# REVIEW OF LITERATURE

2.1 Leadership Style

2.2 Organisational Effectiveness

2.3 Job Characteristic

### REVIEW OF LITERATURE

The present chapter deals with the review of literature pertaining to leadership style aspects and also organisational effectiveness and job characteristics.

#### 2.1 LEADERSHIP STYLE

In every organisation, human beings are the most important factor. To make effective utilisation of the capacity of human resources depends upon its management. However, it is only possible, when a manager becomes their leader in the real sense, to influence their behaviour in desired direction. A successful organisation has one major attribute that sets it apart from an unsuccessful organisation, that is , dynamic and effective leadership. Thus, leadership is an essential ingredient for a successful organisation.

The mode of behaviour or the style or the approach displayed by a supervisor in his role may be called as his "Leadership Style". Different leadership patterns are adopted by supervisors about the different facets of leadership content at different situations.

David G.Bowers and Stanely E.Seashore (1966) have discussed four basic dimensions of leadership support, interaction, facilitation, goal emphasis and work facilitation. Their study reveals that conceptual model is useful when both leadership and effectiveness are multidimensional, then only leadership relation to organisation outcomes may be best studied.

Clifford P.Pias (1974) has made an attempt to evaluate the merits and demerits of major types of leadership in the light of industrial management. The most effective leadership in industrial relation is democratic style of leadership in as much as it allows to the subordinates to have their voice heard at every stage of decision making. The author asserts that, people will carry the work, even when the supervisor is not present is the greatest contribution of democratic leadership style.

In a study by Jayalaxmi Indirsen (1979) on the relationship between two types of leadership namely initiating structure and consideration and the satisfaction reported on various need areas namely, physical, social, esteem, autonomy and self actualisation. The result showed that there is positive and significant relationship between the perception of leadership style and reported satisfaction of different need areas. It Was observed that supervisory style seems to be more important for the satisfaction of social and other higher order needs than for the satisfaction of lower order physical needs.

The study conducted by P.Singh (1982) examines two controversies over leadership approach. The first advocates the leadership style to be contingent upon situational factors and second makes a strong case for developing a dominant style geared towards shaping, the situations rather than reacting to them. The study had been designed to examine the root cause of such a controversy by focusing on the assumptions embedded within the

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conceptual frame work supporting both approaches. The author concludes that, the dominant style of leadership as the sound managerial approach by presenting evidences from the changing socio, political and techno scenario.

T.N.Sinha and J.B.P.Sinha (1982) have sought to demonstrate the distinctiveness of the nurturant-task style, it's association with work values like team orientation, work commitment and personalised relationships and the supervisory (vis-a-vis productivity, satisfaction, etc.) of the nurturant-task participatory leadership sequencing over any other combination of authoritarian, participatory and nurturant-task leadership style.

R.P.Singh and Janak Pandey (1986) have observed that participative and authoritative are positive styles of leadership. Authoritative may substitute participative till conditions in an organisation do not permit but there is nothing very critical to suggest that participative style of leadership would not work till there is a change in the socio-cultural milieu of the Indian organisations.

G.K.Velecha (1987) highlights the various factors that go to make a leader viz, position, nature of the work involved, characteristics of followers, power, competence, commitment equity, courage and judgement. In the final analysis, he stated that, there are as many styles of effective leadership as there are effective leaders. Effective leaders have always played a pivotal role in enhancing the quality of life - in terms of providing better quality, goods, services and the quality of human in-

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teractions both within their own organisations and in the interactions of their organisations with the society at large.

R.Venkatapathy (1990) examines the perception of leadership styles and the climate created by practising such styles. The three leadership styles viz, Benevolent, Critical and Developmental show considerable promise from the application point of view among different organisations. The private and public sector executives differ on their leadership styles and therefore, the climate created through such styles is also different in various organisations.

#### 2.2 ORGANISATIONAL EFFECTIVENESS.

According to Mott (1972) organisational effectiveness is the ability of an organisation to mobilise its centres of powers for action, production and adaption, etc. Effective organisations are those that tend to produce more and adapt more easily to environmental and external problems than do other similar organisations. Thus effective organisations are characterised by higher production rate besides symbolic and behavioural adaptability and flexibility.

In Mahoney and Weitzels study (1969) managers tended to emphasis relatively concrete measures like productivity for assessing organisation subunits, while they tended to emphasis systematic variables like reliability for measuring the effectiveness of research and development units.

J.Singh (1978) has suggested that organisational effectiveness should be assessed in relation to the organisation's efficacy vis-a-vis acquisition of inputs, the process of transformation of inputs, and the deposition of outputs, as well as the organisation's ability to respond to feedback from environment.

The study conducted by Harold L. Angle and James L. Perry (1981) assess the organisational commitment and organisation effectiveness. Organisational commitment was found to be associated with organisational adaptability, turnover, and tardiness rate but not with operating costs or absenteeism. The research was designed to find systematic relationships between members commitment to their work organisations and several indices of organisational effectiveness. The results were rather mixed.

Sayeed and Mehta (1981) argued that, the values of managers may affect their perception of the organisations effectiveness. In their study, they have observed that modernity values of managers, such as, their equalitarianism and individualism, were significantly positively co-related with several rated indicator health such of organisational the organisations as ininvolvement and identification with the novativeness, job organisation, growth and effectiveness.

Ganesh (1980) argued that institution building process may significantly affect organisational effectiveness, such as organisational birth processes, inception and start up process, development processes, renewal processes, and institutionalisation process.

Managers tend to believe that different management characteristic and organisational processes contribute to organisational effectiveness and ineffectiveness (N.K.Singh, Kaul and Ahluwalia, 1983)

S.N. Biswas (1993) in his study of District Co-operative Banks and Regional Rural Banks on twenty six facets of organisational climate and eight dimensions of organisational effectiveness. The result showed that out of twenty six facets of organisational climate the organisations differed significantly on eleven facets, co-operative banks having significantly higher scores on eight facets. But only two dimensions of effectiveness showed significant differences between the organisations.

Rupali Bhardwaj and P.Khandelwal (1993) asserts that HRD is a key to organisational effectiveness. HRD has six items. They are appraisal systems, career systems, training systems, work systems, cultural systems, self renewal systems. These systems primarily concerned with individual employees relate to their appraisal, their advancement and their training. The systems concerned with development of the organisation would relate to management of work, management of culture and renewal of the organisation.

Qinn and Rohrbaugh (1983, 1981) categorised the literature of organisational effectiveness into four groups - the rational goal, the open system, the human relations effort and internal process.

In rational goal model, organisational effectiveness is measured on the basis of goals. (Scott 1977, Perrow 1979). Under the open system model, effectiveness is the acquisition of scarce resources from the environment (Yuchtman and Seashore, 1967), adjustment to externally induced changes (Tunnenbaum, 1957) and satisfaction of various constituencies (Cyert and March, 1963). The criteria of the human relations approach are satisfaction, and moral of organisational members (Blacke and Mounton, 1969). The internal process approach has focused on the internal health of the organisation (Argyris, 1964), quality of routine organisational procedures (Brook, 1973) and efficiency (Cameron, 1981). In all the above four approaches organisational effectiveness was viewed from unidimensional perspective.

#### 2.3 JOB CHARACTERISITCS.

Job characteristics are considered as the backbone of workers motivation. Job characteristics include both intrinsic and extrinsic factors. Intrinsic factors are prestige of job, freedom to make decision, satisfaction, etc and extrinsic factors are job security, promotion, chance to meet new people, pay for the work done, etc. Job characteristics are identified in developing a congruence between individual need satisfaction and achievement of organisational goals.

Srivastav and Ganguly (1954) have studied factors influencing job characteristics. He preferred rank order technique to identify satisfaction among the industrial workers and concluded that, security and status had considered important factors as compared to supervisors and wages of job characteristics.

Desai (1969) in his study, of white and blue collar workers found that security and adequate earnings were important job characteristics in white and blue collar workers.

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Dolke (1974) argued that security and earnings are the basic conditions for Indian workers on any job characteristics. The existence of basic conditions induce workers to give expected production.

Based on Hackman and Oldham (1976) model, Vijaya Manerikar and Vankutai Patil (1983) have made an attempt to study Indian Managers' perception of job dimension. The result of the study shows that managerial job is lower on all the five core job dimensions as compared to a good profile.

Omerbin Sayeed and Rajaram Vishwanathan (1983) have shown that manufacturing organisations give high importance to job intrinsic factors and assign low importance to job extrinsic factors whereas non-manufacturing organisations show greater inclination for job extrinsic factors.

Rupande Padaki (1984) argued that job design and job characteristics are one and same. The job design has six core dimensions which increase the intrinsic motivation and satisfaction from the employees job. Job characteristic can keep good mental health, increase performance and minimise absenteeism and labour turnover.

Vaid (1967) showed that the perception of job characteristics also has an impact on other individual level process of the organisation, e.g. adjustment to the job and the amount of satisfaction one derives from the job. It was pointed out that workers' adjustment to their work was positively related to higher status and higher income. Similarly, Lambert (1963) while studying the hierarchy in organisations concluded that workers with a relatively higher status within the factory hierarchy and those working with more sophisticated technology were relatively satisfied.

In his study, Herzberg (1959) has shown that the intrinsic motivation loads to satisfaction with the employees' need for achievement, and responsibility. Whereas, the demotivating factors cause dis-satisfaction among the workers, such as absence of status, security and inadequate payments.

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