

CONCEPTUAL STUDY ON LEADERSHIP AND MANAGEMENT PRACTICES IN THE ORGANIZATION

Dr.GNedumaran

Professor, Department of Commerce

ALAGAPPA UNIVERSITY.

C Rani

Research Scholar, Alagappa Institute of Management

ALAGAPPA UNIVERSITY.

1. Abstract:

Leadership and management must go hand in hand. They are not the same thing. But they are necessarily linked, and complementary. Any effort to separate the two is likely to cause more problems than it solves. Still, much ink has been spent delineating the differences. The manager's job is to plan, organize and coordinate. The job of managing is getting harder. The challenges of 21st century leadership and management include working in an environment of constant change and the increasing complexity of organizational structures. Managers must also deal with a tough economic climate and growing international competition. New technologies, the knowledge economy and the rise of social media, greater transparency, rising consumer demands and environmental resource concerns all add to a potent and complex mix of challenges that managers must negotiate to be successful. Successive studies have shown that getting the right mix of inspirational leadership and effective management skills and practices can have a significant impact on organizational performance in terms of profit, sales, growth and survival. Leadership and management are skills that can be successfully developed. Those organizations that nurture and fully utilize management potential by introducing progressive management strategies for handling change, increasing employee engagement and developing the skills of their workforce, can reap significant rewards in terms of productivity, growth and long-term business success.

Keywords: Leadership qualities, Management practices, Productivity, Growth and Long-term Organization Success.

2. Introduction

The recent Government Growth Review emphasized the role of good leadership and management in helping to achieve sustainable economic prosperity and growth. This applies to all organizations, regardless of size, sector or location. Strong leadership and management is a key factor in fostering innovation, unlocking the potential of the workforce and ensuring organizations have the right strategies to drive productivity and growth.

Too many of our organizations, both private and public, are failing to achieve their full potential: managerial shortcomings and a lack of strategic thinking are holding them back. Overcoming these weaknesses and improving our leadership and management capability is fundamental to creating a culture where more organizations have the ambition, confidence, resilience and skills to respond to the current economic challenges and compete

successfully both nationally and globally. Arguably, these strengths become still more vital as economies become more advanced and more dynamic.

Employers have to be the driving force behind any improvements, taking a critical look at their current leadership practices, being prepared to make changes and where necessary invest more, and more wisely, in management skills. For organizations that are prepared to take action the potential gains are clear: improved survival rates, better employee motivation and well-being, and increased profitability and performance.

Leadership is a process by which a person influences others to accomplish an objective and directs the organization in a way that makes it more cohesive and coherent. This definition is similar to Northouse's (2007, p3) definition. Leadership is a process whereby an individual influences a group of individuals to achieve a common goal. Leaders carry out this process by applying their leadership knowledge and skills. This is called Process Leadership (Jago, 1982). However, we know that we have traits that can influence our actions. This is called Trait Leadership (Jago, 1982), in that it was once common to believe that leaders were born rather than made. While leadership is learned, the skills and knowledge possessed by the leader can be influenced by his or her attributes or traits; such as beliefs, values, ethics, and character. Knowledge and skills contribute directly to the *process* of leadership, while the other attributes give the leader certain characteristics that make him or her unique. Skills, knowledge, and attributes make the *Leader*, which is one of the

3. Literature review:

Leadership is the art or process of influencing people to perform assigned tasks willingly, efficiently and effectively. Enabling people to feel they have a say in how they do something results in higher levels of job satisfaction and productivity. By effectively planning and controlling the people and processes for which they are responsible, managers provide a positive and professional environment. This can generate similar attitudes in their teams. This engagement of employees is a powerful asset in growing a business. However, research carried out by the UK government indicates that employee engagement is low in many UK workplaces. As many as one in five employees in UK establishments are disengaged. This can lead to absenteeism and failure to complete tasks or achieve targets.

4. Leadership in Management:

Management practices here are defined as the approaches and techniques used to improve company performance, focusing specifically on operations management, performance & target management (organizational alignment) and human resource (talent) management/workforce development. Management practices are an important component of business leadership—good leaders are those that can align their organizations behind common goals and can effectively develop their workforces. As highlighted in the May Board paper 'Leadership, Ambition and Business Growth', leadership, organizational development, employee engagement and workforce development (skills utilization) are all interconnected. Concepts of Leadership I used to think that running an organization was equivalent to conducting a

symphony orchestra. But I don't think that's quite it; it's more like jazz. There is more improvisation. Warren Bennis Good leaders are made not born. If you have the desire and willpower, you can become an effective leader. Good leaders develop through a never ending process of self-study, education, training, and experience (Jago, 1982). This guide will help you through that process. To inspire your workers into higher levels of teamwork, there are certain things you must be, know, and, do. These do not come naturally, but are acquired through continual work and study. Good leaders are continually working and studying to improve their leadership skills; they are NOT resting on their laurels.

As a Leader You must have an honest understanding of who you are, what you know, and what you can do. Also, note that it is the followers, not the leader or someone else who determines if the leader is successful. If they do not trust or lack confidence in their leader, then they will be uninspired. To be successful you have to convince your followers, not yourself or your superiors, that you are worthy of being followed.

Different people require different styles of leadership. For example, a new hire requires more supervision than an experienced employee does. A person who lacks motivation requires a different approach than one with a high degree of motivation. You must know your people. The fundamental starting point is having a good understanding of human nature, such as needs, emotions, and motivation. You must come to know your employees' *be, know, and do* attributes.

You lead through two-way communication. Much of it is nonverbal. For instance, when you "set the example," that communicates to your people that you would not ask them to perform anything that you would not be willing to do. What and how you communicate either builds or harms the relationship between you and your employees.

All situations are different. What you do in one situation will not always work in another. You must use your judgment to decide the best course of action and the leadership style needed for each situation. For example, you may need to confront an employee for inappropriate behavior, but if the confrontation is too late or too early, too harsh or too weak, then the results may prove ineffective. Also note that the *situation* normally has a greater effect on a leader's action than his or her traits. This is because while traits may have an impressive stability over a period of time, they have little consistency across situations (Mischel, 1968).

5. Leadership Theories:

5.1. Bass' Theory of Leadership:

Bass' theory of leadership states that there are three basic ways to explain how people become leaders (Stogdill, 1989; Bass, 1990). The first two explain the leadership development for a small number of people. These theories are:

- Some personality traits may lead people naturally into leadership roles. This is the Trait Theory.

- A crisis or important event may cause a person to rise to the occasion, which brings out extraordinary leadership qualities in an ordinary person. This is the Great Events Theory.
- People can choose to become leaders. People can learn leadership skills. This is the Transformational or Process Leadership Theory. It is the most widely accepted theory today and the premise on which this guide is based.

5.2. Corporate Governance

Corporate Governance is fascinating, hugely dynamic, and very far-reaching. It grew as a concept in response to increasingly serious corporate scandals of the late 1900s, and remains strongly concerned with these areas of corporate risk. The ideas surrounding Corporate Governance are increasingly useful for small organizations as well as the very biggest. Corporate Governance also offers interesting perspectives for leadership, authority, ego, wealth creation, greed, risk, responsibility, ethics, morality, etc., and how these issues reconcile or conflict with organizational and market dynamics, and the needs of society, environment, quality of life, economic health, etc.

5.3. The Psychological Contract

The Psychological Contract is an increasingly relevant aspect of workplace relationships and wider human behavior. The Psychological Contract is a deep and varied concept and is open to a wide range of interpretations and theoretical studies.

5.4. Maslow's Hierarchy of Needs

Each of us is motivated by needs. Our most basic needs are inborn, having evolved over tens of thousands of years. Only when the lower order needs of physical and emotional wellbeing are satisfied are we concerned with the higher order needs of influence and personal development.

5.5. Love and Spirituality in Management and Business

Love in business and work means making decisions and conducting oneself in a way that cares for people and the world we live in. So why is love (or spirituality) such a neglected concept in business? It hasn't always been so.

5.6. Organizational Change, Training and Learning

Modern principles for organizational change management and effective employee training and development. These principles are for forward-thinking emotionally mature organizations, who value integrity above results, and people above profit. This is not to say that results and profit don't matter, of course they do. The point is that when you value integrity and people, results and profit come quite naturally.

6. Principles of Leadership:

To help you *be*, *know*, and *do*, follow these eleven principles of leadership (U.S. Army, 1983). The later chapters in this Leadership guide expand on these principles and provide tools for implementing them:

1. **Know yourself and seek self-improvement** - In order to know yourself, you have to understand your *be*, *know*, and *do*, attributes. Seeking self-improvement means continually strengthening your attributes. This can be accomplished through self-study, formal classes, reflection, and interacting with others.
2. **Be technically proficient** - As a leader, you must know your job and have a solid familiarity with your employees' tasks.
3. **Seek responsibility and take responsibility for your actions** - Search for ways to guide your organization to new heights. And when things go wrong, as they often tend to do sooner or later — do not blame others. Analyse the situation, take corrective action, and move on to the next challenge.
4. **Make sound and timely decisions** - Use good problem solving, decision making, and planning tools.
5. **Set the example** - Be a good role model for your employees. They must not only hear what they are expected to do, but also see. *We must become the change we want to see* – Mahatma Gandhi
6. **Know your people and look out for their well-being** - Know human nature and the importance of sincerely caring for your workers.
7. **Keep your workers informed** - Know how to communicate with not only them, but also seniors and other key people.
8. **Develop a sense of responsibility in your workers** - Help to develop good character traits that will help them carry out their professional responsibilities.
9. **Ensure that tasks are understood, supervised, and accomplished** - Communication is the key to this responsibility.

7. Goals, Values, and Concepts

Leaders exert influence on the environment via three types of actions:

- The goals and performance standards they establish.
- The values they establish for the organization.
- The business and people concepts they establish.

Successful organizations have leaders who set high standards and goals across the entire spectrum, such as strategies, market leadership, plans, meetings and presentations, productivity, quality, and reliability. Values reflect the concern the organization has for its employees, customers, investors, vendors, and surrounding community. These values define the manner in how business will be conducted. Concepts define what products or services the organization will offer and the methods and processes for conducting business. These goals, values, and concepts make up the organization's *personality* or how the organization is observed by both outsiders and insiders. This personality defines the roles, relationships, rewards, and rites that take place.

8. Roles and Relationships

Roles are the positions that are defined by a set of expectations about behaviour of any job incumbent. Each role has a set of tasks and responsibilities that may or may not be spelled out.

Roles have a powerful effect on behaviour for several reasons, to include money being paid for

the performance of the role, there is prestige attached to a role, and a sense of accomplishment

or challenge. Relationships are determined by a role's tasks. While some tasks are performed alone, most are carried out in relationship with others.

9. Culture and Climate

There are two distinct forces that dictate how to act within an organization: **culture** and **climate**. Each organization has its own distinctive culture. It is a combination of the founders, past leadership, current leadership, crises, events, history, and size (Newstrom, Davis, 1993). This results in *rites*: the routines, rituals, and the “way we do things.” These rites impact individual behaviour on what it takes to be in good standing (the norm) and directs the appropriate behaviour for each circumstance.

- How well does the leader clarify the priorities and goals of the organization?
- What is expected of us?
- What is the system of recognition, rewards, and punishments in the organization?
- How competent are the leaders?
- Are leaders free to make decisions?
- What will happen if I make a mistake?

Organizational climate is directly related to the leadership and management style of the leader, based on the values, attributes, skills, and actions, as well as the priorities of the leader. Compare this to “ethical climate” — the feel of the organization about the activities that have ethical content or those aspects of the work environment that constitute ethical behavior.

10. The Process of Great Leadership:

The road to great leadership (Kouzes & Posner, 1987) that is common to successful leaders:

- **Challenge the process** - First, find a process that you believe needs to be improved the most.
- **Inspire a shared vision** - Next, share your vision in words that can be understood by your followers.
- **Enable others to act** - Give them the tools and methods to solve the problem.
- **Model the way** - When the process gets tough, get your hands dirty. A boss tells others what to do; a leader shows that it can be done.

- **Encourage the heart** - Share the glory with your followers' hearts, while keeping the pains within your own.

11. Benefits of Good Leadership and Management:

- Organizations with a more qualified management workforce and a dedicated programme of management development perform better and have more sophisticated and higher quality produce market strategies. The Department for Education and Skills' 2002 research paper, "Managerial Qualifications and Organizational Performance", identified the following key findings: Better qualified managers are associated with a better qualified workforce.
- Highly qualified managers are more innovative. They appetizing products, while less qualified managers are more likely to be engaged in increasing the efficiency of the production of existing products and services.
- Management proficiency and performance appear to be positively linked (although this is a two-way relationship). Investing in leadership and management development is clearly important, but organizations must also ensure that any investment finances activities that support operational objectives and have practical applications in the workplace. Research published in 2012 by the Chartered Management Institute and Penna found significant links between the ways in which employers implemented management and leadership development activities and their overall organizational performance.
- The study – based on a major survey of almost 4,500 managers, including 300 CEOs and 550 HR managers – showed that a range of factors were clearly associated with high performance organizations. Such organizations appear to take a more strategic view of management development, with three factors identified as particularly important.
- Commitment to Management and Leadership Development (MLD) – driven by the CEO and senior management.
- HR practices that reinforce MLD – such as performance management, leadership succession planning and competency frameworks.
- Alignment between business strategy and HR strategy – managers' skills are clearly developed to drive business results.
- These factors were found to be associated with a 23 per cent variation in organizational performance measures. The commitment of senior leaders alone, demonstrated through their actions and behaviours, was associated with a 21 per cent difference in 'people performance' measures.

12. Conclusion

We have asserted that people, organizations, management, and leadership are all important to scalability. People are the most important element of scalability, as without people there are no processes and there is no technology. The effective organization of your people will either get you to where you need to be faster or hinder your efforts in producing scalable systems.

Management and leadership are the push and pull, respectively, in the whole operation. Leadership serves to inspire people to greater accomplishments, and management exists to motivate them to the objective.

13. REFERENCES:

- 1 Bosworth, D.L., R. Davies and R.A. Wilson (2002). Skills, High Level Work Practices and Enterprise Performance. IER Research Report. University of Warwick.
- 2 McBain R, Ghobadian A, Switzer J, Wilton P, Woodman P, Pearson G, (2012), The Business Benefits of Management and Leadership Development, CMI and Penna.
- 3 HSE/CIPD/IIP, (2008), Management competencies for preventing and reducing stress at work. Research report. London: Health and Safety Executive.
- 4 CBI (2011), Healthy returns? Absence and workplace health survey 2011.
- 5 McBain et al (2012), The Business Benefits of Management and Leadership Development, CMI and Penna.
- 6 Bass, Bernard (1990). From transactional to transformational leadership: learning to share the vision. *Organizational Dynamics*, 18, (3), Winter, 1990, 19-31.
- 7 Ivancevich, J., Konopaske, R., Matteson, M. (2007). *Organizational Behavior and Management*. New York: McGraw-Hill Irwin.
- 8 Jago, A. G. (1982). *Leadership: Perspectives in theory and research*.