CHAPTER-II

LEADERSHIP AND MOTIVATION

- OBJECTIVE OF MOTIVATION
- SELF MOTIVATION
- TYPE OF MOTIVATION
- ATTITUDE MOTIVATION
- REWARDS AND INCENTIVES FOR MOTIVATION
- CLASSIFICATION OF REWARDS
- WAGE INCENTIVE IN INDIA
- INCENTIVES FOR MANAGEMENT EMPLOYEES
- FAILURE OF INCENTIVE PLANS
- NON MONETARY INCENTIVES
- EFFECTIVE COMMUNICATION IN LEADERSHIP AND MOTIVATION
- COMMUNICATION AND LEADERSHIP
- ORGANISATIONAL COMMUNICATION
- INFORMAL COMMUNICATION
- RESPONSIBILITY OF EFFECTIVE COMMUNICATION OF LEADERS
- TRAINING AND DEVELOPMENT OF EMPLOYEES
- CHANGING NATURE OF MANAGEMENT DEVELOPMENT
- INDUSTRIAL RELATION AND MOTIVATION
- SCOPE OF INDUSTRIAL RELATIONS
It should be noted that “all things do not mean the same to all everybody.” The behaviour a person selects is dependent upon the behaviour that is available. The environment is a very critical factor in motivation. But the behaviour that is available in the environment also depends upon the individual’s perception of the value of that behaviour or the relationship that the behaviour has to the goal that is to be achieved. The topic of motivation, therefore, is an inter-relationship type of topic in that the worker and the job are continually in interplay, with each other.

In modern times, during the Great Economic Depression, the American people needed someone to restore their confidence and to provide a method of combating the economic crises they were facing; Franklin D. Roosevelt became a leader to accomplish these tasks. In World War II, The British people were suffering severe losses and appeared to be unsuccessful combating the enemies when Winston Churchill came to the forefront and guided the British efforts to Victory. In a like manner Adolf Hitler provided leadership in Germany, Mussolini in Italy, and Stalin in USSR. In India, Mohandas Karamchand Gandhi, and his predecessors M. G. Ranade, B. G. Tilak and Lala Lajpat Rai provided the much needed leadership to get India out of the clutches of the British regime. The modern-day leaders all over the world have taken their paces in guiding the thoughts and efforts of people to the achievement of the common goals.

In the business organizations, people working there need leaders - individuals who could be instrumental in guiding the efforts of groups of workers to the achievement of goals and objectives both of the individuals and the organization. The objectives may not be very far-reaching and the actions of the leaders may not be so dramatic, but the successful performance of the leadership role is essential for the survival of the business enterprise. Goods and services are to be provided, products and customers need to be united and the worker efforts require integration and co-ordination. The leader guides the actions of others in accomplishing these tasks.

Economic rewards provide social as well as economic value. They play a key role within several motivational models, blending with expectancy, equity, behaviour modification, and need-based approaches. Employees
perform a rough cost-reward comparison and work somewhat near but below the breakeven point.

Performance appraisal provides a systematic basis for assessment of employee contributions and distribution of economic rewards. Modern appraisal philosophy focuses on performance, objectives, and goal setting. Nevertheless, the appraisal interview can be difficult for both the manager and the employee. Incentive systems provide different amounts of pay in relation to some measure of performance. They tend to increase employee's expectations that rewards will follow performance, although the delay may range from a week to a year. Incentives often stimulate greater productivity, but also tend to produce some offsetting negative consequences. Wage incentives reward greater output by individuals or groups, while profit sharing emphasizes mutual interest with the employer to build a successful organization. Gain sharing emphasized improvement in various indices of organizational performance, while skill based pay rewards employees for acquiring greater levels or types of skills.

Since employees have different needs to be served, many types of pay are required for a complete economic reward system. In some organizations, flexible benefit programs allow employees to select individual combinations of economic rewards.

Performance results from the interaction of physical, financial and human resources are significant for leadership and motivation. The first two are inanimate; they are translated into "productivity" only when the human element is introduced. However, the human element interjects a variable over which a management has limited control. When dealing with the inanimate factors of production, a management can accurately predict the input-output relationship and can even vary the factor it chooses in order to achieve a desired rate of production. In dealing with employees, however, an intangible factor of will, volition or freedom of choice is introduced, and workers can increase or decrease their productivity as they choose. This human quality gives rise to the need for positive motivation.

In fact, the level of the performance of an employee is a function of his abilities and motivation. The first determines what he can do; the second
determines what he will do. Where there is a strong positive motivation, the employee's output increases; but where it is negative or a weak positive motivation, his performance level is low. One of the key elements in personnel management is motivation. As Rensis Likert put it: "It is the core of management high shows that every human being earnestly seeks a secure, friendly and supportive relationship which gives him a sense of worth in face-to-face groups which are most important to him. A supervisor should strive to treat individuals with dignity and recognition of their personal worth."

McGregor has stated: "the task of management is to arrange organizational conditions and methods of operation so that people can achieve their own goals best by directing their own efforts toward organizational objectives." Young Paul maintains: "The goal of the individuals and the organization can be achieved through stimulating workers toward productive performance – called motivational process. It is a process of arousing action, sustaining the activity in progress, and regulating the pattern of activity." It attracts and initiates action and also serves as a factor in the continuation of activity until objectives have been attained.

**MOTIVATED BEHAVIOUR**

Motives can be expressed in several types of behaviour. Kimble and Garmezy specify three types of motivated behaviour, namely:

Consummatory behaviour, which directly satisfies the need in question, Examples are eating, drinking, love making, joining an association (affiliation or status).

Instrumental behaviour, which is instrumental in getting the need satisfied such as going to the dining table or a restaurant.

Substitute behaviour, which is known to be motivated behaviour but which cannot be fully explained.

It is generally a difficult task to infer motives from behaviour because:

1. The expressions of human motives differ from culture to culture and even from person to person within a culture.
2. Similar motives may be manifested through unlike behaviour.
3. Unlike motives may be manifested through unlike behaviour.
4. Motives may appear in disguised forms.
5. Any single act of behaviour may express several motives.

**OBJECTIVE OF MOTIVATION**

The purpose of motivation is to create conditions in which people are willing to work with zeal, initiative, interest and enthusiasm, with a high personal and group moral satisfaction, with a sense of responsibility, loyalty and discipline and with pride and confidence in a most cohesive manner so that the goals of an organization are achieved effectively.

Motivational techniques are utilized to stimulate employee growth. This was indicated by Clarence Francis when he was Chairman of General Foods. He said: 'You can buy a man's time, you can buy a man's physical presence at a given place; you can even buy a measured number of skilled muscular motions per hour or day; but you cannot buy enthusiasm. You cannot buy initiative; you cannot buy loyalty; you can not buy devotion of hearts, minds and souls. You have to earn these things.'

**SELF-MOTIVATION OR ATTITUDE MOTIVATION**

Before one can motivate others, one must motivate oneself. One must overcome a certain amount of one's natural inertia. One of the most common deterrents to human action is that of a tired feeling. This tired feeling is due to emotional reactions within oneself. The things that affect the conscious mind and are generally known as anxiety are: i. Monotonous work; ii. Driven by boss; iii. Bad physical conditions; iv. Does not get along with associates; v. Dissatisfied with work or achievement; vi. Under constant strain; vii. Gets no real rest at home; worried about holding the job; and viii. Financial troubles.

Besides these, some other factors also affect the conscious mind and are known as inner conflict. These factors indicate that a person i. Is unwilling to work; ii. Wants to be tired to have an excuse for failure; iii. Craves sympathy; iv. Resents the kind of work he is forced to do; v. Thinks the world owes him a living; vi. Has some sort of inferiority complex; vii. Hates his wife - does not want to support her or her children; and viii. Is repressing things he had better face.
TYPES OF MOTIVATION

If a manager wants to get work done by his employees, he may either hold out a promise of a reward for them for doing work in a better or improved way, or he may constrain them, by instilling fear in them or by using force, to do the desired work. In other words, he may utilize a positive or a negative motivation. Both types are widely used by the managements.

Positive motivation involves the possibility of increased motive satisfaction.

Positive or incentive motivation is generally based on reward. According to Flippo, “positive motivation is a process of attempting to influence others to do your will through the possibility of gain or reward.” People work for incentives in the form of the four “P”s of motivation: Praise, Prestige, Promotion, and Pay cheque.


According to Peter Drucker, the “real positive motivators are responsible for placement, high standard of performance, information adequate for self-control and the participation of the worker as a responsible citizen in the plant community.”

Incentive motivation is the ‘pull’ mechanism. It has its own benefits. The receipt of awards, due recognition, and praise for work well done definitely lead to good team spirit, co-operation and a feeling of happiness.

Negative or fear motivation is based on force and fear. Fear causes persons to act in a certain way because they are afraid of the consequences if they do not. If workers do not work, they are threatened with mechanism. Negative motivation has certain limitations; through its use only the minimum of effort is put in to avoid punishment. Moreover, the imposition of punishment frequently result in frustration among those punished, leading to the development of maladaptive behaviour. Punishment also creates a hostile state of mind, and an unfavourable attitude to the job according to D.S. Beach.
Moreover, it may result in lower productivity because it tends to despite such human assets as loyalty, cooperation and esprit de corps.

In spite of these limitations, negative motivation has been used to achieve the desired behaviour, as in the case of a fire, a breakdown, a panic or a riot. There is no management which has not used the negative motivation at some time or the other. However, in recent years, the trend has been towards the use of positive motivation. This tendency has been influenced by extensive unionization, a higher level of employee education, a number of researches in the filed which have emphasis the importance of the use of positive motivation.

Leadership is the process of encouraging and helping others to work enthusiastically toward objectives. It is determined primarily by one's role behaviour, not by one's personal traits. Leaders' roles combine technical, human, and conceptual skills, which leaders apply in different degrees at various organizational levels. Their behaviour as followers is also important to the organization.

The path-goal model of leadership accents two major roles. One is goal setting, which is a powerful motivational approach discussed earlier. Management by objectives is a system that clarifies goals and gives employees some freedom in determining how to go about accomplishing them. Vision also provides a broad image of where the organization can and should be going. In their second major role, leaders engage in path support by helping employees accomplish tasks, and here power and politics become important tools.

Leaders apply different leadership styles, ranging from free-rein to autocratic. Although a positive, participative, considerate leader tends to be more effective in many situations, the contingency approaches suggest that a variety of styles can be successful. The leader must first analyze the situation and discover the key factors in the task, employees, or organization that suggests which style might be the best.

There are differences in the ways leaders approach people to motivate them. If the approach emphasizes rewards - economic or otherwise- the leader uses positive leadership. Better employee education, grater demands
for independence, and other factors have made satisfactory employee motivation more dependent on positive leadership.

If emphasis is placed on penalties, the leader is applying negative leadership. This approach can get acceptable performance in many situations, but it has high human costs. Negative leaders act domineeringly and with a superiority complex with people. To get work done, they hold over their personnel such penalties as loss of job, reprimand in the presence of others, and a few days off without pay. They display authority in the false belief that it frightens everyone into productivity. They are bosses more than leaders.

A continuum of leadership styles exists, ranging from strongly positive to strongly negative. Almost any manager uses both styles somewhere on the continuum every day, but the dominant style sets a tone within the group. Style is related to one’s model of organizational behaviour. The autocratic model tends to produce a negative style; the custodial model is somewhat positive; and the supportive and collegial models are clearly positive. Positive leadership generally achieves higher job satisfaction and performance.

Extrinsic motivation is concerned with external motivators which employees enjoy—pay promotion, status, fringe benefits, retirement plans, health insurance scheme, holidays and vacations, etc. By and large, these motivators are associated with financial rewards.

Intrinsic motivation, on the other hand, is concerned with the “feeling of having accomplished something worthwhile.” i.e., the satisfaction one gets after doing one’s work well. Praise, responsibility, recognition, esteem, power, status, competition and participation are examples of such motivation.

SELF-MOTIVATION OR ATTITUDE MOTIVATION

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constant strain; vii. Gets no real rest at home; worried about holding the job; and viii. Financial troubles."

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Anxiety and inner conflict may be reduced by: (i) Making the job more interesting; (ii) Thinking constructively; (iii) Making the best possible use of one's strong points and not dwelling on weaknesses, which should be corrected as far as possible; (iv) Doing things one is afraid of because of ignorance, and ignorance causes fear; (v) Being tough-minded, particularly towards oneself; (vi) Adopting oneself to the situation; (vii) Acquiring a sensible and worthwhile philosophy of life.

When people join an organization, they bring with them certain drives and need that affect their on-the-job performance. Sometimes these are immediately apparent, but often they not only are difficult to determine and satisfy but also vary greatly from one person to another. It is useful, though, to understand how needs create tensions which stimulate effort to perform, and this brings the satisfaction of rewards.

Four different approaches to understanding internal drives and needs within employees were examined. Each model makes a contribution to our understanding of motivation, and all the models share some similarities. In general, they encourage managers not only to consider lower-order, motivational, and intrinsic factors as well.

Lillis has rightly observed: "If we adopt as part of our philosophy that 'nothing is ever done finally and right' we will go far towards reducing anxiety and inner conflict in at least two ways: First, it will keep us from getting discouraged and help us to recover from failures or setbacks on the road to established goals. Second, it will keep us from resting on our laurels when we feel our goals are attained. Although you may feel you have reached the ultimate of perfection, you are due for a sad awakening if you think you know
For some people, money can be instrumental in satisfying esteemed and recognition need as well basic physical needs. Motivating people with financial rewards is not a picker's game. A company must be willing and able to give certain employees very large raises and bonuses if pay is to motivate performance. If a company cannot afford to do this, or is not willing to do so, it should probably forget about using pay to motivate performance.” says Brian Giles and Barett.

Pay in one form or another is certainly one of the main springs of motivation in our society. The most evangelical human relationist insists it is important while protesting that other things are too nobler. It would be unnecessary to belabour the point if it were not for a tendency for money drives to slip out of focus in a miasma of other values and other practices. As it is, it must be repeated: pay is the most important single motivator used in our organized society”. (Haire, Ghiselli and Porter 1976.)

**WAGE INCENTIVE IN INDIA**

Financial incentives as a primary tool for motivating workers cannot be over-emphasised. Besides, the necessity of raising the productivity of Indian labour is also getting due attention. In this context, the First Plan recommended the introduction for incentive schemes to promote a more efficient working of industries with due safeguards for the interests of workers through the guarantee of a minimum wage and protection against fatigue and undue speed-up. The Second Plan recommended that the earnings beyond the minimum wage should be related to results, and that workers should be consulted before a system of payment by results was introduced in an establishment.

The Third Plan emphasized the need for higher productivity and reduction in the unit cost of production. It put the responsibility on management to provide the most efficient equipment, correct conditions and methods of work impart training and create suitable psychological and material incentives for workers.

The study group of the National Commission on Labour has recommended that “under our conditions, a wage incentive is concerned with
an-effective utilization of manpower which is the cheapest, quickest and surest means of increasing productivity. The only practicable and self-sustaining means of improving manpower utilization is to introduce incentive schemes and stimulate human efforts to provide a positive motivation to greater output. It was published in 1968.

The need for introducing wage incentive schemes in India has been felt on the following grounds:

i) The efficiency of the Indian worker is very low, and needs to be raised. Wage incentives can play an important part improving his efficiency.

ii) The average Indian worker is financially very poor. Financial incentives therefore are likely to tempt him to work better.

iii) India is at a low level of technology, and wage incentives can help in promoting the use of electronic devices.

iv) A proper application of incentive schemes can so affect the prices that the community would be benefited.

v) In the national interest, it is felt that wage incentive schemes should be applied to all economic activity.

INCENTIVES FOR MANAGEMENT EMPLOYEES

In many organisations, the managers are paid bonus. There are two types of bonus plan; one determined by formula for example some criteria like increased sales. And the second determined by some discretion used in allocation of bonus for example paid on more or less permanent basis. The bonus plans are generally reviewed annually to make them more effective.

For top level management bonuses are generally tied to overall corporate results. The size of bonus is much higher for top level executives, and lower for the lower level executives.

FAILURE OF INCENTIVE PLANS

Many of the incentive plans, aimed at increasing the motivation of employees, often fail to have their desired impact. This is due to several reasons, most of which become apparent when it is considered that for
motivation to take place, the worker must believe that his effort will lead to rewards and that he must want that reward. In most cases incentives plans fail because one or both of these facts are not met.

According to Hackman, J. Richard, and J. Zyod Suttle, the principal reasons of failure are:

1) Unfair standards are a great hindrance in the way of motivating employees. In order to motivate them, the standards must be viewed as fair and attainable.

2) Fear of Rate Cut: there is a fear in the minds of the employees that standards will be raised high or rates will be cut if they earn too much.

3) Group Restrictions: peer pressure is a double-edged sword when it comes to incentive plans. If the group views the plan as fair, it can keep “Loafer” in line and maintain high production. If the group feels that plan is not in its interest it will through education ostracism, or punishment – see the production levels of group members is kept at a minimum.

4) Employees do not understand the Plan: This happens when either the details of the plans are not communicated to employees or if communicated, the employees do not clearly understand them. If employees cannot understand how performance will lead to rewards, the plans would not prove fruitful in motivating them.

5) Lack of Required Tools, Training, Equipment, etc: The lack of required machines, and tools, equipment and absence of a sound organisation structure often break the effort - reward link; and without that link, incentive plan fails.

6) Other Causes: The inequitable wage structure with the organisation and the inter-group conflict also lead to non-cooperation of the employees.

**NON-MONETARY INCENTIVES**

While monetary incentives often appear as important motivators, many factors unrelated to money can also serve as ‘attention-getters’ and
'encouragers of action.' "The classification of such non-financial incentives tends to a smorgasbord of desirable 'things' that are potentially at disposal of the organisation. The creation of such rewards is only limited by managers' ingenuity and ability to assess 'payoffs' that individuals within the organisation find desirable and which are within the managers' jurisdiction" according to Stephen P Robbins. As the old proverb goes: "One man's food is another man's poison" certainly applies to rewards. What one employee views as "something I have always wanted", another finds superfluous. Therefore, care must be taken in providing the "right" reward for each person.

Non monetary incentives are as follows:

1) The opportunity to communicate with and relate to others is a factor many workers emphasize and seek.

2) A person with strong need for affiliation may respond readily to job assignments that provide with opportunities to relate to socially attractive and satisfying individuals or groups.

3) Persons who are very status conscious, can be motivated with the availability of a panelled office, a carpeted floor and wall paintings, a large desk and aristocratic furniture or a private bathroom, impressive job title, their own visiting cards, their own secretary and telephone, or a well-located parking place with their name clearly painted underneath the "Reserved" sign – all of which are status symbols.

4) An employee with high-level desires for power may respond easily to opportunity whereby he can gain leadership and administrative responsibilities. He may be stimulated by participative or free rein leadership in the decision making process. The use of job enlargement provides added incentive to some employees because they feel capable of controlling wider sets of activities than they previously performed.

5) Persons interested in enhancing their reputations and receiving recognition in the eyes of others may respond to verbal 'praise' or too publicized 'awards'.

6) Persons proud of their long service may be attracted by awards recognizing their seniority.
7) Workers in safety minded organisation are often attracted by competition on awards for best safety performance records.

8) Individuals proud of their past accomplishments may feel recognised and rewarded if their superiors extend opportunities for participation on more complex and more important job assignments.

**Effective Communication in Leadership and Motivation**

Communication is one of the most basic functions of management. The leader can make a good decision, think out well conceived plans, establish a sound organisation structure, and even be well linked by his associates. Communication forms "a basis for management by objectives, long-range strategic goal setting and policy formulation, strategic planning, organisation development and organisation effectiveness, control decision-making and allied managerial activities aimed at effective achievement of organisational goals."

A very simple and concise definition of communication may be that it is a process of transmitting information, thoughts, opinions, messages, facts, ideas or emotions and understanding from one person, place or thing to another person place or thing. If there is no understanding, or if there is a misunderstanding, ideas have not been effectively communicated, and it is said to have failed. When people communicate with each other, they are exchanging messages upon which action can be taken. Therefore, communication may be taken to mean the transferring of a mental concept from the brain of one individual to the brain of another.

**Communication and Leadership**

The importance of communication in any managerial process can hardly be over emphasised. If an organisation is to operate as an integrated unit, it is necessary that the top management should keep the lower level supervisors and employees well-informed of its ultimate objectives and what it wants each person to accomplish towards their realization. By freely sharing information, the management takes employees into its confidence, prepares
them for changes, avoids misunderstanding, and removes it if at all it develops, and makes them more knowledgeable about the problems and policies of the enterprise.

The communication of information, ideas and decisions is a basic necessity for Leadership and Motivation. It is a tool of supervision which is in constant use and must always be in good condition. It is perhaps true that what make leaders inspiring and outstanding, in addition to that vital spark of enthusiasm and an unshakable faith, is the ability to convey ideas and information clearly and vividly and communicate to others.

Communication is as necessary to an organisation as the blood-stream is to a person. Just as persons develop arteriosclerosis, a hardening of arteries that impairs their efficiency, so may an organisation develop infosclerosis, a hardening of the information arteries that produces a similar impaired efficiency.

According to Drucker, "the manager has a specific tool: information. He does not 'handle' people; he motivates, guides, organizes people to do their own work. His tool- his only tool-to do all this is the spoken or written word or the language of numbers. No matter whether the manager's job is engineering, accounting or selling, his effectiveness depends on his ability to listen and to read, on his ability to speak and to write."

Communication is a basic tool for motivation and an increase in the morale of the employees largely depends upon the effectiveness of communication. Supervision and leadership are impossible without communication. Many conflicts arising out of a misunderstanding of motives and points of view can be resolved to a great extent by a good communication skill on the part of the management. It is also a means of bringing about maximum production at the lowest cost by maintaining good human relations in the organisation, by encouraging suggestions and implementing them, whenever feasible.

ORGANISATIONAL COMMUNICATION

Formal communications are those that are "official", that are part of the recognised communication system which is involved in the operation of
the organisation. These communications may be oral or written. A formal communication can be from a superior to a subordinate, from a subordinate to a superior, intra-administrative, or external.

Communication between superiors and their subordinates represents downward communication flows. These are administrative communication flows. These are administrative communications, which provide instructions, information, and clarification. When subordinates initiate communications to their superiors, the flow is upward, and the messages may include participation in decision-making, expressions of dissatisfaction, or opinions, and these may provide evaluation of input on individual and unit performances. Intra-administrative communications pass across the organisational levels. They are frequent between line and staff units.

A formal communication takes place externally to the organisation, i.e., with outside groups, such as suppliers, clients, unions, government agencies, and community groups. The indicative or explanatory communication may exist between any levels and may be vertical as well as horizontal.

INFORMAL COMMUNICATION

Informal communications grow out of the social interactions among people work together. These are not bound by any chart on the wall but are bound by conventions, customs, and culture. Such communications provide useful information for events to come, in the form of grapevine. K. Davis observes, “Grapevine cannot be abolished, rubbed out, hidden under a basket, chopped down, tied up, or stopped. If we suppress it at one place, it will crop up in another. In a sense, the grapevine is man’s birthright because, whenever men congregate into groups, the grapevine is sure to develop. It may use smoke signal, jungle tom-toms, taps on the prison wall, ordinary conversation, or some other method, but it will always be there. No manager can “fire” it because he did not hire it. It is simply there.
RESPONSIBILITY OF EFFECTIVE COMMUNICATION OF LEADERS
   Though communication is the responsibility of every person in an organisation, yet a successful communication programme depends upon the top management which initiates and sparks it. In other words, it should be established by the top management, though the subordinates may also be asked to do the same. Employees must communicate with others, and they must also be able to judge when, where, and how to communicate.

   In any operation, the supervisor or the first-line manager is the key communicator. He should learn and interpret clearly the company's ideals and policies to the workers, and he should be able to understand his workers' problems and put across the management's viewpoint in their own interests. A successful and good leader is one who “shows understanding” and “to whom one may talk.”

   The leader of the organisation or the supervisor must understand clearly the following facts so that he may be able to communicate effectively:
   a. He must understand clearly the needs and policies of the company, and keep himself abreast of its new policies or changes in its structure. He should be acquainted with the broad outline of the company's policy in general.
   b. He must understand the interest of the workers.
   c. He must set clearly his own goals and ideals.
   d. He must know his work group and know its feelings and emotions.

TRAINING AND DEVELOPMENT OF EMPLOYEES
   Management Development is any attempt to improve managerial performance by imparting knowledge, changing attitudes, or increasing skills. It thus includes in-house programs like courses, coaching, and rotational assignments; professional programmes like American Management Association Seminars; and university programs like executive MBA programs. It is estimated that well over one million U.S. managers participate in management development programs yearly for a cost to industry of several billion dollars a year.
The ultimate aim of such development programs is, of course, to enhance the future performance of the organization itself. For this reason, the general management development process consists of 1) assessing the company's needs. For instance, to fill future executive openings, or to make the firm more responsive. 2) appraising the managers' performance, and then 3) developing the managers themselves.

Management development is important for several reasons for one thing, promotion from within is a major source of management talent. One survey of 84 employers' reports that about 90% of supervisors, 73% of middle-level managers, and 51% of executes were promoted from within; virtually all these managers, in turn, required some development to prepare them for their new jobs. Similarly, management development facilitates organizational continuity by preparing employees and current managers to smoothly assume higher-level positions. It also helps to socialize management trainees by developing in them the right values and attitudes for working in the firm. And, it can foster organizational responsiveness by developing the skills that managers need to respond faster to change.

THE CHANGING NATURE OF MANAGEMENT DEVELOPMENT

Some management development programs are company-wide and involve all or most new management recruits. Thus, new college graduates may join textile industry and become part of the companywide management development programme. Here they may be rotated through a pre-programmed series of departmental assignments and educational experiences; the aims are identifying their management potential, and at providing the breadth of experience (in, say, production and finance) that will make the new managers more valuable in their first “real” assignment as group product leaders. Then superior candidates may be slotted into a “fast track,” a development program that prepares them more quickly to assume senior-level commands.

On the other hand, the management development program may be aimed at filling a specific position, such as CEO, perhaps with one of two potential candidates. When it is an executive position to be filled, the process
is usually called succession planning. Succession planning refers to the process through which senior-level openings are planned for and eventually filled.

Such a succession program typically takes place in stages. First, in an organisation projection is made; here you anticipate your department's management needs based on factors like planned expansion or contraction.

Next the HR department reviews its management skills inventory to identify the management talent now employed. These inventories contain data on things like educational and work experience, career preferences, and performance appraisals. Next management replacement charts are drawn. These summarize potential candidates for each of your management slots, as well as each person's development needs.

**MANAGERIAL ON-THE-JOB TRAINING:**

On-the-job training is one of the most popular development methods. Important techniques include job rotation, coaching approach, junior boards, and action learning.

**JOB ROTATION**

It means moving management trainees from department to department to broaden their understanding of all parts of the business. The trainees are often recent college graduates. For instance they may spend several months in each department; this helps not only broaden his or her experience, but also discover the jobs he or she prefers. The person may just be an observer in each department but more commonly gets fully involved in its operations. The trainee thus learns the department's business by actually doing it, whether it involves sales, production, finance, or some other function.

Job rotation has several other advantages. In addition to providing a well rounded training experience for each person, it helps avoid stagnation through the constant introduction of new points of view in each department. It also tests the trainee and helps identify the person's strong and weak points. Periodic job changing can also improve interdepartmental cooperation;
managers become more understanding of each other's problems, while rotation also widens the trainee's acquaintances among management.

Rotation does have disadvantages. It encourages generalization and tends to be more appropriate for developing general line managers than functional staff experts. You also have to be careful not to forget inadvertently a trainee at some deserted outpost.

**COACHING APPROACH**

In the coaching approach, the trainee works directly with the person he or she is to replace; the latter is in turn responsible for the trainee's coaching. Normally, the understudy relieves the executive of certain responsibilities, thereby giving the trainee a chance to learn the job. This helps ensure that the employer will have trained managers to assume key positions when such positions are vacated due to retirement, promotions, transfers, or terminations. It also helps guarantee the long run development of company bred top managers.

To be effective, the executive has to be a good coach and mentor. Furthermore, this person's motivation to train the replacement will depend on the quality of the relationship between them. Some executives are also better at delegating responsibility, providing reinforcement, and communicating than are others; this also will affect the results. Unlike job rotation, which aims to familiarize the trainees with the problems of each department, junior boards aim to give promising middle managers experience in analyzing overall company problems. The idea of a junior board (multiple management) is to give trainees top-level analysis and policymaking experience by having 10-12 trainees sit on a junior board of directors. The members of such boards come from various departments. They make recommendations regarding top-level issues like organization structure, executive compensation, and interdepartmental conflict to the official board of directors. This technique provides middle-management trainees with on-the-job training and experience in dealing with organisation wide problems.
THE CASE STUDY METHOD

The case study method presents a trainee with a written description of an organisational problem. The person then analyzes the case in private, diagnoses the problem and presents his or her findings and solutions in a discussion with other trainees. The case method approach is aimed at giving trainees realistic experience in identifying and analyzing complex problems in an environment in which their progress can be subtly guided by a trained discussion leader. Through the class discussion of the case, trainees learn that there are usually many ways to approach and solve complex organisational problems. Trainees learn that their solutions are often influenced by their own needs and values.

MANAGEMENT GAMES

In a computerized management game, trainees are divided into five or six person companies, each of which has to compete with the other in a simulated marketplace. Each company sets a goal and is told it can make several decisions. For example, the group may be allowed to decide 1. how much to spend on advertising, 2. how much to produce, 3. how much inventory to maintain, and 4. how many of which product to produce. Usually the game itself compresses a two-or three-year period into days, weeks, or months. As in the real world, each company usually can't see what decisions the other firms have made, although these decisions do affect their own sales. For example, if a competitor decides to increase its advertising expenditures, that firm may end up increasing its sales at the expense of yours.

Management games can be good development tools. People learn best by getting involved in the activity itself, and the games can be useful for gaining such involvement. Games are almost always interesting and exciting for the trainees because of their realism and competitiveness. They help trainees develop their problem-solving skills, as well as focus their attention on the need for planning rather than on just putting out fires. The textile companies usually elect their own officers and develop their own divisions of work; the games can thus be useful for developing leadership skills and for fostering cooperation and teamwork.
OUTSIDE SEMINARS

Many organisations offer special seminars and conferences aimed at providing skill-building training for managers. The American Management Associations (AMA), Ahmedabad Management Association and Indian Management Association (AIMs) for instance, provide thousands of courses in area such as the following;
- General management
- Human resources
- Sales and marketing
- International management
- Finance
- Information systems and technology.
- Manufacturing and operation management.

The courses themselves range from “how to sharpen your business writing skills” to “strategic planning”.

ROLE PLAYING

The aim of role playing is to create a realistic situation and then have the trainees assume the parts (or roles) of specific persons in that situation.

All participants can trigger a spirited discussion among the role players, particularly when they all throw themselves into the roles. The idea of the exercise is to solve the problem at hand and thereby develop trainees’ skills in areas like leadership and motivation.

Role playing can be an enjoyable and inexpensive way to develop many new skills. The role players can also give up their inhibitions and experiment with new ways of acting. For example, a supervisor could experiment with both a considerate and autocratic leadership style, whereas in the real world the person might not have this harmless way of experimenting. According to Maier, role playing also trains a person to be aware of and sensitive to the feelings of others.
INDUSTRIAL RELATIONS AND MOTIVATION

Industrial relations pose one of the most delicate and complex problems to modern industrial society. With growing prosperity and rising wages, workers have achieved a higher standard of living; they have acquired education, sophistication and greater mobility. Now rapid changes have taken place in the techniques and methods of production. Long established jobs have disappeared, and new employment opportunities have been created which call for different patterns of experience and technical education. Labour-employer relationships have, therefore, become more complex than they were in the past, and have been given a sharp edge because of widespread labour unrest.

Prof. Dunlop defines an industrial relations system at any one time in its development is regarded as comprised of certain actors, certain contexts, an ideology which binds the industrial relations system together, and a body of rules created to govern the actors at the workplace and work community. There are three sets of independent variables: the "actors: the Contexts and the ideology of the system".

SCOPE OF INDUSTRIAL RELATION

The staff employed in the industrial relations department should know the limitations within which it has to function. The industrial relations director generally has several assistants who help him to perform his functions effectively. He usually reports directly to the president or chairman of the board of directors of an organisation.

The functions of the industrial relations staff are.

I. Administration, including overall organisation, supervision and co-ordination of industrial relations policies and programmes.

II. Liaison with outside groups and personnel departments as well as with various cadres of the management staff.

III. The drafting of regulations, rules, laws or orders, and their construction and interpretation.

IV. Position classification, including overall direction of job analysis, salary and wage administration, wage survey and pay schedules.

V. Recruitment and employment of workers and other staff.
VI. Employment testing, including intelligence tests, mechanical aptitude tests and achievement tests.

VII. Placement, including induction and assignment.

VIII. Training of apprentices, production workers, foremen and executives.

IX. Group activities, including group health insurance, housing, cafeteria programmes and social clubs.

X. Research in occupational trends and employee attitudes, and analysis of labour turnover.

OBJECTIVES OF INDUSTRIAL RELATIONS

- To safeguard the interests of labour and of management by securing the highest level of mutual understanding and goodwill among all those sections in the industry which participate in the process of production;

- To raise productivity to a higher level in an era of full employment by lessening the tendency to high turnover and frequent absenteeism;

- To eliminate, as far as is possible and practicable, strikes, lockouts and gheraos by providing reasonable wages, improved living and working conditions, and fringe benefits.

- To establish government control of such plants and units as are running at a loss or in which production has to be regulated in the public interest.
REFERENCES

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