

UNIT III

Leadership: The Nature of Leadership – Behavior Approaches to Leadership Style – Contingency approaches to Leadership Style.

Individual and Interpersonal Behavior: Nature of Employee Attitudes – Effects of Employee Attitudes – Studying Job Satisfaction. Interpersonal Behavior: Conflict in Organizations – #Power and Politics#.

LEADERSHIP:



Leadership is essentially a continuous process of influencing behaviour. It may be considered in context of mutual relations between a leader and his followers. The leader tries to influence the behaviour of individuals or group of individuals around him to achieve desired goals.

A leader should have the ability to maintain good interpersonal relations with the followers or subordinates and motivate them to help in achieving the organizational objectives.

According to Livingston – ‘Leadership is the ability to awaken the desire to follow a common objective’.

According to C.I. Bernard – ‘Leadership is the quality of behaviour of the individuals whereby they guide people or their activities in organised efforts’.

According to Bernard Keys and Thomas – ‘Leadership is the process of influencing and supporting others to work enthusiastically towards achieving objectives’.



LEADER BEHAVIORS:

Leader behavior is generally grouped into two broad categories:

- **Task-Oriented Behaviors** (often referred to as *initiating structure*) - Task-oriented leaders are more controlling and provide detailed structure, rules, directives, and instruction to subordinates to define their roles and control their tasks in furtherance of organizational goals.
- **People-Oriented Behaviors** (often referred to as *consideration*) - People-oriented leaders focus on the well-being of the individual subordinate - their feels and sense of respect. This focus is evident in the leaders decision making and actions.

FEATURES OF LEADERSHIP:

- ✓ **Influence the behaviour of others:** Leadership is an ability of an individual to influence the behaviour of other employees in the organization to achieve a common purpose or goal so that they are willingly co-operating with each other for the fulfillment of the same.
- ✓ **Inter-personal process:** It is an interpersonal process between the leader and the followers. The relationship between the leader and the followers decides how efficiently and effectively the targets of the organization would be met.
- ✓ **Attainment of common organizational goals:** The purpose of leadership is to guide the people in an organization to work towards the attainment of common organizational goals. The leader brings the people and their efforts together to achieve common goals.
- ✓ **Continuous process:** Leadership is a continuous process. A leader has to guide his employees every time and also monitor them in order to make sure that their efforts are going in the same direction and that they are not deviating from their goals.

- ✓ **Group process:** It is a group process that involves two or more people together interacting with each other. A leader cannot lead without the followers.
- ✓ **Dependent on the situation:** It is situation bound as it all depends upon tackling the situations present. Thus, there is no single best style of leadership.

IMPORTANCE OF LEADERSHIP:

- ✓ **Initiating Action:** Leadership starts from the very beginning, even before the work actually starts. A leader is a person who communicates the policies and plans to the subordinates to start the work.
- ✓ **Providing Motivation:** A leader motivates the employees by giving them financial and non-financial incentives and gets the work done efficiently. Motivation is the driving force in an individual's life.
- ✓ **Providing guidance:** A leader not only supervises the employees but also guides them in their work. He instructs the subordinates on how to perform their work effectively so that their efforts don't get wasted.
- ✓ **Creating confidence:** A leader acknowledges the efforts of the employees, explains to them their role clearly and guides them to achieve their goals. He also resolves the complaints and problems of the employees, thereby building confidence in them regarding the organization.
- ✓ **Building work environment:** A good leader should maintain personal contacts with the employees and should hear their problems and solve them. He always listens to the point of view of the employees and in case of disagreement persuades them to agree with him by giving suitable clarifications. In case of conflicts, he handles them carefully and does not allow it to adversely affect the entity. A positive and efficient work environment helps in stable growth of the organization.
- ✓ **Co-ordination:** A leader reconciles the personal interests of the employees with the organizational goals and achieves co-ordination in the entity.
- ✓ **Creating Successors:** A leader trains his subordinates in such a manner that they can succeed him in future easily in his absence. He creates more leaders.
- ✓ **Induces change:** A leader persuades, clarifies and inspires employees to accept any change in the organization without much resistance and discontentment. He makes sure that employees don't feel insecure about the changes.

QUALITIES OF A LEADER:

- ✓ **Personality:** A pleasing personality always attracts people. A leader should also be friendly and yet authoritative so that he inspires people to work hard like him.
- ✓ **Knowledge:** A subordinate looks up to his leader for any suggestion that he needs. A good leader should thus possess adequate knowledge and competence in order to influence the subordinates.
- ✓ **Integrity:** A leader needs to possess a high level of integrity and honesty. He should have a fair outlook and should base his judgment on the facts and logic. He should be objective and not biased.
- ✓ **Initiative:** A good leader takes initiative to grab the opportunities and not wait for them and use them to the advantage of the organization.
- ✓ **Communication skills:** A leader needs to be a good communicator so that he can explain his ideas, policies, and procedures clearly to the people. He not only needs to be a good speaker but also a good listener, counsellor, and persuader.
- ✓ **Motivation skills:** A leader needs to be an effective motivator who understands the needs of the people and motivates them by satisfying those needs.
- ✓ **Self-confidence and Will Power:** A leader needs to have a high level of self-confidence and immense will-power and should not lose it even in the worst situations, else employees will not believe in him.
- ✓ **Intelligence:** A leader needs to be intelligent enough to analyze the pros and cons of a situation and take a decision accordingly. He also needs to have a vision and fore-sightedness so that he can predict the future impact of the decisions taken by him.
- ✓ **Decisiveness:** A leader has to be decisive in managing his work and should be firm on the decisions that are taken by him.
- ✓ **Social skills:** A leader should possess empathy towards others. He should also be a humanist who also helps the people with their personal problems. He also needs to possess a sense of responsibility and accountability because with great authority comes great responsibility.

LEADERSHIP STYLES:

- ✓ **Autocratic leadership style:** It refers to a leadership style where the leader **takes all the decisions by himself.**
- ✓ **Democratic leadership style:** It refers to a style where the leader **consults its subordinates before taking the final decision.**
- ✓ **Laissez-faire or Free-rein leadership style:** It refers to a style where **the leader gives his subordinates complete freedom to take the decisions.**

LEADER VS MANAGER:

A leader is someone whom people follow or someone who guides or directs others.

A manager is someone who is responsible for directing and controlling the work and staff in an organization, or of a department within it.

The main difference between the two is that a leader works by example, while *a manager dictates expectations. If a manager goes against the rules, that will tarnish his position as a manager.*

If a leader goes against the example he or she is trying to set, that will be seen as a setback.

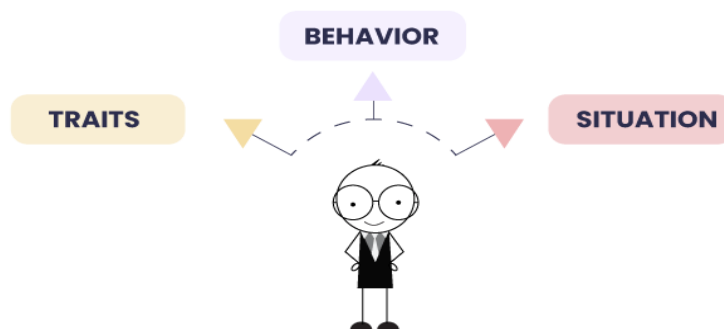
Following are a few subtle differences between the two:

- ✓ A leader is an innovator and creator whereas a *manager is a commander.*
- ✓ A leader can't be a manager but the opposite is possible, *a manager is more than a leader.*
- ✓ A leader does what is right, while the *manager makes things right.*
- ✓ A leader deals with change whereas a *manager plans for a change.*
- ✓ A leader gives direction to do something whereas the *manager plans for everything that is to be done.*
- ✓ A leader encourages people whereas the *manager controls people.*
- ✓ A leader handles communication, credibility, and empowerment whereas a *manager deals with organizing and staffing.*

EFFECTIVE LEADERSHIP SKILLS:

- ✓ **Model the way:** Create standards of excellence to set an example for others to follow
- ✓ **Inspire a shared vision:** Show people the possibilities for the future
- ✓ **Challenge the process:** Experiment and take risks to make meaningful improvements
- ✓ **Enable others to act:** Actively empower people to strengthen the whole team
- ✓ **Encourage the heart:** Celebrate the accomplishments of others
- ✓ By implementing these practices, you can strengthen your own skills as an organizational leader.

CONTINGENCY APPROACHES TO LEADERSHIP STYLE:



The contingency theory of leadership effectiveness states that leadership styles are dependent on the situation.

When determining distinct leadership styles, contingency theory highlights three main factors. They are as follows:

- ✓ Traits.
- ✓ Behavior.
- ✓ Situation.

What is Contingency Theory of Leadership?

- ✓ Contingency Theory of Leadership is a very special kind of approach which states that the success of a leader does not only depend on his abilities.
- ✓ There are many other factors relating to the work environment, company culture and employees which impact a manager's success in the process of leadership.

- ✓ Hence, his success is contingent on his roles. This model is given by Fiedler.
- ✓ That is why, many times, it is called as ‘Fiedler Contingency Model of Leadership’. Moreover,
- ✓ An integrated model of leadership has been proposed by George Terry.

Basis of Contingency Theory

The basis of this approach is quite simple. It states that people with different abilities can perform better in their respective fields.

The contingency theory of leadership is impacted by a range of specific factors in the average workplace, including:

- ✓ Maturity level of the employees
- ✓ Relationships between coworkers
- ✓ Work pace
- ✓ Management style
- ✓ Typical work schedule
- ✓ Goals and objectives
- ✓ Standards for behavior
- ✓ Company policies
- ✓ Employees’ work styles
- ✓ Employees’ morale

TYPES OF CONTINGENCY THEORIES:

- ✓ **Fred Edward Fielder, an Austrian-American psychologist** proposed the first comprehensive Contingency Theory of Leadership. Subsequent contingency theories emerged:
- ✓ **Hersey-Blanchards’** Situational Leadership Theory. and
- ✓ **Robert House’s** Path-Goal Theory.

THE DIFFERENT CONTINGENCY THEORIES IN DETAIL:

❖ FRED FIELDER’S CONTINGENCY THEORY [OR] LPC CONTINGENCY MODEL

This theory suggests that successful leaders exercise control over a situation that’s influenced by three distinct factors.

❖ **LEADER-MEMBER RELATIONS:**

- If you're well-liked and trusted by your team, you can communicate your ideas with greater conviction and it's easier for you to exercise effective leadership.

❖ **TASK STRUCTURE:**

- When there's a structured approach to work, your team finishes their work on time. A well-specified plan of action directs everyone to their goals.

❖ **POSITION POWER:**

The more power (and influence) you have over your team, the greater control you have over your situation to exercise successful leadership.

Fielder's Contingency Model also suggests two key leadership styles.

- ✓ **Task-oriented leadership:** You prioritize performance, structures, plans and schedules to get things done
- ✓ **Relationship-oriented leadership:** You foster positive relationships with your team, peers and coworkers by encouraging teamwork and collaboration

❖ **2. HERSEY-BLANCHARD CONTINGENCY THEORY**

Created by two leadership experts—Paul Hersey and Ken Blanchard, the Situational Leadership Theory suggests that no leadership style is superior to another. Instead of focusing on environmental factors, individuals should adapt their leadership style based on activities and relationships. The theory proposes different leadership styles:

- ✓ **Delegating Style**, where you allow your team to take responsibilities and make decisions.
- ✓ **Participating Style**, where you help those who struggle to meet their targets or lack the confidence to carry out responsibilities.
- ✓ **Selling Style**, where you communicate ideas and strategies in persuasive ways to boost your team's productivity.
- ✓ **Telling Style**, where you provide direction and closely monitor your team's progress.

❖ **PATH-GOAL CONTINGENCY MODEL:**

Developed by Robert J. House, a professor of leadership and organizational behavior, the Path-Goal Theory states that a leader must shed light on the path to a goal. In other words, an effective leader is someone who provides clear direction, sets big milestones and supports those pursuing their goals. There are various path-goal leadership styles.

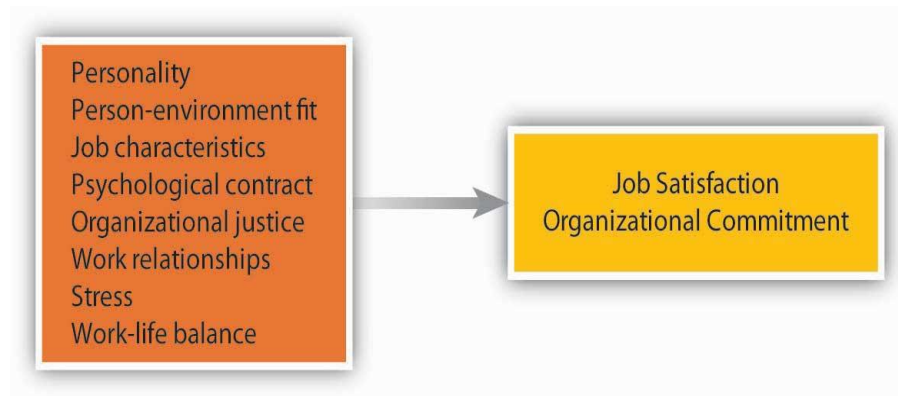


- ✓ **Directive Leadership:** You let your team know about your expectations and help them schedule work accordingly.
- ✓ **Supportive Leadership:** You treat everybody with equal importance and create a friendly and supportive work environment.
- ✓ **Participative Leadership:** You consult your team members during decision-making; this establishes trust between you and your team.
- ✓ **Achievement-Oriented Leadership:** You set challenging milestones and expect everybody to perform their best; you guide them wherever necessary.

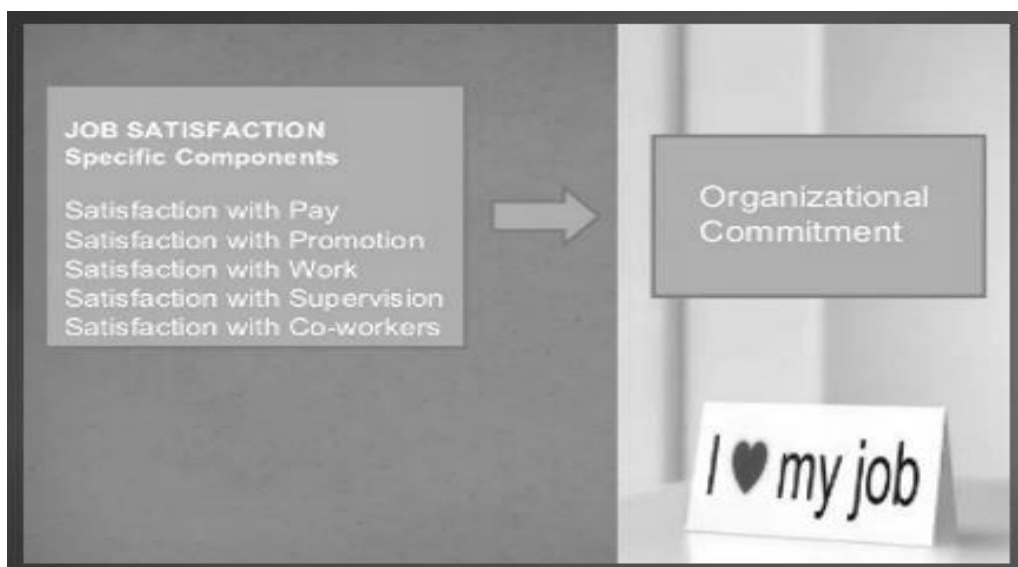
NATURE OF EMPLOYEE ATTITUDES:

- ✓ An attitude refers to our opinions, beliefs, and feelings about aspects of our environment. We have attitudes toward the food we eat, people we interact with, courses we take, and various other things. At work, two particular job attitudes have the greatest potential to influence how we behave.
- ✓ These are **job satisfaction** and **organizational commitment**.
- ✓ Job satisfaction refers to the feelings people have toward their job.
- ✓ Organizational commitment is the emotional attachment people have toward the company they work for.

The below Figure shows the Factors Contributing to Job Satisfaction and Organizational Commitment



JOB SATISFACTION



Employees consistently cite some factors as important to their job satisfaction. These include the following:

- Respectful treatment of all employees at all levels
- Compensation/pay
- Trust between employees and senior management
- Job security
- Opportunities to use their skills and abilities at work^[1]

- ✓ **According to Smith**, "Job satisfaction is an employee's decision of how fully his job has completed his complex needs".
- ✓ An employee who is happy with his job will always be positive plus he will be punctual, his absenteeism will be minimum, performance will be high, and his attitude towards his co-workers and manager will also be very true.

ORGANISATIONAL COMMITMENT

- ✓ It is a concept that has to do with the degree of commitment and loyalty that employees display towards employers.
- ✓ An employee identifies with a particular organisation and its goals and wishes to keep membership in the organisation.
- ✓ In such a setup the employee feels proud of being a part of a particular organisation.
- ✓ Whereas job involvement refers to identification with one's particular job, organisational commitment means identifying with one's employing organisation and its purposes.

THREE COMPONENTS OF ATTITUDE :

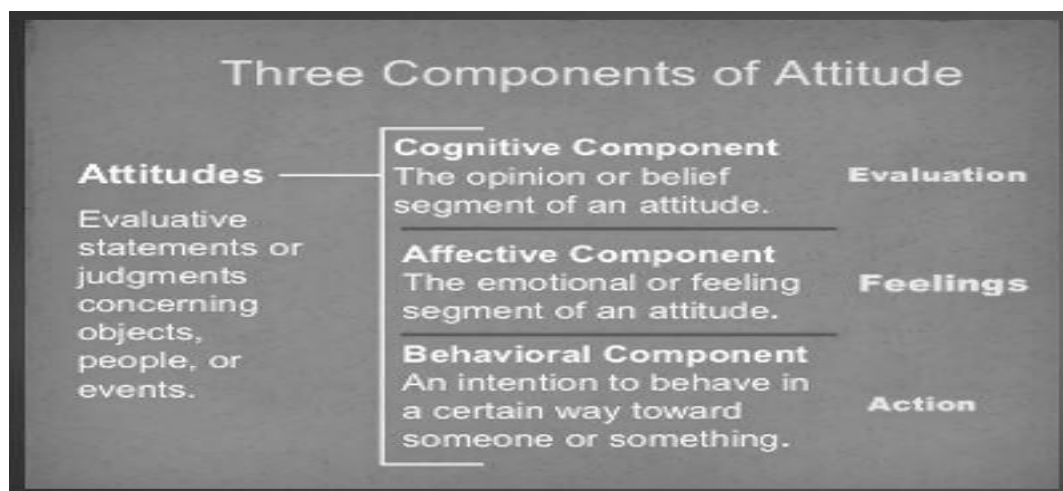
Attitudes Evaluative statements or judgments concerning objects, people, or events.

Cognitive Component: The opinion or belief segment of an attitude. (Evaluative)

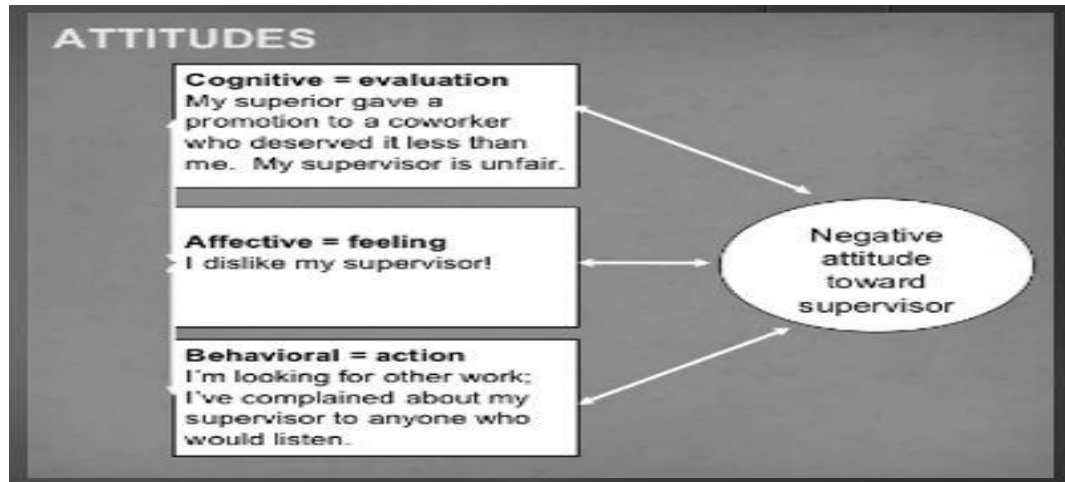
Affective Component: The emotional or feeling segment of an attitude. (Feelings)

Behavioral Component: An intention to behave in a certain way toward someone or something.

(Action)



ATTITUDES:



FUNCTIONS OF ATTITUDE (ACCORDING TO KATZ) :

- ✓ **The Adjustment Function.** Attitudes often help people to adjust to their work environment.
- ✓ **Ego-Defensive Function.** Attitudes help people to retain their dignity and self- image.
- ✓ **The Value-Expressive Function.** Attitudes provide individuals with a basis for expressing their values.
- ✓ **The Knowledge Function.** Attitudes provide standards and frames of reference that allow people to understand and perceive the world around him.

ORGANIZATIONAL CONFLICT:

Causes of Organizational Conflict

- ✓ **Managerial Expectations:** Every employee is expected to meet the targets, imposed by his/her superior and when these expectations are misunderstood or not fulfilled within the stipulated time, conflicts arises.
- ✓ **Communication Disruption:** One of the major cause of conflict at the workplace is disruption in the communication, i.e. if one employee requires certain information from another, who does not respond properly, conflict sparks in the organization.

- ✓ **Misunderstanding:** Misunderstanding of information, can also alleviate dispute in organization, in the sense that if one person misinterpret some information, it can lead to series of conflicts.
- ✓ **Lack of accountability:** If in a project, responsibilities are not clear and some mistake has arisen, of which no member of the team wants to take responsibility can also become a cause of conflict in the organization.

The causes of organizational conflict are to be known; to resolve them as early as possible, because it hinders the efficiency, effectiveness and productivity of the employees and the organization as well, which ultimately hampers its success.

FACTORS INFLUENCING ORGANIZATIONAL CONFLICT:

- ✓ **Unclear Responsibility:** If there is lack of clarity, regarding who is responsible for which section of a task or project, conflict takes place. And, to avoid this situation, the roles and responsibility of the team members should be stated clearly and also agreed upon by all.
- ✓ **Interpersonal Relationship:** Every member of an organization, possesses different personality, which plays a crucial role in resolving conflict in an organization. Conflicts at the workplace, are often caused by interpersonal issues between the members of the organization.
- ✓ **Scarcity of Resources:** One of the main reason for occurrence of conflict in an organization is the inadequacy of resources like time, money, materials etc. due to which members of the organization compete with each other, leading to conflict between them.
- ✓ **Conflict of Interest:** When there is a disorientation between the personal goals of the individual and the goals of the organization, conflict of interest arises, as the individual may fight for his personal goals, which hinders the overall success of the project.

Conflicts alleviate at the workplace due to **individual and inter-individual factors**.

- ✓ Individual related causes entails attitudes, beliefs, personality orientation and human-frailties.
- ✓ Inter-individual conflicts arises when a manager breaches norms of the organization.

Types of Organizational Conflict



- ✓ **Relationship Conflict:** The conflict arising out of interpersonal tension among employees, which is concerned with the relationship intrinsically, not the project at hand.
- ✓ **Task Conflict:** When there is a discord, among members regarding nature of work to be performed is task conflict
- ✓ **Process Conflict:** Clashes among the team members due to the difference in opinions, on how work should be completed, is called process conflict.

Organizational conflict can also be personal conflict (one that exist between two people because of mutual dislike), **intragroup conflict** (one arising out of lack of liberty, resource, etc. in a group) and **intergroup conflict** (one that exist between two groups).

WAYS TO MANAGE CONFLICTS IN ORGANIZATION:

- ✓ Handle the conflict positively.
- ✓ Formation of official grievance procedure for all members.
- ✓ Concentrate on the causes rather than their effect, to assess conflicts.
- ✓ Parties to conflicts should be given an equal voice, irrespective of their position, term or political influence.
- ✓ Active participation of all the parties to conflict can also help to counter it.

In an organization, conflict is inevitable and so various means are to be discovered to resolve them or use them in a way that can help the organization to increase its productivity.