

An Analysis of Leadership Style in Indian Organizations

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Abstract

India is one of the last countries of its size of business and industry left where we still have sons and great grand -sons of entrepreneurs automatically promoted to the top with no tests given or questions asked. There is thus management by inheritance or management by chromosomes with the result that most of the companies in India are highly centralized and family-oriented in their organizational structure and are authoritarian in their approach to their employees. Myer's from his interviews with industrialists, government officials, labor leaders and managers in both Indian and foreign-owned firms, concludes that though there are some exceptional companies, "many Indian top managements are relatively authoritarian in their relationships with lower managements and with labor.

Key word: Management, organization, leadership, employees, behavior.

INTRODUCTION

India is one of the last countries of its size of business and industry left where we still have sons and great grand –sons entrepreneurs automatically promoted to the top with no tests given or question asked. There is thus management by inheritance or management by chromosomes with the result that most of the companies in India are highly centralized and family oriented in their organization structure and is authoritarian in their approach to their

employees. Much Indian top management are relatively authoritarian in their relationships with lower managements and with laour.

LEADERSHIP STYLES

Leadership is the lifting of man's visions to higher sights, the raising of a man's performance to a higher standard, the building of a man's personality beyond its normal limitations.

The main characteristics of leadership

1. Leadership is a continuous process of influencing other's behaviour.
2. Leadership is basically a personal quality that enables leader to influence the subordinate's behaviour at work.
3. The success of a leader depends on the acceptance of his leadership by the followers. Of course, the situational variables also affect the effectiveness of leadership.
4. There is a relationship between leader and followers which arises out of functioning for a common goal.

FUNCTIONS OF LEADERSHIP:

Leadership functions of a manager are closely related with managerial functions he performs. Nonetheless, the leadership functions are somewhat different. As a leader, the manager has to perform some other functions as well. Following are the important ones:

Developing Team Work:

One of the primary functions of the leader is to develop and combine his followers competence, potential and needs, the leader needs to create a congenial and healthy working environment for his work- team.

Repressing the Team: In organizations, the leader serves as a linking-pin between his/her team members and management. As and when required, the leader communicates the problems and

grievances of his subordinates to the management, and also helps solve problems by participating in problem-solving process.

Counseling the Work Men

When team members face problems in doing their work, they seek guidance and advice from their leader. The problems may be technical or emotional in nature.

Managing Time:

One of the functions of the leader is to ensure the timely completion of activities undertaken by his/her team members .He has to appreciate the trite saying **a stitch in time saves nine.**

Using Proper Power:

Leader has to exercise his power and authority over his subordinates as per the demand of the situation .Exercise of power needs to stimulate positive response from the subordinates

Securing Group Effectiveness:

The manager leader needs to provide for a reward system to improve the efficiency of capable workman, delegate authority, and invite participation of employees in decision making. Availability of necessary and adequate resources and communicating necessary information to the employees also help leader secure effectiveness of group-effort.

LEADERSHIP STYLES

The ways the leader influences his/her followers is called Leadership styles.

There are three basic styles of leadership:

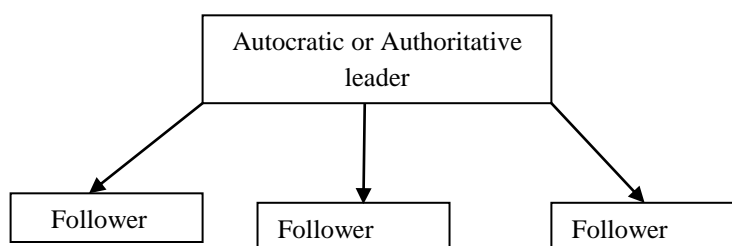
1. Autocratic or Authoritative style
2. Democratic or Participative Style
3. Laissez –Faire or Free-Rein Style

Autocratic or Authoritative Style:

In autocratic style, the leader centralizes power and decision-making in him/her. The leader commands complete control over the subordinates who are compelled to obey the orders. The subordinates have no opportunity to make suggestions or take part in decision-making function. The autocratic leader has little concern for the well –being of employees. In turn, employees have a tendency to avoid responsibility and try to work as little as possible. They also suffer from frustration and low morale.

The autocratic leadership style is subject to several limitations. The main ones are:

1. It results in low morale and job dissatisfaction.
2. Employees efficiency tends to decline over period.
3. Potential manager –leader employees do not get opportunity to exhibit their capabilities



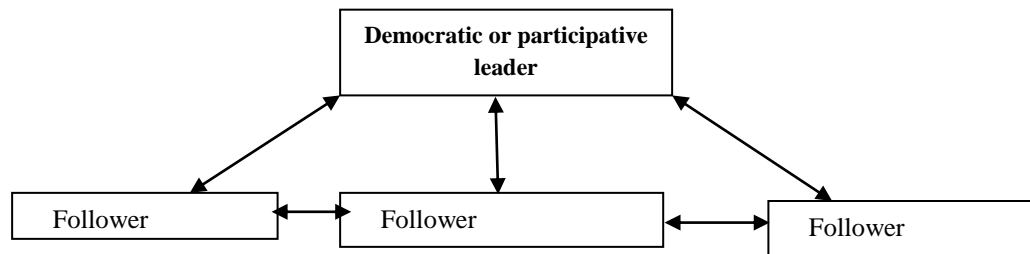
Democratic or participative style:

In democratic style of leadership, the leader takes decision in consultation with the subordinates. In other words, the subordinates participate in decision-making function. Hence, the style is also known as participate style. Participation in decision- making enables subordinates to satisfy their social and ego needs. It also makes them more committed to their organizations. Frequent interaction between the manager-leader and subordinates also helps build up mutual faith and confidence.

Several benefits offered by the democratic style of leadership are:

1. It gives opportunity to the subordinates to develop their potential abilities and assume greater responsibilities.

2. There is possibility that a few dominant subordinates may influence decision in their favour .
3. The responsibility for implementing decision cannot be fixed on an individual subordinate but on the whole group.
4. Sometimes the decisions taken become the distorted one because many cooks spoil the broth.

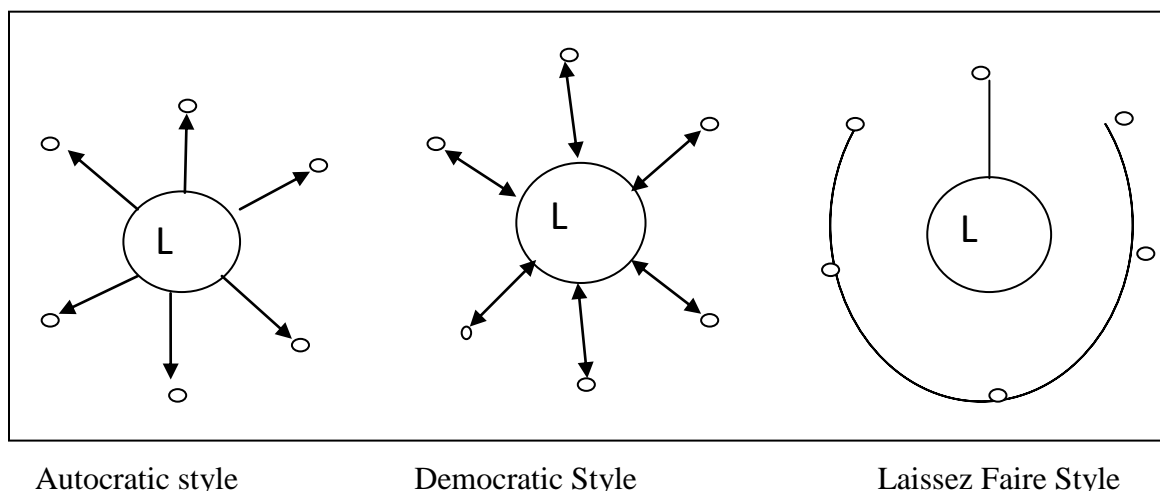


Laissez Faire Style

Laissez faire style is just the opposite of autocratic style. In laissez faire style, the manager-leader leaves decision-making to the subordinates. The leader completely gives up his/her leadership role. The subordinates enjoy full freedom to decide as and what they like. The biggest limitation of this style is that, due to full freedom to subordinates, it creates chaos and mismanagement in decision-making.

Nonetheless, laissez faire style is found suitable in the following situations when:

1. Leader is able to fully delegate the powers of decision-making to his/her subordinates.
2. Subordinates are also well competent and knowledgeable.
3. Organisational goals and objectives are well communicable to the employees.



LEADERSHIP STYLES IN THE INDIAN ORGANIZATIONS

Having known different leadership styles, now it seems pertinent to examine the leadership styles exercised in the Indian Organizations. We think that the review of research in leadership styles in India will help us know the leadership styles prevalent in the Indian Organizations. Here follows the same.

Myers in his study of leadership behaviour in both Indian and foreign owned organizations concludes that the most of the Indian top managers exercise relatively authoritarian style in their behaviour towards their subordinates. Another study of 56 top managers conducted by Rangaswamy and Helmic report that the Indian managers are more employee-oriented as compared to their American counterparts. This they attribute to the helpfulness and cooperation imbedded in the Indian culture and religion. Elhance and Agarwal in their study of 123 executives at various levels of management working in two private sector and two public sector companies find that 67% executives in private sector and 57% of them in public sector units adopt democratic style of leadership. The study of 280 managers working in two public sector and four private sector units by Singh and Das finds that bureaucratic style is the most predominant followed by the benevolent autocratic , developer and democratic in that order. That the top managers are more benevolent autocrat followed by democratic and developer and the middle and lower level managers are more bureaucratic followed by benevolent autocrat ; the

aged managers are more benevolent and the younger ones or more democratic are some of the interesting findings of the study. The study further reports that more the managers are exposed to the formal management education, more they are democratic in their leadership style. Similar results are reported by Jagg also in his study of 120 managers. He indicates that leadership style is influenced by various factors such as age of the managers, their levels and responsibilities, and the size and structure of the organizations. Accordingly, the younger managers in the bigger organizations are less authoritarian while the managers in the production and technical arrears are more authoritarian in their styles. Similarly, Gupta in his Study of leadership styles also concludes that serious variables such as organizational culture, one's confidence in own plans, probability of success and relative importance of task undertaken affect the style a leader will actually adopt.

SUMMARY

Leadership impacts significantly on employee performance and participative leadership styles helps to improve performance among employee. That there is good delegation of power and responsibility to the employee of the organization to enhance their service delivery. There is good incentive to enhance employee performance in the organization. This is so because without good welfare package it will preclude the organization to satisfy the public. That there is excellent means of. Communication between the superiors and the subordinates to ensure free flow of work. Modern communication gadgets have helped to make this possible. The organization set goals and targets for the employees to meet and often pushes the employees to meet up schedules. That there is increased performance of an activity in the organization during the period under study and this is occasioned by good working condition, improved salary and other incentives.

CONCLUSION

This study has shown that for any organization to survive, appropriate impact of leadership on the employee must be followed. It is hoped that the presentation of leadership in this study will contribute to the better understanding of the need for adopting of democratic, participative leadership in an organization, which will enhance organizational effectiveness. It was inferred that democratic or participative types of leadership is the best of all the leadership styles because of the benefits that will be derived from it by the employees amid the overall

result to the organization as a whole. The study also shows that it is necessary to effect changes in impact of leadership when the need arises in an organization in order to enhance performance.

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