Chapter 2

Literature Review

2.1 Introduction
The earlier and modern management fundamental tasks remains the same: to make people capable of joint performance through common goals, common values, the right structure and the trainings and development they need to perform and to respond to ever changing trends. The historical background of management origin is very interesting. When Karl Marx was penning down for his great work on “Das Kapital” during 1850’s, the phenomenon of management in truest sense obtaining today was unknown. This was also reflected on the enterprises run by few managers.

Then during the early period and especially on the threshold of World War I & II, the management thinkers became more aware of management’s existence. Some of the most celebrated among early great management thinkers/contributors are: Chanakya or Kautilya (Arthashastra), Socrates, Plato, Henry Fayol (earliest Administrative Theorists), Woodrow Wilson (Wilsonian Dichotomy), F.W. Taylor (Pioneer of Scientific Theory), Elton Mayo (Industrial Sociologist-human behaviour and Motivational Theory), Abraham Maslow (Needs and Wants Theory), Douglas McGregor (Theory X and Y), Fredrick Herzeberg (Motivational aspects), Chris Argyris (Organizational Development), Rensis Likert (Group Objectives), Harold Koontz (Management Concept), Peter F. Drucker (US Management Guru) and many modern management experts like, Peter Senge, Stephen Covey, Alvin Toffler, Michael Porter, C.K. Prahalad, Gary Hamel, Michael Hammer, Eli Goldratt, Philip Kotter, John Naisbitt, Warren Bennis, John P. Kotter etc. are substantially shaping the present and future business scenario.

In this chapter, apart from evolution of management, modern management trends have been briefly included. HR architecture, HR strategic functions and HR systems have been discussed. Organizational development (OD), organizational excellence and allied aspects have also been covered. Finally, Six Sigma and HR Balanced Scorecard (BSC) have been discussed as powerful HR performance tools for achieving organizational dynamics.
2.2 Journey to Modern Management

Probably, the first ever organized business school, was established over hundred years before, in 1881, the 'Wharton School' at the University of Pennsylvania and later others, London and Manchester School followed suit and many in USA and UK and other countries. In India on the pattern of Harvard Business School (HBS) and MIT (Sloan), IIM Ahmedabad, IIM Calcutta etc. and later IIM Bangalore, IIM Lucknow, IIM Cochin, IIM Indore, and many others started with XLRI, Jamshedpur for personnel management since 1961 onwards. In India, initially it was a 'family run' business, and then presently it is professionally managed business corporate sectors/ institutions have come up for imparting formal education in management. Today, India can be legitimately proud of the professional management competencies as well as facilities, available for management education and specialized research. Later on, also various IITs, and some specialized institutes in specific fields imparting management and its technological aspects of education have come up.

Thus, we can observe that modern management has realized that in reality the systems are faced with instability and turbulence more rather than stability, which was the focus in the traditional management. Therefore, the crux of modern management is or should be to develop approaches to handle chaos and generate order out of the uncertainties. In all this, like 'man behind machine', the people that is 'human resources' are going to impart the much needed desired flexibility (Drucker, 2001).

2.3 Present Trends in Management

Some newer technology which has today created substantial dent in molding management is: Six-sigma philosophy and Balance Scorecard (BSC) technique. Before we discuss, these alongwith ‘organizational excellence’ for achieving maximum throughput of the organizations, Peter F. Drucker has given some salient points about modern day management in his last work of “The Essential Drucker”, (Drucker, 2001). These are:

- Management is about human beings: Its task is to make people capable of joint performance, to make their strengths effective and their weaknesses irrelevant.
- Because management deals with the integration of people in a common venture, it is deeply embedded in culture.
Every enterprise requires commitment to common goals and shared values. Management must also enable the enterprise and each of its members to grow and develop as needs and opportunities change. Every enterprise is composed of people with different skills and knowledge doing many different kinds of work—it must be built on communication and on individual responsibility. All members need to think through what they aim to accomplish and make sure that their associates know and understand that aim. Neither the quantity of output nor the “bottom line” is by itself an adequate measure of the performance of management and enterprise. Market standing, innovation, productivity, development of people, quality, and financial results—all are crucial to an organization’s performance and to its survival. Finally, the single most dominant factor to reckon is to remember about any enterprise is that ‘results exist only on the outside’. The result of a school is a student who has learned something and puts it to work 10 years later. Inside an enterprise, these are only costs.

2.4 Conceptual Dimensions of Management
Before, we embark upon some newer and modern management techniques, where business enterprises and public-service institutions as well function; there are three essential tasks (Drucker, 2002).

- Establishing the specific purpose and mission of the institution, whether business enterprises, hospital or university.
- Making work productive and the worker effective.
- Managing social impacts and social responsibilities.

Enterprises and institutions are finally organs of a society. An institution exists for a specific purpose and mission—it has a specific social function. In the business enterprise—this means economic performance.

2.4.1 Human Resource Management
Today the knowledge workers boom, learning individual/organizations, virtual organization and emerging HR trend, quality of worker life, TQM, EQM (Experience Quality Management) and HR functions, power of full engagement, HR score card etc.
are much talked about. ‘Man behind the machine’ is old dictum. E-business, e-commerce, e-intellectual property rights and even e-enlightenment etc. are talked about. Even in this e-era a computer industry veteran ENZO TORRESI once observed: “The only reason God was able to create the universe in six days was because he did not have to worry about the installed base”. (Sawhney et. al, 2001). The main challenges of HR functions have become more complex due to increase in education, easy availability of knowledge–workers-technological changes etc. The main crux of HR functions is thus, how to manage change and how to unleash/release the brain power of the people of the organization.

Before we embark upon emerging trends in HR, its strategical aspect, let us define what are HRM, HRD, HRP and HR Functions. In fact, modern HR functions, comprises all the above topics and HR Audit, HR information system etc.

Whole gambit-game plan of HRM or HR functions are (Refer Figure 2.1):

![Figure 2.1: Linkage Synergy](image)

Some of the definitions of the generic terms are given below:

**HRM:** “Human Resource Management” is the planning, organizing, directing and controlling the operative functions of procurement, development, compensation and maintenance of human resource of an organization’s goals or objectives.

**Strategic HRM:** “Strategic Human Resource Management is the linking of HRM with strategic goals and objectives in order to improve business performance and develop organizational cultures that foster innovation and flexibility.”(Dessler, 2002)

HR strategies refer to the specific HR courses of actions the company plans to pursue to achieve its aims. Also, HR is a strategic partner in that HR management works with other top managers to formulate the company’s strategy as well as to execute it.
2.4.2 Human Resource Development (HRD)

“Human Resource Development” is a continuous process to ensure the development of employees’ dynamism, effectiveness, competencies and motivation in a systematic and planned manner” (Pattanayak, 2001).

People are the most important and valuable resources of any organization. HRD aims at preparing people for performing roles, tasks or functions which they may be required to perform in the future as they go up on the organizational hierarchy or as the organization takes up new tasks through diversification, expansion and modernization. HRD also promotes team building, collaborative climate and tries to develop the potential of employees for likely future jobs/roles in the organization: HRD aims also, at identifying ‘competency gaps’ of employees and train them for present roles/activities and essentially motivating and leading them to perform the requisite jobs.

2.4.3 Human Resource Planning, Manpower Planning or Employment Planning

“Effective human resource planning is a process of analyzing an organization’s human resource needs under changing conditions and developing the activities necessary to satisfy these needs” (Pattanayak, 2001).

“HRD is the process by which an organization ensures that it has the right number and kinds of people, at the right place, at the right time, capable of effectively and efficiently completing those tasks that will help the organization achieve its overall objectives” (DeCenzo and Robbins, 1989).

Thus, it is observed that HRP defines the balance of demand and supply of human resource in the organizations, training and development (T&D) play an important role in instilling the culture while goal setting and appraisals make the culture performance oriented and enable it to operate with predictability, reward management reinforces the culture and succession planning helps in maintaining the culture. Retention of human resources today is considered more important than earlier notion of productivity. Integration of HRP with corporate strategy is a must with profit-oriented and quality-oriented pragmatism.
HRM can be defined as a strategic and coherent approach to the management of an organization most valued assets the people working (intangible asset) there who individually and collectively contribute to the achievements of its objectives.

The functional aspects of HRM are:-

1. It emphasizes the need for strategic fit – the integration of business and HR strategies.
2. Importance is attached to strong cultures and values.
3. It is ‘commitment-oriented’ towards organization’s mission and values.
4. It is a top management driver activity.
5. The performance and delivery of HRM is a line management responsibility.
6. Organizing principles are organic and decentralized, flexibility and team buildings are important.
7. Rewards are differentiated according to performance, competence, contribution or skill.

The most important functions of HRM are: (Dessler, 2002)

(i) Acquisition: Recruitment, selection and socialization.

(ii) Development: This comprises of Attitude, Skill, Knowledge (ASK) development, management (including T&D) development, career growth etc.
(iii) Motivation: Job satisfaction, performance appraisal, simulation compensation etc.

2.4.4 Harvard Framework of HRM
Beer et al (1984) has tried Harvard framework for functional HRM based on problems of personnel management as well as strategic HR perspective. The framework emphasis on line manager, personnel managers and three important HR drives like strategic integration, high commitment, high quality as well as strategic flexibility.

Further, Walton (1985), Boxall (1992) David Guest (1991), Karen Legge (1998) have offered their view points for further refinement and specifying the following policy goals:

(a) strategic integration
(b) high commitment
(c) high quality
(d) Flexibility and
(e) The pursuit of competitive advantage

A fulsome Harvard Framework for HRM has been depicted in the Fig.2.3, which is self explanatory, (Armstrong, 2008).
2.4.5 Strategic HRM

In the modern era organizations are increasingly looking at HR as a unique and valued asset that ushers in sustained competitive advantage. At same time, the fast changing business scenario with increasing globalization, changing demographics of the workforce, technological changes, intellectual capital never ending organizational changes leads to increased importance of managing human resources. Herein, strategic HRM can be simply defined as “a general approach to the strategic management of HR in accordance with the intentions of the organizations on its future direction it wants to take.”

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SOURCE: M. Beer, B. Spencer, P. R. Lawrence, D. Quinn Mills, R. E. Walton, Managing Human Assets, The Free Press, 1984.)
Strategic HR is passionate about people as the source of organizational success. It’s said “If you keep on doing what you have always done, you will keep on getting what you always got.”

![Diagram of HR Function, HR System, Employee Behavior]

**Fig: 2.4 HR’s Strategic Architecture** *(Source: Becker et.al, 2001)*

Organizational innovative capabilities rest in organizing principles and Socio-Economic relationships that exist between people. Focusing on HR strategies and identifying the promotion of a creative environment as a key to innovation, an innovative intervention needs a strategic HRM as a supportive culture.

Strategic HR innovation is the much needed tool for developing high technological products. (Govindrajan et.al, 2007). Strategic innovation can deliver breakthrough growth of an organizational product trajectory. It may be linear or non-linear in nature. A non-linear change creates high growth opportunities but at the same time it can also threaten established business. ‘Innovations’ and ‘Innovator’s Dilemma’ have been very well covered by Clayton M.

**2.5 Measuring HR Alignment**

In any corporate sector it can be emphasized that for human resources legitimately to be productive, requires two dimensions of HR alignment–HR Architecture and ‘Firms strategy implementation process’ to be aligned to become a strategic asset.

These dimensions provide the foundations and focus for developing actual alignment metrics. The strategic HR system is designated not from the *bottom-up* (i.e. ’best practices’) but from the *top-down*.
Figure 2.5 depicts a desirable/suggested HR alignment where the horizontal line (axis) depicts a dimension of alignment within the HR Architecture that influences the overall development of human resources as a strategic asset. “HR Role” designates the degree to which HR professionals in an organization perceive themselves as strategic partners and the extent to which managers outside HR share the same view (Becker et. al, 2001).

The Figure sums up that if an organization expects to develop HR as a strategic asset, it needs to think about alignment in two ways.

The first is the alignment between the HR system that produces key HR deliverables and the requirements of the firm’s strategy implementation system. Second, is the alignment between the role expectations for the HR function and the individual competencies required to put that role into action.
Fig.2.6: Internal and External Alignment measures on Continuum between HR system and Strategy Map

Together, both types of alignment produce a strategically focused workforce, which drives superior strategy execution and, ultimately, shareholder value.

2.6 The Strategic Role of HR

As people become the key competitive advantage in any industry especially banking, the human resource (HR) development function will and should play a more strategic role. It should go beyond its mere administrative support function to operations and front line departments. Whether or not company views HR strategically may decide whether market share, sales, or profits would increase or not. An effective HR strategy becomes equally decisive as the company’s marketing strategy.

Technology too is changing HR roles. As industries, specifically the banking industry, and the way they compete become knowledge-based, HR performance indicators will shift from manpower and man-hours supplied to brainpower and brain hours delivered.

The key result areas in people management will also shift from production and quantity to productivity and quality. Capability, measured in employee ideas generated and implemented, and productivity gained, will be more important than capacity, measured in man-hours available, man-hours lost, absenteeism, etc.

The current HR function is very much configured like the company’s purchasing department. People, like parts and supplies, are requisitioned by user departments based on depletion and growth rates of their operations. Both resources are screened for quality control and cost or budget constraints. The only slight difference is that unlike
purchased parts, people are trained or prepared before they are sent to the requisitioning parties which may train them further before actual deployment or usage. HR is also involved in the replacement, termination and retirement process of unusable people assets, much like the handling of depreciated equipment. In short, most HR systems exist only for replenishment and maintenance of a resource called people.

Strategic HR does not abandon these administrative responsibilities. Otherwise, no other department in the company will carry out these “operations-sustaining” activities. But its main task is to participate in corporate strategy rather than support administration. Strategic HR is more proactive rather than reactive in its relationships with the other functional areas. It is more concerned about what its internal customers need in the future to compete globally. Strategic HR managers do not wait for instructions, requisition or complaints. It does research on the future, and offers proactive solutions and strategic advice.

Strategic HR is preventive rather than corrective or punitive. It is developmental in orientation. The conventional HR function is the dispenser or implementers of justice and protector of corporate assets. It views employees as resources not be wasted rather than strategic resources to be developed. Strategic HR aims to create a working environment conducive for employees to do things right the first time. It aims to prevent mistakes rather than punish them.

Strategic HR is output driven rather than input oriented. For instance, training results are measured not in terms of training hours or number of trainees per year, but in terms of improvement in the trainee performance attributable to the training. Performance improvement can be in terms of productivity, efficiency, quality of work (defects), customer satisfaction or conversely, number of customer complaints received. Strategic HR personnel are concerned with these results as much as the operating departments it serves. In spite of the fact that output results are more difficult to measure than input deployed, strategic HR aims to find ways and means to directly and indirectly measure these more accurate metrics of its success and effectiveness.

Strategic HR is mainly pre-occupied in molding the employees of the future today. For organizations to survive and excel in the future, its needs to develop or acquire employees who are multi-skilled, cross-functional, empowered, team players. In addition, they have to have high emotional intelligence (EI or EQ) and capable of
thinking “out of the box” about the future. They should be capable not only of improving their work, but reengineering or reinventing it if necessary. Front liners, who are engaged in millions of “moments of truth” meeting customers, must have superior flexibility, resourcefulness, and excellent memories especially if their task requires greeting customers by their first or last names. Strategic HR keeps these employee attributes as its goals while conducting its basic processes of recruitment, training, job rotation, career patching, and performance appraisal.

**Fig.2.7: HR and Strategy Implementation**

Strategic HR aligns performance criteria systems with corporate goals and strategies rather than traditional functional concerns. It includes in performance criteria of both rank and file employees and managers those that will enable them to contribute to corporate goals. Most traditional HR performance appraisal systems basically gauge how well a subordinate satisfied his boss or superior during the appraisal period. This degree of satisfaction may or may not be related to how well the employee contributed to corporate goals. Most of the time, it does not. For this reason, conventional performance appraisal has become a highly politicized, controversial, wasteful exercise that creates more disharmony than teamwork in the organization. Strategic HR appraises people on the more relevant output performance like quality, productivity,
internal and external customer satisfaction. If negative criteria are used, these become
defects or rework, wastes, and internal and external customer complaints or returns. In
banking, performance appraisal may include lost calls, closed accounts, queuing time,
clerical errors, and ATM downtime and improvement projects. Strategic HR aims to
change employee behavior and attitude by directly connecting his appraisal (and
eventually his pay) to what actually matters to corporate performance and customer
satisfaction. It puts less weight on nebulous criteria like teamwork, attendance, boss
satisfaction, and neatness.

HR is no longer a backroom or support function. It is in the forefront of corporate
strategy, much like sales and marketing. It provides and determines competitiveness to
an ever increasing degree. All other things being equal – financial, physical, and
product assets – people will make the difference between two competing companies.
Strategic HR can make this difference happen.

2.7 Improving Business Performance through Strategic HRM

Today the human resource plays a major role in organizational performance. The major
activities of resource management are tuned towards strategic exhibits of the
organization. The strategic HR incorporates its core performance from the inception of its
policies till its implementation of all the HR practices is routed to achieve high
performance work system.

Organizational performance is the outcome of various aspects like profitability, market
share technology, culture, common team effort, sufficient skilled work force, required
benefits, necessary development programs, visionary leadership, internal communication,
peaceful relations, grievance handling, constructive challenges like adopting the global
business, embracing technology, managing change, developing intellectual capital,
managing diversity, creating work environment to get most from employees, contribute
to their needs, achieving the short term and long term goals of the organization.

Every organization has its own strategies in improving performance; however there are
some general practices to support the organizations for the effectiveness of high
performance work system. The principles used are shared information, knowledge
development, performance linkage and egalitarianism. Thus Policies, Practices and
People are the three Ps primarily very important for the organizations towards its productivity and organizational excellence.

2.8 Leadership manifestations
“Leaders go first. They set an example and build commitment through simple, daily acts that create progress and momentum. Leaders model the way through personal example and dedicated execution.”

James Kouzes & Barry Posner

“Our position as a manager is confirmed by the organization, but our role as a leader is ratified in the hearts and minds of those whom we lead”.

Professor John Adair

2.8.1 Historical views on leadership
Sanskrit literature identifies ten types of leaders. Defining characteristics of the ten types of leaders are explained with examples from history and mythology. Aristocratic thinkers have postulated that leadership depends on one's blue blood or genes: monarchy takes an extreme view of the same idea, and may prop up its assertions against the claims of mere aristocrats by invoking divine sanction: see the divine right of kings. Contrariwise, more democratically-inclined theorists have pointed to examples of meritocratic leaders, such as the Napoleonic marshals profiting from careers open to talent.

Leadership is a matter of intelligence, trustworthiness, humane, courage, and discipline. Reliance on intelligence alone results in rebelliousness. Exercise of humaneness alone results in weakness. Fixation on trust results in folly. Dependence on the strength of courage results in violence. Excessive discipline and sternness in command result in cruelty. When one has all five virtues together, each appropriate to its function, then one can be a leader. Other historical views of leadership have addressed the seeming contrasts between secular and religious leadership.

Leadership has been described as the “process of social influence in which one person can enlist the aid and support of others in the accomplishment of a common task”. A definition more inclusive of followers comes from Alan Keith of Genentech who said "Leadership is ultimately about creating a way for people to contribute to making something extraordinary happen."
Leadership is one of the most relevant aspects of the organizational context. However, defining leadership has been challenging.

### 2.8.2 Leadership Performance

In the past, some researchers have argued that the actual influence of leaders on organizational outcomes is overrated and romanticized as a result of biased attributions about leaders (Meindl & Ehrlich, 1987). Despite these assertions however, it is largely recognized and accepted by practitioners and researchers that leadership is important, and research supports the notion that leaders do contribute to key organizational outcomes (Day & Lord, 1988; Kaiser, Hogan, & Craig, 2008). In order to facilitate successful performance it is important to understand and accurately measure leadership performance.

### 2.8.3 Leadership Scorecard – Performance Tool

The leadership scorecard is a tool that ensures that the leadership development function is focused on accomplishing objectives that are linked to business strategy. The leadership scorecard provides a structure for establishing, tracking, compiling, analyzing, and communicating leadership development results. The leadership scorecard should be customized based on business needs and can contain a variety of measures based on what the business views as critical. A leadership scorecard can be created and implemented even when an HR or corporate scorecard does not exist. This is critical as it enables the leadership development function to take a proactive stance in the creation of measurement and evaluation strategies and become a valued business partner.

The leadership scorecard enables executives to understand the benefits of the leadership development programs to leaders and to the bottom line. The leadership scorecard also provides useful measures for the leadership development staff. The leadership development staff can find out how well a program is working and, based on leadership scorecard data, can improve the program or, if necessary, stop delivery of the program. A focus on using measurement and evaluation for the continuous improvement of leadership development programs can build the credibility of the leadership development function. Data from a leadership scorecard can be used to justify expenditures, build a business case for requesting additional budget dollars, and create management support (Schmidt, 2003).
2.8.4 Leadership Scorecard Benefits

Even though there are several challenges that may be encountered when implementing a leadership scorecard, such as getting management buy-in, taking the time to do the needs assessment, and allocating resources, the benefits far outweighs the challenges.

A leadership scorecard can be implemented successfully in any organization. The benefits of implementing a leadership scorecard are many. A few of the benefits that have been experienced by leadership development functions are (Schmidt, 2003)

• Management develops an understanding of the benefits of leadership development programs.

• The leadership development function is viewed as adding value to the bottom line.

• The leadership development function becomes very focused on only delivering programs linked directly to the business strategy. This results in a positive return on investment for the organization.

• The leadership scorecard data enables the leadership development function to continuously improve programs or discontinue programs that are not providing positive results.

• The leadership development function is able to assess if the program has impacted behavior change and application back on the job. This is a critical measure of success.

• Leaders are participants in programs that have impact. Leaders are able to see the value in the programs they participate in and the perception of the leadership development function is enhanced.

• The leadership development function is able to justify the annual budget. Budget cuts are not as drastic as in the past due to the leadership development functions ability to show a return on investment.

• The leadership development staff receives career enriching development in the area of measurement and evaluation.
• Communication between the leadership development function and executives becomes more frequent. The leadership development function is able to talk with executives in business terms, such as return on investment and benefit/cost ratios.

2.8.5 The Future of Leadership
Leadership reinvented can still be shown by CEOs. They just need to accept that much of what they do needs to be reclassified as management. They also need to devote more time to fostering leadership in front line employees, thereby taking empowerment a huge leap forward. If they want to reap the full innovative potential of all employees, CEOs and other managers need to engage and inspire employees more fully. Helping them to see how all employees can show leadership now could make all the difference between winning the war of ideas and falling further behind. Where knowledge rules, the old fashioned conception of leadership as group domination is dangerously obsolete. Complexity drives specialization. It is time to bring management back from the dead to take care of getting things done through people, leaving leadership to focus on finding and promoting new directions.

*Leadership is simply a matter of showing the way.* One of the many exciting features of this definition is that followers must choose to follow of their own free will because coercive power and authority are missing.

2.8.6 21st Century Leadership
The meaning of leadership has always entailed occupying a static position at the head of a group. Today, we need to see that leadership is an occasional act, not a role. The fundamental meaning of leadership has not changed in all of recorded history. It has always been about the person in charge of the group. Being a leader has always meant having power over people and the authority to make decisions for the group. We have tweaked the meaning of leadership a little bit, thus moving from dictatorial to more participative styles but the essence has remained basically unchanged for centuries.

➢ **Ours is a knowledge-driven age.** Leadership has always been based on power. First it was the physical strength to be at the top. Then it was the force of personality that counted, all with a view to getting into the top slot in a group hierarchy. These forms of power can be regarded as the triumph of form over substance. That is, it doesn’t matter so much what you say as how you say it. For example, a political candidate with charisma or “sex appeal” could get elected
with vague content. But, today we are moving toward the view that “content is king” which is the triumph of substance over form. The problem for traditional conceptions of leadership is that no one can monopolize good ideas so that ongoing dominance is much more difficult when it is based on the power to generate new and better ideas.

- **Change is much more rapid today**: the world is more dynamic, making it harder to maintain the static state in which one person stays at the head of affairs. Also, if you add complexity, it is much harder for any one person to know what to do and, therefore, to provide the group with direction. It is still possible in small groups such as street gangs, but CEOs of high tech organizations that compete on the basis of rapid innovation have a much harder time of calling the shots.

- The world was once made of **discrete groups** minding their own business where you were definitively a member of a group or an outsider. Now, there are transients and loose group boundaries, informal networks and strategic partnerships. So-called “boundaryless” organizations are made up of rapidly changing subgroups that come together only for a limited purpose. Who is the stable leader in groups that have no boundaries or which are made up of loosely connected networks of small groups?

- A corollary of the previous point is that the dynamics between groups are just as important as those within groups. Although we never talk about it, there has always been leadership between groups. Companies like Apple show leadership to competitors and one country can show leadership to another, say by adopting innovative green practices. The key point about inter-group leadership is that it is not a role, let alone a dominant one. Such leadership is only an occasional act.

- In modern organizations, knowledge workers are not compliant drones. They want to have their say regarding how the organization functions. In the old days, we could label their contributions suggestion-box material, but this is too patronizing today. The reality is that, when knowledge workers advocate better ways of doing things, they are showing leadership, even if it is an occasional act and they have no interest or skills to attain a formal leadership role.
2.8.7 Meaning of Leadership Needs to Change
Leadership that is shown by one group to another shares a very important feature with the occasional leadership shown bottom-up by knowledge workers when they convince their bosses to adopt a new product. Neither has anything to do with managing people or the implementation of their proposals. Their leadership consists solely in the successful promotion of new directions. The implication of this line of thinking is that everything to do with getting things done and managing people must be a managerial function. Leadership is a matter of mindset. Leadership in the 21st century is no longer a fixed role. In a fluid, dynamic environment where innovation rules, leadership is only an occasional act that can come from any direction including outside the group. Showing leadership means convincing others to change direction. It is time to separate leadership and management. We need to upgrade management to take its rightful place as a constructive force for getting the best out of people and managing all resources along the lines of investment that is to get the best possible return. Thus, making it happen is the leader’s job. Rightly Mahatma Gandhi has said: “We must become the change we want to see”.

2.9 Indian Technical Education Scenario
“Technical education is the single most dominant factor for unleashing brainpower of the people of an organization” - Lester Thurow

Today due to wide and vibrant knowledge workers available all over in the corporate sectors and otherwise the management of their knowledge and to bring into synergetic performance, is the major challenge. And this is what the great management professor Lester Thurow is advocating above. We all fully agree with this. This requires a good dynamic and charismatic leader who is conversant with technical education in particular apart from other traits.

Management education deals with the art and science of directing and controlling any organization. The Indian business organization is forced to change their operational and business strategies due to Liberalization, Privatization & Globalization policies initiated by government of India. Globalization aims at aligning economies of various countries with Global Economy. Today the academics and industry captions are transforming various sectors of the economy due to globalization strategies including the fast
developing sector of higher education (Dwivedi, 2009; Mithani & Dastane, 2009; Pathak, et.al 2009).

Management education is based upon the premise that events occur as a result of preceding events or processes. A manager must know why a certain thing has happened so that a repetition thereof can be avoided if it had adverse effects on organizational performance. Management consists of deciding what is desirable and then managing those elements that can achieve the desired results. Research findings and concepts derived from the experiments in social sciences substitute and stimulate the knowledge based in management study. Professionalism assumes high standards of ethics and values. Without Professionalism no institute can create sustainability and therefore competitiveness. Academic leadership is very significant for any such institute.

Education in India has traveled right through monastic orders of ‘guru’ system, caste system, learning centers of Nalanda & Taxila to modern day education system of school and colleges based on British Raj & now on CBSE, CISCE, Cambridge based examinations system etc. After Independence our first Education Minister Maulana Azad brought in education reforms throughout the country and later NPE (National Policy on Education) in 1986 and also re-enforcement of the Programme of Action (POA) in 1986 was launched.

Later the Government opened Navodaya Vidyalaya, Madarasas, autonomous schools including some international; schools etc. Further the District Primary Education Programme (DPEP) was launched during 1994, Integrated Education for Disabled Children (IEDC), Kendriya Vidyalaya Project (started from 1965) tertiary education, education for females SC/ST, OBC etc. Also, the Apex bodies NCERT (National Council of Educational Research & Training), AICTE (All India Council for Technical Education), formed in 1987, through an act by Parliament, and brought in Technical part of Education. The main governing body at the tertiary level is the UGC (University Grant Commission), which enforces its standards, advises Government, and helps coordination between central & state policies. The education has traveled from Urban to rural areas ushering in literacy, among the primarily younger generations under AICTE,IITs, IIMs,REC,NIIT and other technical institutes wise set up since 1961 onwards. Various open universities also function for educating masses of working classes. Management
education especially started since 1960’s. Today many colleges have opened up mushrooming all over the country.

Later on literacy has been reckoned – right from highest literacy of 90.07% from Kerala to lower than 50% literacy in BIMARU states i.e. BIHAR, Madhya Pradesh, Andhra Pradesh, Rajasthan, Orissa & Uttar Pradesh indicated by Nandan Nilekani (2008).

Women have much lower literacy rate. Compared to boys, far fewer girls are enrolled in the schools, and many of them drop out. According to a 1998 report by U.S. Department of Commerce, the chief barriers to female education in India are inadequate school facilities (such as sanitary facilities), shortage of female teachers and gender bias in curriculum (Velkoff 1998).

Today, due to many technical institutions popping up every now and then, the quality of technical education is much at the stake. The alarming situation in the present day is the maintenance of quality of education first, and foremost in the wake of quantitative increasing growth of indiscriminate institutions. Herein, we are more worried about good availability of talented teachers, with also lack of talented students’ availabilities. Thus, we observe that in the educational system quality is the fundamental factor to be addressed than the quantity.

Technological advances are such that it has to be innovated all the time to keep it survived in the changing environment. Speed is the critical hallmark today. Indian mind has to look out of the box. Renaissance leaders have to be produced winning leaders continuously demonstrate great vision and purpose. It is the great purpose that keeps the leaders alive and vibrant. Today due to wide and vibrant knowledge workers available all over in the corporate sectors and otherwise the management of their knowledge and to bring into synergetic performance, is the major challenge. Quality, though it is much talked about is a missing link presently in Indian technical education scenario.

The situation can be improved also by political and socio-cultural environment. To maintain the quality of education and good teachers, teaching – learning – skills the present prevailing system of accreditation process requires marked improvement. And, especially so, after accreditation, the surveillance and sustainability of the same standards are a question mark today. The implementations of Academic excellence model through
National Quality Award Model have to be correctly benchmarked & strictly adhered to. (Website education in India)

Liberalization, Privatization & Globalization policies initiated by Government of India has forced the Indian business organizations to change their operational & business strategies. Globalization aimed at aligning economies of various countries with Global Economy. Foreign Universities have entered the Indian Market and as a result education has become an important part of service sector. A large part of the economic growth of advanced industrialized society can be attributed to their capability to choose, acquire, generate and apply technologies to different economic activities. In the era of globalization all the universities are trying to update their curricula to cater the need of the industry.

Students should be given freedom to choose any of the courses of his interest, at the same time industry may also select students as per their need and train accordingly. This will help the students for getting better opportunity. University shall give this freedom to the individual institute to offer wide variety of courses and to frame the content of the course. University may not object for this because this course is to be offered after their regular graduation.

Technological changes every now and then, the teaching-learning technique by teachers also require a frequent change to suit the changing requirements. Balanced Scorecard and leadership scorecard suitably solve this problem which has been briefly described in the succeeding paragraph.

2.9.1 Balanced Scorecard and Leadership Challenges of Teachers in the Educational Scenario
A “score” is defined as the record of points or stroke made by competitors in a game or match: the act of making or earning a point or points, or a tally, as per Webster’s Unabridged Dictionary, 1998. The same source defined “scorecard” as a card for keeping record of score of a sports contest.” The spectators on the sports ground rely on the scorecard, that who is winning or losing in the game.

On the same analogy, a balanced scorecard on leadership context in teaching can be coined as ‘teaching-leadership scorecard’, for measuring how well the teaching development functions and what improvements etc it does require.
In this regards, we define ‘Teaching-learning-leadership scorecard’ as: “Teaching leadership scorecard is a tool that ensures that the leadership development function is focused on accompanying objectives that are linked to teaching business strategy.”(Phillips et.al.2009). Teaching – learning scorecard imparts the following benefits:

- It enhances students as well as teacher’s capabilities.
- It develops leadership traits.
- It enriches career development programme as well.
- It imparts teachers training as well.
- It helps teachers – students to unleash their brain-power.
- It truly enhances motivational leadership perspective.
- It enhances teaching-learning as a more focused programme.

**The Scorecard also develops intangible assets of both the teachers and students:**

- Increases job satisfaction
- Increases organizational commitment.
- Improves teamwork.
- Reduces conflicts and complaints.

Thus, it can be observed that ‘teacher-leadership scorecard’ provides a much needed linkage to needs, objectives and evaluates the whole educational programme systematically.

2.9.2 Teaching Leadership Challenges in Education

Based on teaching-learning-leadership scorecard, there are seven smart principles (Ronald, et.al.2005) as under:

- Generative Knowledge.
- Learnable intelligence.
- It focuses on understanding.
- Teaching for mastery & transference of knowledge.
- Learning-centered assessment.
- Embracing complexity.
- The school/college becomes as learning organizations.
How, the teaching-learning-leadership scorecard can help the educational leaders has been shown in the following Fig. 2.8

**Fig.2.8: Scorecard Strategic Perspectives**

The various keys to professional for change projects & implementing teaching –learning leadership scorecard implementations are given in the following four salient points:

**Equation**: The success of the programme is measured on:

\[
\text{Success} = (\text{Measurement}) \times (\text{Technique}) \times (\text{Control}) \times (\text{Focused Perspective}) \times (\text{Consensus}).
\]

(a) Measurement: Measurement is the initial part because:

- What gets measured gets managed.
- What gets effectively managed enables educational leaders to make better administrative decisions.

(b) Techniques:

i) Large scale or Major Techniques

- Restructuring / reengineering processes of curriculum
- Student performance on Government mandated standard tests.
- Change of strategy.
- Changes of teacher’s competence.
- Changes of administrators’ competence or so.

ii) **Small scale or Minor Techniques**
- Motivational lecture problem-solving teams.
- Interacting technology with class rooms.

(c) **Control:**
- *Level 1 Action*: Control of action / effects inside school.
- *Level 2 Action*: Controls of Actions – but effects are outside school.
- *Level 3 Action*: Not in control of Action – but it affects the school driver(s).
- *Level 4 Action*: Not in control of action – but does not affect your driver.

As education leader – one has to control level 1&2. Gain control or compensate level 3 Action. And if they do not have sufficient control over the actions necessary to achieve their goals – then expectations must be lowered and than either set a lower target or abandon on the target altogether.

### 2.9.3 Quality through Push-Pull Technique
Student engagement with the lecture is the critical success factor. The planning and design of the lecture and the selection of resources is important. Of more importance, however, is the lecturer’s flexibility at milestone points to react immediately to student need and not to stick to a pre determined script.
A quality to quantity relationship of education has been depicted in Fig. 2.9.

Today the teaching of complex subjects to the students is becoming tougher and at the same time it is easier also due to the available audio-visual aids. However, a teacher has to be comfortable in teaching & he should be a centre of attraction to the students rather than pushing his way through the class. He must remember that he is dealing with human resource and really impressionable minds rather than non human resource. Also sometimes the intelligent students ask some tougher questions and push the teacher into a corner which is not desirable. The teacher must have a fulsome knowledge of his own topic and he must be confident about what he is teaching. At all the cross section of time he should be fully in contact with the students and should take the whole grip of class. Today many good academic institutions give emphasis on Push-Pull technique of teaching which has become more essential in today’s scenario as the students are really more knowledgeable than yester-years or the past.
To manage students, knowledge and the techniques of teaching should be given more weightage than anything else. It is a trite saying that a poor teacher tells, a good teacher teaches, an excellent teacher demonstrates and an outstanding teacher motivates.

2.9.4 Pull environment
a) Making a conducive environment between teachers & taught, to know the students their behavior and the cross-section they come from.
b) Unleash their brainpower by giving them challenging task / case studies – and put them into ‘ignited mind’ phase.
c) Expose them in choosing their career path
d) Excite the students as well as make them comfortable with you.
e) Use latest audio-visual aids
f) Integrate teaching, training, coaching, counseling, etc – ask their feedback.
g) Give examples of great people, mentors, leaders, etc.
h) Remove their barrier of communication “I know all”
i) Teach them soft skills right from the beginning
j) Create unsheathed desire/ craving for learning lifelong
k) Inculcate sportsman spirit & music

2.9.5 Push Environment
These are opposite to what has been discussed above like distrust, inflexibility, unwillingness to take responsibility, cheap popularity, dishonesty and other inhibiting factors. Technical education has evolved in response to social, educational, industrial and economic changes, and now provides subjects which are both demanding and relevant. Technical education provides a range of activities and opportunities which develop students’ awareness of the importance of technology in society. Students learn a range of important skills which equip them for living in contemporary society. The educational institutes need to establish closer links with industry. It is necessary to ensure that an adequate level of computing resources is available, and encourage standardization in the use of computers in each department. Education authorities should work together to ensure that the combination of different courses offered nationally is designed to equip teachers to deliver the full range of technical education courses. They should set out clear departmental aims and identify priorities which ensure that all courses and teaching methods meet the needs of students at all stages, promote purposeful links with higher technical education and industry; develop systematic and rigorous methods of
monitoring, evaluating and reviewing all aspects of the work of the department within the framework of the development plan; and within the development plan, set out clear targets for improving the quality of learning, teaching and attainment.

2.9.6 Criticality of Modern Day Education System
The only thing permanent in our long human journey is CHANGE. We are today constantly being bombarded by management web2.0, Google, Social net-working, IT revolution and knowledge workers. Some social values are changing every moment which has an immense impact on education system.

Any country’s technological development is primarily dependent upon education system and young professionals, scientists, technocrat, as well as managers. Some of the critical issues regarding reform or change in education system are:

- Education should develop a full-fledged personality development of the individuals.
- It should impart understanding of the subject in breadth, depth and, width.
- Application of the knowledge should be in most prudent fashion.
- Education should impart logical thinking.
- Teachers should be excellent and should be talent plus person and the same should be reflected in students.
- Quality of education should be maintained.
- Education should be far from commercialization.
- Social-political-economical environment should be stable and progressive.
- The teaching-learning technique should touch upon the main tenets.
  - Thinking
  - Learning
  - Training
  - Development
  - Communicating.
- The teacher should keep himself abreast to the front end technological locus of the knowledge of his subject.
- There should be freedom for students for course selection and adequate employability should be embarked by the Government.
Quality of teaching education, although much talked about, is currently the missing link in Indian technical education system. It will be observed that in the past 15-20 years, many indiscriminate technical institutions have cropped up. There is a huge shortage of good teaching faculty to cope with this enhanced infrastructure. Good quality of students also is not taking admissions, as well. Therefore, we observe that quality is the fundamental factor to be addressed in the light of this expanded sub-par education system that continues to expand exponentially. Quantity of institutions going up and quality of education going down, is an alarming situation.

The good teachers must consider students to an impressionable minds and a vibrant human resource. For attracting talented student we should apply good teaching techniques like push-pull techniques, case-studies, good workshops – seminars etc. apart from employing good and dynamic teaching faculties. A very attractive and conducive learning environment for students should be invariably created. This also requires a dynamic accreditation system and a good surveillance process so that the qualities and infrastructure is maintained and good standard is sustained although.

The outstanding and experienced teachers must motivate and show a correct direction to the students. The teachers should be competent, creative and caring. Further they should also be available accessible, and approachable. A dedicated bunch of motivated teachers steer the students and institutions towards correct direction of imparting education.

2.10 Performance Measurement System

“Collaboration is more important than control” and “Performance is more important than deference.”

According to Pink et al. (2001), performance measurement can be addressed at three different levels namely the individual performance measures, the performance measurement system (PMS) and the relationship between the PMS and its environment.

Radnor and Lovell (2003a) explain the term performance measurement system as a means of gathering data to support and coordinate the process of making decisions and taking action throughout the organization. The measurement system is a crucial element in ensuring the successful implementation and execution of strategies identified by the organization in achieving their strategic goals (Fitzpatrick, 2002; Radnor & Lovell,
According to Chang and Young (1995), performance measurement provides organization with focus, direction, a common understanding and knowledge for making better business decision besides providing feedback on the organizational improvement efforts. Because performance measurement is always linked to a goal or an objective, it gives the management the means to maintain control and monitor the progress of the organizations towards achievement of their overall vision (Aidemark, 2001), through the successful implementation of the strategy chosen. However, with the rapid changes in the modern businesses environment, many organizations have become dissatisfied with the traditional backward looking performance measurement systems by identifying their shortcoming and arguing for change (Aidemark, 2001). Eventually, the new situation causes the old systems to be inefficient and no longer effective and thus becoming inappropriate to the organizations. This creates new challenge for senior executives in assessing the performance measurement.

2.10.1 Trends, Issues and Challenges in Assessing Performance Measurement
The viability and survival of today’s business organizations are very much influenced by the new strategies adopted in the highly dynamic environments that facilitate their businesses. Eccles (1991) argues that these new strategies and competitive realities require new measurement systems because traditional systems that stress on the financial indicators can no longer justify the need of the modern business entities. He explains that globalization, growing competition, increased public sophistication and active consumerism have all contributed to the shifting of the performance measurement systems manifest towards the non-financial indicator themes such as customer satisfaction and service quality.

To be successful and competitive, organizations require a more holistic and balanced approach in measuring their performance that not only display yesterday consequences as shown by the financial indicators but also capable of predicting future performances through utilization of the non-financial measures which are known to be forward-looking (MacStravic, 1999). As the trend of advancement in the performance measurement moves towards this direction, concern and recognition on the existing trade-offs issue
between different measures, for example between quality and cost (Morisawa, 2002) and between short-term financial return and long-term competitive position, need to be addressed by the management in a more explicit manner due to the impact on the nature of the businesses.

At the same instance, the practice of strategic management begins to spread rapidly into modern business entities as more managers acknowledge the importance of being able to communicate their business strategies across to the other organizational members for the purpose of alignment and attainment of the business strategic goals and objectives. Because measurement provides the link between strategies and actions, the type of performance measurement system is a barrier to organizational development if inappropriate measures are applied. This is because such measures tend to lead to actions, which are incongruent with the strategies no matter how well they are formulated or communicated through the organizations (Oliveira, 2001).

Therefore, the challenge for most management leaders is to examine the entire data and reports and weed out the inappropriate measures from the appropriate ones (Chang & Young, 1995), so that these appropriate measures can provide and strengthen the link between actions and strategies in order to achieve organizational strategic goals and overall vision (Amaratunga et al., 2000). Simply put, assessing performance measurement system is a vital task as measuring the right variables. This, according to Brown (1996), will ensure the future success of the organizations. As a result, there is an increasing awareness among today’s well-trained managers on the need to search for an integrated performance measurement system that can both strategically measure the financial and operational aspects of their businesses, which are seen as truly essential in creating healthy and balanced organizations (Birch, 2000).

While the need to take up the challenge in assessing the performance measurement is real and the potential solution is available, changes to the existing performance measurement system are often difficult and slow. Finding the appropriate modern approaches that can help them to accomplish their tasks in addressing the weakness and limitation in their existing systems is not without problems. Usually the management teams have had their fair share of dilemma, for example when the leaders introduce a new performance measurement approach to the organizations without really going into the details of
understanding the process of populating the new measurement framework. Such action will definitely defeat their original purpose of getting a more effective and efficient performance measurement system because without understanding the process, the new framework will have no practical value to them (Pink et al., 2001).

2.10.2 Performance Measures
Performance measures quantitatively tell us something important about our products, services, and the processes that produce them. They are a tool to help us understand, manage, and improve what our organizations do. Performance measures let us know how well we are doing:

- if we are meeting our goals
- if our customers are satisfied
- if our processes are in statistical control
- if and where improvements are necessary.

They provide us with the information necessary to make intelligent decisions about what we do.

2.10.3 Benefits of Measurements
Listed below are seven important benefits of measurements:

1. To identify whether we are meeting customer requirements. How do we know that we are providing the services/products that our customers require?

2. To help us understand our processes. To confirm what we know or reveal what we don’t know. Do we know where the problems are?

3. To ensure decisions are based on fact, not on emotion. Are our decisions based upon well documented facts and figures or on intuition and gut feelings?

4. To show where improvements need to be made. Where can we do better? How can we improve?

5. To show if improvements actually happened. Do we have a clear picture?

6. To reveal problems that bias, emotion, and longevity cover up. If we have been doing our job for a long time without measurements, we might assume incorrectly that things
are going well. (They may or may not be, but without measurements there is no way to tell.)

7. To identify whether suppliers are meeting our requirements. Do our suppliers know if our requirements are being met?

2.10.4 Importance of Measurement
If you cannot measure an activity, you cannot control it. If you cannot control it, you cannot manage it. Without dependable measurements, intelligent decisions cannot be made. Measurements, therefore, can be used for:

- **Control:** Measurements help to reduce variation.

- **Self-Assessment:** Measurements can be used to assess how well a process is doing, including improvements that have been made.

- **Continuous Improvement:** Measurements can be used to identify defect sources, process trends, and defect prevention, and to determine process efficiency and effectiveness, as well as opportunities for improvement.

- **Management Assessment:** Without measurements there is no way to be certain we are meeting value-added objectives or that we are being effective and efficient.

The basic concept of performance measurement involves:

(a) Planning and meeting established operating goals/standards;

(b) Detecting deviations from planned levels of performance; and

(c) Restoring performance to the planned levels or achieving new levels of performance

2.10.5 Foundation for a Performance Measurement System
Successful performance measurement systems adhere to the following principles:

1. Measure only what is important. Do not measure too much; measure things that impact customer satisfaction.
2. Focus on customer needs. Ask our customers if they think this is what we should measure.

3. Involve employees (workers) in the design and implementation of the measurement system. Give them a sense of ownership, which leads to improvements in the quality of the measurement system.

2.11 Performance management
Managing staff performance is an effective mechanism for developing both staff and organizational growth. By clarifying an organization’s objectives, translating these into clear individual goals, and reviewing these goals regularly, performance management provides a well-structured and effective management tool. To manage performance effectively, individuals should know on what basis their performance will be measured. Measures should be transparent and applied fairly across the organization. Ideally there should be a mix of individual and team measures, and measures relevant to both the inputs and the outputs of performance.

Armstrong and Baron define performance management as 'a process which contributes to the effective management of individuals and teams in order to achieve high levels of organizational performance. As such, it establishes shared understanding about what is to be achieved and an approach to leading and developing people which will ensure that it is achieved'. They go on to stress that it is 'a strategy which relates to every activity of the organization set in the context of its human resource policies, culture, style and communications systems. The nature of the strategy depends on the organizational context and can vary from organization to organization.'

In other words performance management should be:

**Strategic** - it is about broader issues and longer-term goals

**Integrated** - it should link various aspects of the business, people management, and individuals and teams.

It should incorporate:

**Performance improvement** - throughout the organization, for individual, team and organizational effectiveness
Development - unless there is continuous development of individuals and teams, performance will not improve

Managing behaviour - ensuring that individuals are encouraged to behave in a way that allows and fosters better working relationships.

Armstrong and Baron stress that performance management is a tool to ensure that managers manage effectively. It also ensures that the people or team they manage:

- know and understand what is expected of them
- have the skills and ability to deliver on these expectations
- are supported by the organization to develop the capacity to meet these expectations are given feedback on their performance
- have the opportunity to discuss and contribute to individual and team aims and objectives.

It is also about ensuring that managers themselves are aware of the impact of their own behaviour on the people they manage and are encouraged to identify and exhibit positive behaviours. So performance management is about establishing a culture in which individuals and groups take responsibility for the continuous improvement of business processes and of their own skills, behaviour and contributions. It is about sharing expectations. Managers can clarify what they expect individual and teams to do; likewise individuals and teams can communicate their expectations of how they should be managed and what they need to do their jobs. It follows that performance management is about interrelationships and about improving the quality of relationships - between managers and individuals, between managers and teams, between members of teams and so on, and is therefore a joint process. It is also about planning - defining expectations expressed as objectives and in business plans - and about measurement; the old dictum is 'If you can't measure it, you can't manage it'. It should apply to all employees, not just managers, and to teams as much as individuals. It is a continuous process, not a one-off event. Last but not least, it is holistic and should pervade every aspect of running an organization.

Over time, the focus and emphasis of performance has shifted away from individual output to inform development or pay decisions, to individual contribution to
organizational objectives through output, behaviour and capability. As such, performance management is now as much about driving engagement and collecting information and data to provide better insight into the drivers of performance as it is about providing information about individuals.

2.11.1 Performance management - framework
Performance management needs structures to support it. These should provide a framework to help people operate, and to help them to help others to operate. But it should not be a rigid system; there needs to be a reasonable degree of flexibility to allow people freedom to operate. Performance management is a process, not an event. It operates as a continuous cycle. Corporate strategic goals provide the starting point for business and departmental goals, followed by agreement on performance and development, leading to the drawing up of plans between individuals and managers, with continuous monitoring and feedback supported by formal reviews.

2.12 Power of Full Engagement
Working with full commitment and full concentration has been Indian ethos from very beginning. A recent book on 'Power of Full Engagement' has been written by Jim Loehr and Tony Schwartz (2003) on the topic which covers the same thought. Rather, 'India is a way ahead in manifestations of emotional quotient (EQ) and working on intuitive and spiritual levels and even stronger in its manifestations of energy source and its management.

In nut shell Jim Loehr et al. propagate that:

- Energy, not time, is our most precious resource
- Energy, not time is the fundamental currency of high performance

Full engagement emphasizes four intrinsic ingredients/components. These are:

- Physical energizing
- Emotional Connection
- Mentally focused, and
- Spiritually aligned
In fact, the crux of full engagement system starts with connecting purpose to spiritual energy and its further manifestations. High positive energy is the fuel for higher performance.

2.13 Intelligence Quotient, Spiritual and Emotional Intelligence: Relationship
A way to understand the relation between physical, mental and social health aspects is by understanding three well defined scientific factors – Intelligence Quotient (IQ), Emotional Intelligence (EQ) and Spiritual Intelligence (SQ). These three factors are individually defined and collectively related to each other.

2.13.1 Emotional Intelligence
Emotional intelligence is defined as a person’s self-awareness, self-confidence, self-control, commitment and integrity, and a person’s ability to communicate, influence, initiate change and accept change (Goleman, 1998).

Once these factors are analyzed and related to each other, it becomes clear that mental, physical and social factors all contribute to the holistic health of a person in the form of IQ, EQ and SQ. It can also be concluded that the health of whole human society depends on an individual’s health and the social factors. Health, education and moral institutions can combine to create a healthy atmosphere for the entire human society.

Intelligence Quotient (IQ) primarily solves logical problems. Emotional Intelligence (EQ) allows us to judge the situation we are in and behave appropriately. Spiritual Intelligence (SQ) allows us to ask if we want to be in that situation in the first place. It might motivate us to create a new one.” (Danah Zohar & Ian Marshall, 2001).

“Strategic flexibility is an organization’s capability to identify major problems/changes in the external environments, quickly mobilizing the resources to new courses of actions in response to those changes, and recognize and act promptly, when it is time to halt or reverse existing resource commitments.”
2.14 Concluding Remarks
In this chapter, a review of general concept of traditional and modern management has been made with an evolutionary angle of approach. Strategic HR dimensions, HR functions and other aspects of HR Architecture have been discussed.

Finally, the HR performance drivers have been deliberated for achieving organizational excellence. Work-culture and ‘rethinking’ critical business principles coupled with core competence usher-in amazing results. Strategy-breaking it down to actions-plan, course of actions and finally implementing with a “non-stop-fire” within, is considered one infallible tool for synergizing human capital into high performance work practices (HPWP) mechanism. Unleashing the brain-power of people of the organization and revisiting the business aiming at core strategic vision, may decidedly help converting an organization into a ‘excellent-organization’.