group members train themselves.
- iii. Avoid power.
 - iv. The leader exists primarily as a contact with out side persons to bring the group information and resources it needs to accomplish the jobs.

Different emphasis resulting from different leadership styles in use of power are shown in Figure 1.2. It is only the participative style of management where the leader and group are acting as a social unit. The employees are informed about conditions affecting their jobs and encouraged to express their ideas and make suggestions. The general trend is toward wider use of participative practices because they are consistent with supportive and collegial models of organisational behaviour.

^{18.} idem.

Positive Vs. Negative Leadership

Davar 19 describes that leadership styles can be divided into two types, (i) positive, and (ii) negative, depending on the leaders approach in influencing his subordinates. Where the leader uses fear and force in directing his subordinates towards the organisational goals, the approach is described as negative. Such a leader relies heavily control and the formal authority of his position to fine, reprimand, discharge, or hold up to ridicule his subordinates. On the other hand, the positive approach is based upon reward, incentive and possible gains to the followers to induce them to direct their energies towards the goals prescribed by their leader.

In these leadership styles positive or negative motivation is provided by the organisational superiors to achieve the objectives.

The Managerial Grid

One of the most widely known approaches to explore the leadership styles is the managerial grid, developed by

^{19.} Davar, Personnel Management and Industrial Relations in India, op. cit., p. 216.

Robert Blake and Jane Mouton²⁰. The grid has two dimensions, concern for people, and concern for production, as shown in Figure 1.3. The term 'cause for 'is meant to convey "how "managers are concerned about production and people.

'Concern for production' is composed of the attitudes of a superior toward quality of policy dimensions procedures and processes, quality of staff, services, work efficiency, and volume of output. 'Concern for people' includes maintenance of self-esteem of workers, placement of responsibility on the basis of trust, provision of good working conditions and maintenance of satisfying interpersonal relations.

Blake and Mouton recognize four extremes of basic styles.

1,1 Style referred to by some authors as "impoverish management", manager concern very little with either people or production and have minimum involvement in their jobs; merely acts as messengers communicating information from supervisors to subordinates.

^{20.} R. R. Blake and Jane Mouton. 1964. The Managerial Grid. Texas: Gulf Publishing Company, pp. 10-12.

High 9	1. 9 management				9,9 ma	9,9 management
∞ ·	Thoughtful attention to	ntion to			Work accomplishme	accomplishment
7	satisfying rela	tionships			people. In	Interdepend-
•	leads to a comf	ortable			ence through a	gh a
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Concern for a series or the series of the se	1,1 management Exertion of minimum effort to get work done is appropriate to sustain organisa membership.	i (L	Adequate organisation performance is possible through balancing the necessity to get out work with maintaining morale of people at a satisfactory level.		9,1 management Efficiency in oper results from arran conditions of work such a way that hu elements interfere a minimum degree.	9,1 management Efficiency in opertions results from arranging conditions of work in such a way that human elements interfere to a minimum degree.
	1 2:	3 . 4	Z.	9	7	8
	Low	Conc	Concern for production	luctio	ជ	High

FIGURE 1.3 The Managerial Grid

- 9,9 Manager display in their actions the highest possible dedication both to people and to production. They are the "real team manager "who are able to mesh the production needs of the enterprise with the needs of individuals.
- 1,9 Management called "Country-club management "by some in which managers have little or no concern for production but are concerned only for people. They promote an environment where every one is relaxed, friendly and happy and no one is concerned about putting forth coordinated effort to accomplish enterprise goals.
- 9,1 Managersome times referred to as "autocratic taks managers"; who are concerned only with developing an efficient operation, who have little or no concern for people, and who are quite autocratic in there style of leadership.

Using these four extremes, every managerial style can be placed some where in the grid. 5,5 managers have medium concern for production and for people. They obtain adequate, but not outstanding, morale and production. They do not set goals too high and they are likely to have a rather benevolent autocratic attitude toward people.

The managerial grid is a useful device for identifying and classifying management and leadership style.

Contingency Approach to Leadership

F. E. Fiedler²¹ and his associates have suggested a contingency theory of leadership. This theory implies that leadership is any process in which the ability of a leader to exercise depends upon the group task situation and the degree to which the leader's style, personality and approach fit the group. In other words, people become leaders not only because of the attributes of their personalities but also because of various situational factors and the interaction between the leader and the situation.

Based on studies Fiedler sound three " critical dimensions " of the leadership situation that affect a leader's most effective style.

i) <u>Position power</u>: This is the degree to which the power of a position, as distinguished from other sources of power, such as personality or expertise power, enables a

^{21.} F. E. Fiedler. 1967. A Theory of Leadership Effectiveness. New York: McGraw-Hill Book Company, p. 6.

leader to get group members to comply with directions. A leader with clear and considerable position power can more easily obtain better followership than one without such power.

- ii) <u>Task structure</u>: Where tasks are clear, the quality of performance can be more easily controlled, and group members can more definitely be held responsible for performance than where tasks are unclear. Fiedler model suggests that in highly unstructured situation the leader's structure and control are seen as removing ambiguity and anxiety that results from it. So structured approach from leader is preferred. In highly structured situation, structured leadership is perceived as approximately fitting the situation.
- iii) <u>Leader-member relations</u>: This dimension is related as most important from the leaders point of view, since position power and task structure may be largely under the control of an enterprise, has to do with the extent to which group members like and trust leader and are willing to follow him.

Leadership as a Continuum

The fact that leadership styles adapt to different contingencies has been characterized by R. Tannenbaum and W. H. Schmidt²². In their concept of a leadership continuum, they see leadership as involving a variety of styles, ranging from one that is highly boss centered to one that is highly subordinate centred. These vary with the degree of authority a leader or manager grants to subordinates. Thus, instead of suggesting a choice between the two styles of leadership - Authoritarian or Democratic - this approach offers a range of styles, with no suggestion that one is always right and another is wrong.

This concept recognises that an appropriate style of leadership depends on situations and personalities. Tenhenbaum and Schmidt saw the most important elements that may influence a manager's style along this continuum as operating in the manager's personality, (1) the forces including value system, confidence this or her subordinates, inclination toward leadership styles, feelings of security in uncertain situations; (2) forces in subordinates that will affect the manager's behaviour; and

^{22.} R. Tannenbaum and W. H. Schmidt. 1973. How to Choose Leadership Pattern. <u>Harward Business Review</u>. 51. pp. 162-170, quoted in Koontz, O'Donnell and Weihrich, pp. 430-432.

(3) Forces in the situation, such as organisation values and traditions, how effectively subordinates work as a unit, the nature of a problem and whether authority to handle it can be safely delegated and the pressure of time.

The continuum of Manager - Non -manager behaviour patterns are the following:

- 1] Managers are able to make decision which
 non-managers accept.
- 2] Managers must 'sell' decision before gaining acceptance.
- 3] Manager presents decision but must respond to questions from non-managers.
- 4] Manager presents tentative decision subject to change after non-managers input.
- 5] Managers present problem, get inputs from non-managers, then decide.
- 6] Manager defines limits with in which non-managers make decision.
- 7] Manager and non-manager jointly make decision within limits defined by organizational constraints.

Thus, the area of freedom for managers is most, while adopting number one approach. While they move gradually towards the number seven approach the area of freedom in decision making gradually declines in case of managers and increases in case of non-managers.

McGregor's Theory 'X' and Theory 'Y'

Another view about the nature of people has been expressed in two sets of assumptions developed by Douglas McGregor 23 and commonly known as "Theory X" and "Theory Y" Managing, McGregor suggested, must start with the basic questions of how managers see themselves in relation to others. This view point requires some thought on perception of human nature. "Theory X" and "Theory Y" are two sets of assumptions about the nature of people. McGregor's concepts of leadership are based on how leaders deal with their subordinates. The assumptions about these two types of leaders are mentioned below.

Theory X assumptions: The traditional assumptions about the nature of people, according to McGregor, are

1) Average human beings have an inherent dislike of work and will avoid it if they can.

^{23.} McGregor, op.cit., pp. 183-188.

- 2) Because of this human charateristic of dislike of work, most people must be controlled, directed, and threatened with punishment to get them to put forth adequate effort toward the achievement of organisational objectives.
- 3) Average human beings prefer to be directed, wish to avoid responsibility, have relatively little ambition and want security above all.

Theory Y assumptions : The assumptions under Theory Y as observed by McGregor are

- 1) The expenditure of physical effort and mental effort in work is as natural as play or rest.
- 2) External control and the threat of punishment are not the only means for producing effort toward organisational objectives. People will exercise self direction and self control in the service of objectives to which they are committed.
- 3) The degree of committment to objectives is in proportion to the size of the rewards associated with their achievement.

- 4) Average human beings learn, under proper conditions, not only to accept but also to seek responsibility.
- 5) The capacity to exercise relatively high degree of imagination, ingenuity, and creativity in the solution of organisational problems is widely, not narrowly, distributed in the population.
- 6) Under the conditions of modern industrial life, the intellectual potentialities of the average human being are only partially utilized.

These two sets of assumptions are fundamentally different. Theory X is pessimistic, static, and rigid. Control is primarily external, that is, imposed on the subordinate by the superior. In contrast, Theory Y is optimistic, dynamic, and flexible, with an emphasis on self direction and the integration of individual needs with organisational demands.

A Normative Theory of Leadership Style

Explicitly normative approach to leadership pattern has been proposed by Vroom and Yettton 24 (1973). The theory

^{24.} L. W. Porter, E. E. Lawer and J. R. Hackman. 1975.

Behaviour in Organisations. Kogakusha: McGraw Hill

Kogakusha Ltd., pp.425-428.

is based on the ways leaders involve their subordinates in organisational decision-making process managing from no involvement whatever to full leader-subordinate collaboration in reaching decisions. Vroom and Yetton identify the following five behavioural styles.

- 1. Leader makes the decision himself.
- 2. The leader obtains necessary information from the subordinates and then decides.
- 3. The leader shares the problem with subordinates getting their ideas and suggestions without bringing them together, then makes decision.
- 4. The leader shares the problem with his subordinates as a group then makes the decision.
- 5. The leader shares the problem with the subordinates as group. Together the leader and the subordinates generate and evaluate alternatives and attempt to reach agreement on a solution.

Path Goal Theory of Leadership

The theory is based on the premise that workers and employees have certain goals which are meaningful and important to them and that these goals can be either extrinsically or intrinsically related to the work itself.

That is, either the work itself is motivating (e.g. the challenging nature of the managerial job) or the rewards associated with the work may be seen as desirable. The hypothesis is that employees make subjective estimates of the probability of attaining these goals. For example, employees may estimate how likely it is that they will find the work challenging or that they will get a promotion or a rise in pay. If the likelihood is small, the employee will see different, more attainable goals which may be unrelated to organisational aspirations. For example, the worker may see satisfaction in socialising with fellow workers rather than in trying to get the job done.

According to the path-goal theory, the leader has the task of providing the subordinates with either the goals themselves (the rewards they seek) or with the means for attaining these goals by training, coaching, removing road blocks, or guidance. In a more comprehensive statement of the theory, the effect which the leader has become contigent upon the psychological state of the subordinate and the situation in which leader and subordinate find themselves.

^{25.} J. House. 1971. A path Goal Theory of Leadership Effectiveness. Administrative Science Quarterly. 16, pp. 312-338. as cited in Encyclopaedia of Professional Management. 1978, p. 615.

The critical variables with regard to the subordinate's psychological state, as they pertain to the theory, are not clear. However, House and Bressler cite an example of a subordinate who has a high need for affiliation and social approval, and they predict that this subordinate will find considerate behaviour on the part of the leader to be a source of satisfaction.

The factors in the situational environment which determine the success of motivating subordinates consists of (1) the task to be performed, (2) the formality of the organisation, and (3) the primary work group of the subordinate. Several studies seem to provide some support for this contigency approach, but the translation of the theory into a useable prescription for the practioner is still unclear at this point.

Life Cycle Theory of Leadership

Hersey and Blanchard²⁶ developed a model of leadership effectiveness that attempts to relate the maturity of the group to the prescribed leader behaviors. As in the path goal theory, the important leader behaviors are

^{26.} P. Hersey and K. H. Blanchard. 1972. Management of Organisational Behaviour. Englewood: Prentice Hall Inc., p. 142 as cited in ibid., p. 616.

29

defined by the two Ohio State dimensions of consideration and structuring.

Hersey and Blanchard hold that leaders must modify their behaviors as the maturity of their group changes. maturity is meant (1) the group's capacity to set high and attainable goals, (2) the group member's willingness and ability the responsibility for their actions, and (3) the group's training or level of experience. Although the authors do not prescribe how to operationalise these maturity dimensions, life-cycle theory predicts curvilinear relationship between group maturity and appropriteness of the leader's behavior. As can be seen in the Figure with an immature work group (perhaps a newly formed one with little or no training, which shows an unwillingness to assume responsibility and an incapacity to set its own goals) the appropriate behavior of the leader is to be very directive and authoritarian with very little concern for interpersonal maintenance. As the group begins to learn its job and mature along the listed dimensions, it is hypothesised that the leaders must maintain their concern with the task but must also begin to increase considerate behaviors. As maturity increases even further, the need for both structure (task behavior) and consideration (relationship behavior) decreases until, when the group is

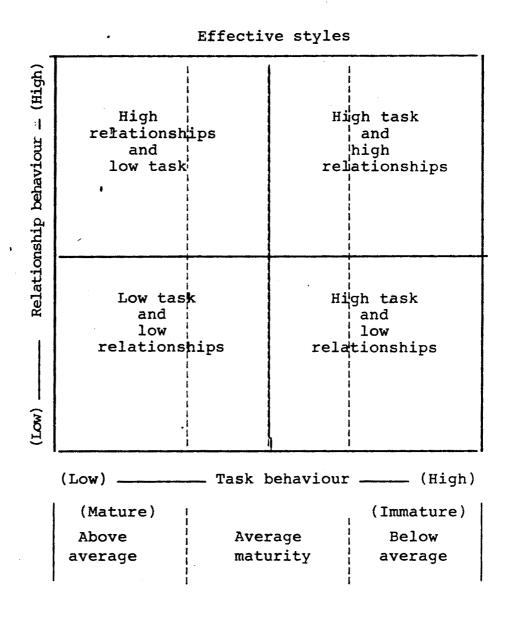


FIGURE 1.2 Maturity Levels

Source: P. Hersey and K. H. Blanchard, Management of Organisational Behaviour. Englewood: Prentice Hall Inc., p. 142 as cited in ibid., p. 616.

fully matured, the need for both, in theory, subsides completely.

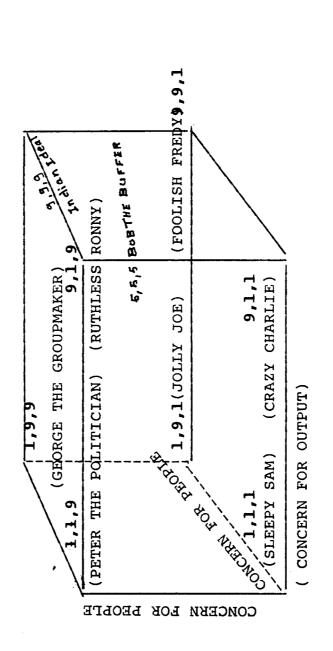
In this last case, the leader's function is primarily that of a linking pin, a point of contact between echelons, planning future group activities and coordinating with various outside agencies or peers in order to facilitate the smooth functioning of the group. Such organisational phenomena as personal turnover, a reorganisation, or a change of mission may of course reduce the group's maturity - again requiring leader-specific action.

Theory Z

The theory Z of Ramaswami Rangnekar is based on the following premises:

- 1. An industrial enterprise sooner or later (sooner for Private Sector, later for Public Sector) requires some output to support the workers, clerks and various levels of management employed. Thus, some concern for output may be shown by some managers some time.
- 2. In order that the employees do not spend all their energies in internal conflicts (e.g., workers vs

^{27.} R. S. Dwivedi. 1981. <u>Dynamics of Human Behaviour</u>. New Delhi: Oxford I B H Publishing Company, pp. 376 - 387.



Ramaswamy-Rangnekar's Theory Z & 9 hypical Management Style FIGURE 1.5

supervisor, clerks vs head clerks, managers vs manager, managers vs everybody else, etc.) and do spend some efforts towards meaningful output, it is necessary to maintain some degree of morale in the organisation. Thus some concern for people may be shown by some managers some time.

3. Since everybody is in the game for himself, most of the times most of the people will seek to grind their own axes and show a lot of concern for itself.

If we show concern for output on coordinate X, concern for people on co-ordinate Y (as in the case of Blake's Managerial Grid) and concern for self on coordinate Z, we get the 3-D system (shown in Fig. 1.5) and the following typical management styles.

- 1. 1,1,1 Style: Negligible effort to get output or maintain morale or promote self. This is typical of a Private Sector executive who is reaching the retirement age and has been refused an extension or a Public Sector executive who is awaiting transfer orders. He is known as the "Sleepy Sam".
- 2. 9,1,1 Style : Emphasis on output results in arranging conditions of work in such a way that interference of human elements is avoided (e.g. automation) although

this may well result in diminishing the size of department and affecting adversely the promotion chances of the manager. Such "Crazy Charlies " are often responsible for whatever output we get out of certain industrial concerns.

- 3 1,9,1 Style: This type of manager is reconciled to the fact that he is not going any further and (since he has many years yet to retire) wants to create a friendly atmosphere by maintaining good relations with all round. He naturally avoids nagging anybody for output and hence is known as the "Jolly Joe".
- 4 5,5,5 Style : This type of manager tries to balance the concern for output with concern for people and in that effort half the time forgets his concern for self. In a typical family concern, this is the manager who tries to get something from the proprietors to the workers so as to get some output from them. In this process he often fails to maintain a very favourable image of himself with the proprietors. This is a typical style for the " middle management man " who is called " Bob the Buffer ".
- 5. 9,9,1 Style : This type of manager believes that "performance will speak for itself " and consequently spends his entire effort on maximising output and morale and

has no time to play company politics and look after himself. When the "performance speaks ", its language is Greek and Latin to the top management and the interpreters around them translate it to absorb all the credit-leaving "Foolish Freddy high and dry! So freddy is left to maintain his performance while others get promoted.

- 6. 1,1,9 Style : Here is "Peter the Politician " who spends his entire time playing company politics to promote himself. He cares neither for output nor for other people but hopes to get ahead by currying favour with the top management. His existence is parasitic supported by the Foolish Freddies in the organisation.
- 7. 1,9,9, Style : This manager believes in "managing by clique "and creates a group to back him up. This gives rise to other cliques and corresponding loss of attention to output. Such "George the Groupmaker "can be quite a menace if he is not controlled in time.
- 8. 9,1,9 Style: This manager expects to promote himself by giving high output and bringing it to the attention of the top management. In this process, this "Ruthless Ronny " treads merrily on various other people and may end up getting blown-up if the resentment explodes.

9. 9,9,9 Style : This is the "Ideal Indian" manager who can get high level of output from people committed to the organisational objectives - but keeps, all the same, continuous communication with the top management to ensure that he is not robbed of his credit by the company politicians.

1.4 Related Studies on Leadership

Following are some of the studies related with leadership patterns.

Trait Pattern in Leadership

Starting with the 'greatman' theory that leaders are born not made, researcher tried to identify the physical mental and personality traints of various leaders.

R. M. Stogdill²⁸ found that the various researches identify five physical traits related to leadership ability such as energy appearance, etc., four intelligence and ability traits, sixteen personality traits such as adaptability, enthusiasm, etc.; six task related

^{28.} Koontz, O'Donnell and Weihrich, op.cit., p. 425.

characteristics such as achievement drive, persistence, etc.; and nine social characteristics such as, cooperativeness, interpersonal skills, etc.

Keith Devis²⁹ observed that; leaders do have high intelligence, broad social interests and maturity, strong motivation to accomplish and great respect for, and interest in people.

Ghiselli³⁰ (1971) demonstrated that through careful consideration of specific leadership position that of manager in formal work organisations — a set of relevent traits can be identified and measure which relate to managerial effectiveness. He noted significant correlation between leadership effectiveness and the traits of intelligence, supervisory ability, initiative, self assurance and individuality in ways of doing work.

With regard to the self perception of executives regarding possession of attributes for leadership, most executives conceived of themselves as possessing several of the dynamic personal attributes revealed in Henry's 31 well known study of 100 executives in the Chicago business community.

^{29.} Devis, op.cit., p. 102.

^{30.} Koontz, O'Donnell and Weihrich, loc. cit.

^{31.} Dubin, op.cit., p. 249.

Subordinates' Expectation from Supervisors as Leaders

As far as subordinates' expectations from their supervisors are concerned, Monga³² (1978) provides some data. He collected data on 100 workmen from two units located in Harayana state. He asked respondents to indicate the characteristics of a good and a bad supervisor. The characteristics and their percentage under the six categories are given below.

- 1. Characteristics of a good supervisor vis-a-vis his relationship with workers. Teamspirit 52 percent; minimum use of authority 36 percent; believes in friendly relations 18 percent; unprejudiced 31 percent; and does not exploit workers' weaknesses 19 percent;
- 2. Characteristics of a good supervisor pertaining to his works. Well conversant with job 51 percent; trust subordinates 11 percent; an exercise and does good control 9 percent; recognises and praises work 7 percent; believes in delegation of authority 6 percent; encourages suggestion 5.6 percent; instrumental in solving workers problem 5 percent and interested in his work 6 percent;

^{32.} Saiyadain, op.cit., pp. 155-156.

- 3. Characteristics of a good supervisor concerning his relations with management. Maintains good relations with supervisors 18 percent; never misleads management 15 percent; skillful in dealing with supervisors 3 percent; enjoys respect from superiors 4 percent; fights for the interest of the workers 2 percent.
- 4. Characteristics of a bad supervisor vis-a-vis his relationship with workers. Not bothering about workers problem 41 percent; prejudiced in recommending promotions 23 percent; puritanical in conduct 16 percent; autocratic in outlook 15 percent; avoids mixing with subordinates 8 percent.
- 5. Characteristics of a bad supervisor pertaining to his work. Unaware of the job 12 percent; unable to communicate effectively 13 percent; does not listen to workers 13 percent; conceals his lack of knowledge 7percent; fault finding nature 8 percent; unable to get work done from others 6 percent; disinterested in his work 3 percent; unnecessarily interfers with work 2 percent; and undully punishes the workers 3 percent.
- 6. Characteristics of a bad supervisor concerning his relations with management. Communicates paltry issues

to the management 11 percent misleads management about workers 9 percent; extracts work to please management 5 percent; and steals workers idea 5 percent.

Decision Making and Leadership

The classic study of Lippitt and White 33 (1939) has generated a great deal of research in the areas supervisory behaviour. Their study was concerned with the social climate created by the introduction of one of the three styles of leadership - democratic, autocratic, and laissey-faire. They found that authoritarian leadership generated dissatisfaction and high quantity but low quality of work. Under laissez-faire leadership there considerable dissatisfaction and intermediate productivity. Democratic leadership produced low dependency on the leader, high degree of satisfaction and intermediate quantity but high quality of work.

In another study, Lal³⁴ (1983) found evidence of consultation in Indian executives. He collected data on 128 executives they were given eleven decision situations and were asked to arrive at decisions in terms of following five alternatives:

^{33.} Saiyadain, op.cit., p. 147.

^{34.} ibid., p. 148.

- i. Our decision without explanation to subordinates.
- ii. Our decision with explanation to subordinates.
- iii. Prior consultation with subordinates.
 - iv. Joint decision making with subordinates.
 - v. Delegation to subordinates.

These alternative styles ranged on centralised-decentralised dimensions. The direct subordinates were asked to indicate their perception of their bosses' decision making. The result showed that department heads used prior consultation in most cases (35.02 percent), followed by joint decision making (29.56 percent). Delegation to subordinates was indicated by 3.52 percent of the respondents. The direct subordinates' rating corresponded exactly with those of department heads rating in their ranking.

In 1974 Saiyadain 35 conducted a study to test the following three hypotheses:

i. The supervisory practices that are characterised by participative style are more satisfying to employees than those characterised by directive style;

^{35. &}lt;u>ibid</u>., p. 149.

- ii. High social competence leads to greater satisfaction with supervisors than low social competence;
- iii. Employees high and low on social competence experience varying degrees of satisfaction with supervisory styles characterised by participative or directive styles.

The results confirm the first two hypotheses. They suggest that democratic supervisory style induces greater satisfaction among subordinates compared to authoritarian supervisory style. Further, subordinates characterised by high interpersonal competence were more satisfied with their supervisors than those of low interpersonal competence.

Muthayya and Vijaykumar³⁶ (1985) conducted study on leadership styles, perceived need satisfaction subjective 68 job characteristics among scientific personnel, administrative and technical staff working in the scientific organisation. They were administered leader behaviour questionnaire which measured five styles leadership direction, negotiation, consultation, participation, and delegation.

^{36.} B. C. Muthayya and S. Vijaykumar. 1985. Leadership Styles, Perceived Need Satisfaction and Subjective Job Characteristic among Scientific Personnel. <u>Indian Journal</u> of Industrial Relations. 21, pp. 173-183.

The most predominant leadership style among all categories of scientist, administrative and technical personnel is direction. The next predominent style among scientist is delegation whereas, it was 'participation 'among administrative and technical personnel.

Comparison of the perceived need dissatisfaction across the different groups of each of the leadership styles based on their significance yielded the following results:

- (a) The high group in direction was found to be dissatisfied in the perception of the needs of self actualisation, autonomy and esteem which seem to characterise the underlying needs of the style;
- (b) The high delegation style group was found to be dissatisfied more in social and esteem needs and hence the delegation style seeks for satisfaction of these needs;
- (c) The higher groups of negotiation styles were found to be dissatisfied with security and autonomy needs;
- (d) Cosultative style groups was found to be significant;
- (e) In participation style also, the trend did not reveal any significant differences across the different groups in the perceived need dissatisfaction like consultation style group;

(f) In consultative and participative styles, the need dispositions remain flexible as the style is other-directed.

Rensis Likert and his associates 37 at the University of Michigan have studied the patterns and styles of leaders as managers for three decades. In the course of these researches, Likert has developed certain ideas approaches important to understanding leadership behaviour. sees an effective manager as strongly oriented to subordinates, relying on communication to keep all parties working as a unit. 'All members of the group, including the manager or leader, adopt a supportive attitude in which they share in one another's common needs, values, aspirations, goals, and expectations. Since it appeals motivations, Likert views this approach as the effective way to lead a group.

As guidelines for research and for the classification of his concepts, Likert has assumed there are four systems of management. System 1 management is described as "exploitive - authoritative ", these mangers are highly autocratic, have little trust in subordinates, motivate people through fear and punishment - with occasional rewards

^{37.} R.: Likert. 1961. New Patterns of Management. New York: McGraw Hill Book Company, pp. 222-236.

engage in downward communication, and limit decision making to the top. System 2 management is called " benevolent -", these authoritative managers have a patronizing confidence and trust in subordinates, motivate with rewards punishment, permit fear and some communication, solicit some ideas and opinions subordinates and allow some delegation of decision making but with close policy control.

System 3 is referred to as "consultative", these managers have substantial but not complete confidence and trust in subordinates, usually try to make use of subordinates ideas and opinions, use rewards for motivation with occasional punishment and some participation, engage in communication flow both down and up, make broad policy and general decisions at the top with specific decisions at the lower levels and act consultatively in other ways.

Likert saw system 4 management as the most participative of all and referred to it as "participative - group ", system 4 managers have complete trust and confidence in subordinates in all matters, always get ideas and opinions from subordinates and constructively use them, give economic rewards on the basis of group participation and involvement in such areas as setting goals and

appraising progress towards goals, engage in much communication down and up and with peers, encourage decision making throughout the organisation, and otherwise operate with themselves and their subordinates as a group.

In general, Likert found that those managers who applied the system 4 approach to their operations had greatest success as leaders. Moreover, he noted that departments and companies managed by the system 4 approach were most effective in setting goals and achieving them and were generally more productive. He ascribed this success mainly to the extent of participativeness in management and the extent to which the practice of supporting system prevails in the organisation.

Leadership Styles Control Strategy & Personal

Consequences: This study was conducted by Singh and Pandey³⁸. The major objectives of the study were: to show pattern or relationship between three leadership styles (participative, authoritarian, and authoritative) with different strategies of control, need-satisfaction and commitment with the organisation.

^{38.} R. P. Singh and J. Pandey. 1986 July. Leadership Styles, Control Strategies and Personnel Consequences. <u>Indian Journal of Industrial Relations</u>. 22, pp. 41-51.

The three styles were described as follows:

- i) Participative leadership climate is conceived as participation in decision making on the issues of promotions, hiring of new staff, resolving the interpersonal conflicts, evaluating the performance, adoption of new policies and programmes, and preparation of budgets.
- ii) Authoritarian leadership operates as taking ill of subordinates who fail to pay respect to them; a realization that the superiors and subordinates have the differing interests; demand of personal loyalty; nurturing of whims; and seeking pleasure in letting down the subordinates.
- iii) Authoritative leadership envisages emphasis on the targets, clear understanding of each other, encouraging the subordinates for hard work, imparting specific instructions, and enforcing rules and regulations uniformly and equitably.

The study was conducted on a sample of 250 respondents comprising 150 workers, 50 supervisors and 50 line managers of an electronic equipment manufacturing large public undertaking located in norther India.

Results:

Relationship of participative leadership style except Machiavellianation with all strategies of control such as authority, trust, vigilance, positive reinforcements, negative reinforcements, integration and disparagement are positive.

Authoritarian leadership was found to be negatively correlated with vigilance and positive reinforcement strategies. Whereas, it was positively correlated with Machiavellianation and ingratiation.

Authoritative leadership is positively correlated with all the strategies of control except the Machiavellian-ation with which it was found to be negative.

Workers and supervisors did not perceive any correlation among the three styles of leadership and find it related with need-satisfaction and commitment i.e. personal consequences in a different way. Workers perceive only authoritative style related with commitment whereas, line managers find participation and authoritative styles both related with commitment.



On need-satisfaction, all the three groups have similar perceptions.

The results based on intercorrelations suggest relationship of all three styles of leadership with control strategies, need-satisfaction and commitment. The perceived participative leadership style is found to be, ingeneral, positively correlated with authoritative and negatively with authoritarian leadership styles. The authoritarian leadership style is found to be not related with the other two styles of leadership.

The results pointed out that control and influence processes in an organisation are to some extent the product of leadership styles. However, it is not easy to explain as to how is this influence perceived by workers, supervisors by workers, supervisors and line managers.

study revealed participative The that and authoritative are positive styles of leadership. Authoritative may substitute participative till conditions organisation do not permit. failing in The introducing participation caused due to the inner compulsions and interests of the proprietors.

<u>Democratic Leadership</u>³⁹: Utilizing the good offices and facilities of management associations, individual, private companies, management schools, etc., by means of a questionnaire, the data was collected on the attitudes and opinion of 3,000 managers in fourteen countries through out the world about 200 managers represented each country. In the absence of statistics about the working managers in each country the sample can not be said to be representative.

For each country the questionnaire was translated into the native languages. The responses were translated by the translators.

On examining the responses of the managers specially the part dealing with attitudes toward leadership philosophies and techniques it is observed that there is a good deal of similarities among the managers of different countries. There is, a substantial degree of uniformity in attitudes among the managers through out the world.

^{39.} A Paper Presented at XIII International Management Congress, for International Progress in Management, quoted in Davar, The Human Side of Management. op.cit., pp. 227 - 235.

Furthermore, there are quite consistent clusters of countries in terms of attitudes. Statistical analysis indicate that in the fourteen countries there are ten pairs of countries and one trio which form tightly knot groups in which the attitudes of managers are highly similar. The trio of the countries where in the attitudes of managers are very similar consists of Argentina, Chile, and India. Japan stands pretty much alone. The pairs are Denmark and Germany Norway and Sweden, Belgium and France, and Italy and Spain.

Further, each of the areas of attitudes pertain to a democratic verses an authoritarian view of management. The democratic view of management argues that information and objectives should be shared with the subordinates, they should participate in decision-making process and they should be given substantial measure of self control. An authoritarian view, on the other hand, hold to an organisational chain of command.

The fundamental reason for adopting shared objectives, participation, and individual oriented internal control, is the contention that subordinates fully possess the capacity for initiative, for individual action, and for leadership, which is neither recognised nor utilized by unilateral, authoritarian, command form of organisation.

In all countries universally there is far more belief in shared objectives, participation and individual control, than there is for belief in the capacity of others for initiative, individual action and leadership. With few exceptions, managers in all countries view shared objectives, participation and internal control favourably. No association is there between the type of Government and managers leadership. With three exceptions, managers in all country view the ordinary individual as preferring to be directed, wishing to avoid responsibility and possessing talent for leadership.

Managerial level does not seem to have much, if any, relationship to the attitudes. Managers of higher hierarchy are found to have greater belief in individuals rather than external control. In the European countries, France and Japan managers in smaller companies have greater faith in their fellow man than those in larger companies. But just the reverse is true of the managers in other countries. but few exceptions, managers in large companies favour democratic managerial practices more than do those in larger companies. It is in large companies where democratic ideas are fostered. Lack of basic confidence in others and at the same time a positive belief in participative is also observed. Management seems to have been persuaded of group

centred democratic managerial practices, and today it most certainly is the orientation in executive development and training courses. The data indicates that while the ideas of democratic management practices have been accepted, managers' basic conviction that subordinates are generally inadequate people remains unchanged.

To make real headway of group-centered democratic management, the managers must convince first that men in subordinate positions in the organisation do infact possess initiative, capacity for individual action and leadership ability. Every manager does not have the capabilities for initiative, individual action and leadership required by a philosophy of democratic management, but these capabilities are possessed to a far greater extent and to a far greater degree than manager themselves believe. The result suggest that it may be harder to convince European managers than managers of other countries that human nature is of the kind required for democratic leadership, but it must be done if democratic leadership is to be given more than just lip service.

Understanding the Problem of Subordinates & Leadership

Superiors at all levels in an organisation generally underestimate the extent to which their subordinates believe the "boss" and understands their problems.

In one study 40, people of different levels were asked how well they thought their superiors understood their problems and in turn, how well they thought they understood their own subordinates' problems of those in the work group, only 34 percent said their foreman understood their employees' problems well. Again only 51 percent of these foremen said their own boss (the General Foreman) understood the first level foremen's problems well, but 90 percent of the General Foremen asserted they understood the foremen's problem well. Finally when the General Foremen were asked how well their superiors in management understood their problems, only sixty percent gave a favourable reply.

A similar finding was made in the power plants of a public utility 41 ; the higher level of management always said they sought their subordinates' ideas much more frequently than the subordinates, said their superiors asked for their

^{40.} P. Pigors and C. A. Myers. 1977. Personnel Administration. Kogakusha: McGraw-Hill Kogakusha Ltd., p. 12.

^{41.} idem.

ideas. These studies illustrate the well known gap among the superiors and subordinates.

Consistent Treatment and Leadership

A leader is most often caught between two conflicting though universally accepted platitudes, treat people as individuals according to their special needs and; avoid favouritism. On the one hand, he has to treat each one according to his needs and on the other, he must realize that inconsistency in treatment can cause severe problems.

The Vertical Dyad Linkage Model 42, developed by Graen and his colleagues (Graen, Dansereau, and Minami 1972; Dansereau, Graen and Haga 1974) emphasized the individual The VDL Model confutes the commonly held subordinates. belief that leaders should treat all their subordinates a According to VDL, like. leaders must form dyadic themselves and each of relationships between subordinates. Leaders also must identify those subordinates who are capable of expanding their role by shaking the decision-making and other relationship functions technically delegated to the leader. The result is that the leader must

^{42.} E. J. McCormic and D. R. Ilgen. 1984. <u>Industrial Psychology</u>. New Delhi: Prentice Hall of India Private Limited, p. 330.

tailor his or her responses according to subordinate capabilities and limitations, then must establish effective dyadic relationships with each so that two subgroups are formed. These are labeled " informal assistants " and " hired hands " in the VDL Model.

The Path-Goal Model 43 of leadership concentrates on the leader's role in motivating subordinates (Evans 1974; House 1971; House and Mitchell 1974). Leaders have a major impact on their subordinates' work goals and goal-directed performance through their management of positive and negative rewards for goal accomplishments and through their assignment of task to subordinates. Since within any workgroup, members have different desires and needs as well as different skills and abilities, leaders must be attuned to the differences among the group members to be able to influence and guide their behaviour most effectively.

Supervision and Leadership

Williams and Williams 44 conducted study on Peruvian workers in the electric light and power industry, which revealed that both blue collar and white collar workers were

^{43.} idem.

^{44.} Devis, op.cit., p. 132.

more satisfied with close supervision. They conducted the same study with the American workers, and observed the opposite findings.

Contrary to the wide spread impression that people will "goof off "unless a supervisor is breathing down their necks. The studies 45 showed that departments in which employees feel most free to set their own pace have above average productivity, while those in which employees felt least free to set their own pace have average productivity. Proving that freedom to set one's own work pace is directly related to productivity.

Set of investigations by Ganguli⁴⁶ on the relationship between closeness of supervision and the section (group) productivity in Indian Railway study has shown through findings which are quite opposite to the American findings. His findings do not substantiate less close supervision, and the greater freedom given to men, the greater is the chance of the shop producing more. Ganguli has been prompted to remark on the findings that one wonders whether the absence of relationship between closeness of

^{45.} Pigors and Myers, op.cit., p. 11.

^{46.} P. K. Ghosh and M. B. Ghorpade. 1986. <u>Industrial Psychology</u>. Bombay: Himalaya Publishing House, pp. 464-465.

supervision and shop productivity is peculiar to the railway workshops with their long tradition of governmental authoritarian management or whether it exists in a more general way.

Employee and Production Centered Leadership

In a field experiment, Moise and Reime 47 (1956) demonstrated that employee-centered behaviour actually created higher morale and higher productivity. Office managers in insurance offices were selected and trained to be employee-centered or production centered; performance and attitudinal measures were taken over the next year. The data clearly showed that employee-centered leaders were superior with regard to employee attitudes. Although productivity data tended to favour production oriented leaders, when the field experiment was terminated, the authors concluded that, had the experiment continued, the employee-centered leadership would have been more successful in long run.

Executive field studies by the Institute of Social Research at the University of Michigan 48 were conducted

^{47.} McCormick and Ilgen, op.cit., pp. 322.

^{48.} Pigors and Myers, op.cit.

under the direction of Rensis Likert. One of the findings of the research group is that there are significant differences in the leadership patterns of supervisors of high producing group and those of low producing groups. The former tends to be employee-centered concentrating their attention on the human aspects of their subordinates problems and on building effective work groups with high performance standards. The low producing supervisors are more production centered using pressure to get out the work, but neglecting human needs.

While both type of supervisors enforce the rules, arrange work and make work assignments. The employee centered recommended promotion, pay increase and kept them informed, and hear their grievances more often than the production-centered supervisors.

A study was conducted by Singh and Pestonjee 49 (1974) to observe the effect of production oriented type and employee oriented type of supervisors on the satisfaction of the employees. Fifty workers working under eight employee centered supervisors, and fifty workers working under eight production centered supervisors filled out a job satisfaction questionnaire consisting of four areas of job

^{49.} Saiyadain, op.cit., p. 147.

satisfaction i.e. job, management, personal adjustment, and social relations. The sample was drawn from Rajdhara Iron Ore Mines, Bhilai Steel Plant. Whether the supervisor belongs to employees oriented or production oriented type was identified on the basis of their reponses to a 60 item supervision orientation schedule. The over-all satisfaction (41.10) of employees under production oriented supervisors was found to be significantly lower than those under employees oriented supervisors ($\overline{X} = 46.96$). The subordinates working under employee oriented supervisors experienced greater satisfaction.

In other study Singh and Shrivastava⁵⁰ (1979) studied the effect of production and employee oriented supervisory style on the performance of blue collar workers. employees, half working under were collected on 200 production oriented and the half under employee oriented supervisors. The performance rating scale was used to get the measures of performances. The result showed significant difference in the performance of blue collar workers working under the two types of supervisors. The workers under employee oriented supervisors significantly higher $(\bar{X} = 47.40)$ on the performance rating scale when compared to those working under production oriented (X = 40.70).

^{50.} idem.

The leadership studies initiated in 1945 by the Bureau of Business Research at Ohio State University 51 attempted to identify leadership behaviour.

Although the major emphasis in the Ohio State Leadership Studies was on observed behaviour, the staff did develop the Leader Opinion Questionnaire (LOQ) to gather data about the self perception the leaders have about their own leadership style. The Leader Behaviour Description Questionnaire (LBDQ) was completed by the leaders' subordinates, superiors, and peers.

The Ohio State staff found that initiating structure and consideration were separate and distinct dimensions. The consideration includes :

- i. The leader finds time to listen to group members.
- ii. The leader is willing to make changes.
- iii. The leader is friendly and approachable. The initiating structure includes:
 - (a) The leader assigns group members to particular tasks.
 - (b) The leader asks the group members to follow standard rules and regulations.

^{51.} P. Hersey and K. H. Blanchard. 1977. Management of Organisational Behaviour. New Delhi: Prentice-Hall of India, pp. 94-95.

(c) The leader lets group members know what is expected of them.

The study revealed that a high score on one dimension does not necessitate a low score on the other. The behaviour of a leader could be described as any mix of both dimensions. Four quadrants were developed to show various combinations of initiating structure (task behaviour and consideration (relationship behaviour).

- i. Low structure and low consideration.
- ii. High structure and low consideration.
- iii. High consideration and low structure.
 - iv. High structure and high consideration.

Leader Effectiveness and Adaptability Description (LEAD)

A study. Was conducted during the years 1973-76 on the subject 'Lead self 'and 'Lead others 'at the centre of Leadership Studies. A sample of 2000 middle managers was considered for the study and interviews were taken. The interviews has not only included leaders in terms of his or her self-perception, but a sample of the leader's followers and their perception of the style of the leader.

In the study emphasis was made on 'two-style profiles'. The two-style profile includes either a basic style that encompasses two of the four possible style configurations or it represents a basic and a supporting style.

the four leadership style included:

Style 1 : High task and low relationship

Style 2 : High task and high relationship

Style 3 : High relationship and low task

Style 4 : Low relationship and low task

High task and low relationship is associated with telling. High task and high relationship is associated with selling. High relationship and low task is associated with participating. Low task and low relationship is associated with delegating.

Findings:

Style Profile 1 & 3: It is observed that people who have a style profile 1 and 3 with little flexibility to styles 2 and 4 generally view their subordinates with either theory X or theory Y assumption about human nature. The managers were found to express their subordinates as

'bad people' or 'good people', 'against me' or 'with me'.

The managers who adopt this style do little to develop the
potentials of the people they do not like.

The people who work for leaders with this style claim that if there is any change in their leader's style, with them it usually occurs in a movement from style 3 to style 1.

Style profile 1 & 4 : These leaders have some similarity to 1 & 3 style leaders. But rather than assessing people as good or bad in terms of personal attachment to them, the sorting mechanism for this kind of leader is often found to be competency. This kind of leader is quite capable of making disciplinary interventions, going in and turning around a situation. These type of leaders lack the developmental skills to take people from low level of maturity to higher level of maturity. Their style is either telling or delegating.

Style profile 2 & 3 : Such leaders do well working with people of average levels of maturity but find it difficult handling discipline problems and immature work groups, as well as delegating with competent people to maximise their development. This style is considered as safe style.

Style profile 1 & 2 : Such leaders tend to be able to raise and lower their socio-emotional support or relationship behaviour but often feel uncomfortable when they are providing the structure and direction. From the study, it is observed that this style profile tends to be characteristic of engineers who have become supervisors of other engineers but tend to be reluctant to give up their. engineering; salespersons who have become sales nmanager and still love to sell etc. These leaders often project " no one can do things as well as I can ".

It is often an extremely effective style for people engaged in manufacturing and production where managers have real pressures to produce.

Style profile 2 & 4 : This style seems to be charecteristic of managers who just do not feel secure unless they are providing much of direction, as well as developing a personal relationship with people in an environment charecterized by two way communication and socio-emotional support (high relationship behaviour). Only occasionally do these people find a person to whom they feel comfortable delegating. Such a person may not be able to complete the task. The leaders tend not to be successful in delegating in that they generally move from style 2 to style 4 without moving through style 3.

Style profile 3 & 4: These leaders tend to be able to raise and lower their socio-emotional support or relationship behaviour but often feel comfortable if they have ti initiate structure or provide direction for people. This style profile is appropriate for working with people who are having moderate to high level of maturity, it tends to create problems with people who are beconing less mature or inexperienced people who require more direction. This style tends to be representative of very effective top managers in organisational settings, where they have a mature, competent staff that needs little direction from the top.

Style profile of different levels of management: It is found that effective managers at the lower level i.e. supervisory management tend to have style profile 1-2. The supervisory management in industry include foremen and supervisors. There is an emphasis on productivity i.e. getting the work out. At the other end of management hierarchy, effective top management tend to have style profile 3-4. Rather than 'telling' and 'selling' they tend to engage in more 'participating' and 'delegating'. The subordinates usually have a high level of task-relevant maturity.

Another observation interms of the management hierarchy is that it is the middle managers who really have to wear ' both hats ' - they need the most flexibility. They have to be able to provide the structured style 1, 2, 3, and 4 i.e. telling, selling, participating and delegating depending upon the circumstances.

1.5 M/s Firth (India) Steel Company Limited

The company was incorporated in November 9th, 1962 as Firth Sterling Steel Company of India Limited with financial and technical collaboration of Firth Sterling Inc. Pittsburg, U. S. A. The company was established with the valuable efforts and initiative of Shri I. M. Pai, the founder. He was Managing Director cup Chairman of the company till the period February 1982.

The company's main objective was to manufacture and process high speed steel tools, valve steels and other high alloy constructional steel which were mostly imported. Now the same is manufactured in India as the indigenous alooy steel.

The company has set up its integrated manufacturing plants at Thane and Nagpur in three phases. Cold processing

in first phase, hot rolling, in second phase at Thane, and steel making in third phase at Nagpur.

The cold processing was commissioned in 1966 at Thane. The hot rolled high speed steel wire rods and other black bars were imported and processed by cold drawing, annealing and centreless grinding. In 1968, a Hot Rolling Mill was installed for rolling billets imported and purchased from other prime producers.

In 1968, the name of the company was changed as Firth (India) Steel Company Limited. In 1971, the company entered into technical collaboration with Firth Brown Ltd., Sheffield, the then, largest British Private sector in U.K.

Nagpur Plant : In 1975, a new plant was established by the company at Nagpur for melting, secondary refining, forging, and rolling of steel billets of high speed tools, valve, ball bearing and other high alloy constructional steel required by the Thane plant. The product range was also extended to include direct supply of billets to Forging industry.

The company benefitted imensely from the vast and enriched experience and expertise of the collaborators right

from equipment selection to standardisation of process parameters. The key technical personnel were also sent for extensive training both at Firth Sterling Inc., U. S. A. and Firth Brown Limited, U. K., production at Nagpur plant.

The production process started with primary melting of steel scrap and ferro-alloys in five tonnes H.B.B. Electric Arc Furnace. The other major production facilities installed include two Electroslag Refining Furnaces with Hot Slag Furnace supplied by Birlec U. K., and other reheating and annealing furnaces, one three tonne Russian make Pneumatic Hammer with two metric tonne electro-hydraulic manipulator, surface conditioning facilities and other ancillary equipments.

<u>Production Process</u>: The melting process is done by Eltro Flux Refining. Then the solidification is done in water cooled moulds. Heavy current is passed resulting in the temperature exceeding the melting point, this results in the formation of droplets of the metal, which filter through the slag and is collected in a pool under the slag.

The Electro Slage Refining system controls the solidification resulting in much improved quality.

The quality control is exercised from incoming raw materials to finished products through various stages. Emphasis is laid on the exact requirements of the customers. The laboratories at Thane and Nagpur works are provided with the entire range of equipments to ensure the quality products.

The resulting products through these stages of production process are round and square ingots.

Source of Finance: The company is public limited company. Therefore, the share capital is the main source to run the company. The company is having its account in Bank of Maharashtra, MIDC.

<u>Market</u>: Hindustan Aeronautics Limited, Nasik and Hindustan Machine Tools Limited, Bangalore are the main customers of the firm.

Employee Benefits : The employees get all the
statutory benefits stipulated under various statutes
applicable in the factory namely;

- The Factories Act, 1948.
- Bombay Labour Welfare Fund Act, 1953.
- Employees' State Insurance Act, 1948.
- Payment of Gratuity Act, 1971.

- Employees Provident Fund, Family Pension and Misc. Provisions Act, 1952.

Besides statutory benefits the other benefits available to the employees are:

- Credit Cooperative Society.
- Uniforms.
- Leave Travel Compensation once in year.
- House Rent.
- Group Insurance Scheme for the employees not covered under Employees State Insurance
 Scheme.

<u>Enactments</u>: Besides the above mentioned legislations the other legislations related with the human resources of the factory are:

- Payment of Bonus Act, 1965.
- Payment of Wages Act, 1936.
- Minimum Wages Act, 1948.
- Bombay Industrial Relation Act, 1946.
- Maharashtra Recognition of Trade Unions & Prevention of unfair labour practices
 Act, 1972.
- Equal Remuneration Act, 1976.

ORGANISATIONAL CHART

GENERAL MANAGER

TABLE 1.1

Shop-floor Human Resource Strength

Shop Floor Sections	Executives	Supervisor	Skilled Workers	Semiskilled Workers	Unskilled Workers	Casual Workers
Steel Melting-	٤.	10	30	29	20	19
-Shop						
Forge Shop	2	7	∞.	13	Ф	, ∞
Rolling Mills	٣	∞	42	49	13	11
Electrosmelting-	н	. 2	7	i	m	H
Refining						
Laboratory	ഗ	6	13	i	ស	i
Maintenance	7	16	49	10	21	۲,
Total	21	47	149	101	71	46

TABLE 1.2

Service Departments' Human Resource Strength

Department	Staff	Supervisory Category	Executives
Personnel & H. R. D.	6	. 0	2
General Administration	. 6	1	1
Accounts	13	4	2
Purchase, Stores &	15	1	5
Transportation			
Planning, Development	2	2	1
& Sales			
Security	14	4	2
Total	56	12	13