Survey on “Leadership traits on decision making style of Managers of Private Companies”

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ABSTRACT

A Leader is a person guides and directs other people. He analyse the objectives of the group and directs each and every team member towards it's attainment. In today's scenario it is mandatory for all managers to perform the function of leadership in an efficient manner so as to lead the subordinates towards the definite direction. Leadership is a psychological process of influencing subordinates or people to attain specific objectives. Though it is possible that a manager may sometimes be effective in one situation but can be ineffective in other situation. Leadership is that part of a manager's job by which he influences the behaviour of his subordinates towards the desired goal. Hence to be effective, a leader should change his leadership skills and style depending upon the situation. In this work we investigated leadership behaviour of managers of Private companies and compared it with the leadership traits of the managers of non private (government) companies. The study helps in determining the role of leadership traits and styles in attainment of organisational goals. However the study is based on secondary data.

Keywords: Outgoingness, Emotional Stability and Assertiveness

INTRODUCTION

Martin (1975) conducted a study on selected personality traits as predictors of effective administrative performance and found that personality variables on the 16 PF are not powerful enough to adequately distinguish between varying personality structure of effective and ineffective administrators. Winston (1976) investigated the relationship of personality characteristics though not with administrative behaviour, yet a part of it, the decision making style. By administering the tools MMPI and Winston Decision Making Model he arrived at the conclusion that a significant correlation did not exist, between deviation from decision making norms and norms indicative of emotional stability. Avolio, Bass, and Jung (1999). Spinelli (2006) suggested leaders who demonstrate competency in various leadership styles manage workers more effectively within complex organizations. In fact, his study indicated that subordinates who are influenced by leaders tend to contribute extra effort toward their assigned work tasks. Carlen, & Schulz, 2006, Chahal & Kohli, (2006) Hirtz, Murray, and Riordan (2007) asserted that an important component of transformational change is leader behavior. Behavior a leader adopts upon initiation of a systemic change can define the tone of project progress through both planned and unexpected situations, as well as ultimate success. Ballou, Godwin, & Shortridge, (2003), Kontogiorghes( 2005), Lines (2004); Schraeder, Swanides, & Morrison, (2006) VanDam (2005) has been conducted on the role of employees in creating successful change. Employee contribution directly affects the success or failure of innovative change within organizations and is as important as the leadership role. Spinelli (2006) had specifically examined the relationship between leadership style and leader choices during strategic change is minimal. With the barrage of decisions made within brief time periods and uncertain environments, leaders must develop a clear understanding of the effects of their decisions on the success of technology implementation.
Leadership vs Managership

"Management" is the art of getting work done through others. It refers to planning, organising, directing, controlling the organisational operations to realise certain goals. While "Leadership" is a process of influence, which means the ability to affect the perceptions, attitudes or behaviour of others. Many people think that leadership is an essential part of management. According to the words of Theo Haimann

"Leadership is the process by which an executive imaginatively directs, guides and influences the work of others in choosing and attaining specified goals by mediating between the individuals and the organisation in such a manner that both will attain maximum satisfaction"

A manager has to perform all the functions of management but all work done by a leader may not be management activities. A manager can be a week leader and still be an acceptable manager, especially if he happens to manage people who have strong inner achievement drives. But usually, it is essential that a person to be an effective manager must also be an effective leader. It is a part of management but not all of it. Thus it is a very common statement followed in today's scenario.

" A manager in order to be successful has to be an efficient leader "

Need of the Hour

One has to choose the nature and type of leadership to inspire people. According to Burns the more traditional transactional leadership involves an exchange relationship between leaders and followers, but transformational leadership is based more on leaders, shifting the values, beliefs and need of the followers. Exhibit 1 will summarise the characteristics and approaches of transactional versus transformational leaders.

EXHIBIT 1

<table>
<thead>
<tr>
<th>Transactional Leaders vs Transformational Leaders</th>
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</thead>
<tbody>
<tr>
<td><strong>Transactional Leaders</strong></td>
</tr>
<tr>
<td>1) Contingent Reward- Contracts, exchange of rewards for effort, promises reward for good performance, recognizes accomplishments</td>
</tr>
<tr>
<td>2) Management by Exception ( Active)- watches and searches for deviations from rules and standards, takes corrective action</td>
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<tr>
<td>3) Management by Exception ( Passive)- intervenes only if standards are not met</td>
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<tr>
<td>4) Laissez faire- Abdicates responsibilities, avoids making decisions.</td>
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<tr>
<td><strong>Transformational Leaders</strong></td>
</tr>
<tr>
<td>1) Charisma- Provides vision and sense of mission, instills pride, gains respect and trust</td>
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<tr>
<td>2) Inspiration- Communicates high expectations, uses symbols to focus efforts, expresses important purposes in simple ways.</td>
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<td>3) Intellectual Stimulation - Promotes intelligence, rationality and careful problem solving</td>
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<td>4) Individual consideration- Gives personal attention, treats each employee individually, coaches, advises.</td>
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</tbody>
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STUDY & ANALYSES

In this work we investigated leadership behaviour of managers of different companies and its correlates and found that effective leadership was significantly related to the four personality factors, viz., outgoingness, intelligence, emotional stability and assertiveness. The findings of the study indicate that administrative behaviour depends on the size of staff, the personality types of managers, the facilities, the expectation of the staff and administration and other factors. These factors all interest in an intricate and enigmatic way to bring about administrative behaviour. Administrative behaviour is therefore, a combination of a number of determining factors which is often unpredictable from one situation to another. Leadership behaviour of managers in relation to their personality and the climate of their organization and reported that there were significant positive relationships between organizational climate and all the different dimensions of LBDQ and there were no significant relationships between organizational climate and factors A,C,E,H,N,O,Q1,Q2,Q3 and Q4 of 16 PF. The managers showing effective administrative behaviour were less dogmatic than those with less effective administrative behaviour. The personality of the subordinate workers was significantly related to their perception of the effectiveness of the administrative behaviour of their managers. A difference, not so much in dimension but reasonably high in magnitude, is seen in the overall personalities of managers and executives. In the private companies are mature and confident people being tough-minded and hard-headed, yet tolerant of people, dealing in mild and conventional ways, are sober and quite and not so socially-oriented, showing a serious, self-restrained and calculated approach towards everything they do. Whereas managers in the non private or government companies are warm, friendly and sociable with a preference for social activities and high expectation of themselves. It has been identified flaws including lack of trust in subordinates, lack of inspiring trust from subordinates, lack of commitment and aggressive selfish behaviour and reported that such flaws can bring about disaster for the success of administrator and for the organization.

CONCLUSION

Table Relationship between administrative success and Leadership traits of managers in Private companies. (N=100)

<table>
<thead>
<tr>
<th>S. NO</th>
<th>VARIABLES</th>
<th>'r'</th>
<th>LEVEL OF SIGNIFICANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>ADMINISTRATIVE SUCCESS</td>
<td>+0.521</td>
<td>0.01</td>
</tr>
<tr>
<td>2</td>
<td>LEADERSHIP TRAITS</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

df 98

Table shows that coefficient of correlation (+0.521) was found for the scores of creative Leadership and administrative success of managers of Private companies. The obtained “r” value is significant at 0.01 level with df 98. It means creative leadership and administrative success of managers of private companies were highly and positively related with each other. It further means that increase or decrease in the scores of creative personality led to the increase or decrease in the scores of administrative success of managers of private companies and vice-versa. This suggests that in case of private companies managers creative personality & leadership skills was a strong correlate of their administrative success.

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