CHAPTER-5

LEADERSHIP STYLES AND EMPLOYEE ENGAGEMENT

5.1 LEADERSHIP STYLES:

The customary approach to the analysis of leader behaviour is to classify several of leadership into styles. The style is the way in which the leader influences followers. The styles are based on types of control leader’s exercise in a group and their behaviour toward group members. The styles vary on the basis of the duties the leader feels, he alone should perform, the responsibilities the leader except his followers to accept, and the philosophical commitment of the leader to the development and fulfillment of subordinate’s expectations. It also varies with the occasion, as well as with the types of leaders and followers. Most important is that effective leaders after their own styles to fit the needs of a particular situation.

According to the philosophies of leaders towards their followers, the techniques of leadership and its patterns and styles may be classified as under:

1. Autocratic leadership, or authoritarian or leader centered leadership,
2. Consultative, participative, democratic or group-centered leaders,
3. Laissez-faire, free reins or individual centered leadership,
4. Bureaucratic or rules-centered leadership,
5. Manipulative leadership, and
5.2 AUTOCRATIC LEADERSHIP:

Persons who employ autocratic or authoritarian styles of leadership could be termed as: “tellers”. In order to be successful, such persons must have a broad and diversified back group. This style is efficient, needs little or no time to consult others during decision making process, and it works well in developed situations and decision is very significant. This style must be used, only in emergency. This style of leadership is not helpful, if mature employees want their participation indecision making processes of their group.

5.2.1 Participative or Group-Centered Leadership:

This type of leadership centralized managerial authority. The leader’s decision are taken after consultation with his followers and after their participation in the decision making process. This style is more appropriate under conditions, where the workers desire their involvement in matters that affect them.

5.2.2 Free-rein or liaises fair or group centered leaders:

This is often described “as not leadership at all”. Under this style, the leaders delegate the authority for decision-making into the hands of the subordinates rather completely. This style of leadership is found among certain professional workers such as university professors, route salesman, engineers, scientists, as there is a limited amount of supervision on people in these areas.

5.2.3 Bureaucratic or Rules Centered Leadership:

The leader’s behaviour is characteriesed by a high degree of reliance on rules, regulation and procedures, to which both he and his subordinates subscribe. As a result, the process of administration is reduced to a series of routine actions. This style of leadership faster’s worker apathy. Rules also lead to red tape and the habit of passing the buck, too much paper work and too great a desire to play safe.
5.2.4 Manipulative Leadership:

This style of leadership is based on the belief that employees are persons, who should be manipulated by the leader so that his goal may be attained. The main characteristics of this style of leadership are:

(a) Personal goals are reached by a manipulation of the employers.
(b) Employee needs and desires are viewed as tools to extract performance.

This style of leadership is effective only in specific situations; for example, when cooperation and coordination have to be achieved on a project and previous leaders were unable to motivate the group properly, or when highly motivated employees are needed for short duration projects. They are often given the illusion of reward, and are thus motivated for short periods.

5.2.5 Expert Leadership:

This is an emerging style of leadership, resulting in part from the complexity of modern organizations. The basis for expert leadership is the individual leader’s knowledge and ability, and they assume the role of the leader regardless of his age, sex, physical and other attributes.

A review of relevant research and literature on management approaches and methods is contained in this chapter. The humanistic approach to management is treated in depth. Other researchers who have followed and expanded upon the humanistic approach are reviewed. The synthesis of related literature is organized and presented in four sections: Section 1, Leadership Characteristics; Section 2, Leadership Style: Characteristic and Trends; Section 3, Leadership Style: Theory and Research, and Section 4, Leadership: Power and Motivation.
5.3 LEADERSHIP CHARACTERISTICS:

The Oxford English Dictionary (1933) notes the appearance of the word “leader” in the English language as early as the year 1300. However, the word “leadership” did not appear until about the year 1800.

There are almost as many different definitions of leadership as there are persons who have attempted to define the concept. Nevertheless, there is sufficient similarity between definitions to permit a rough scheme of classification.

5.3.1 Leadership as a Focus of Group Processes:

Among the earliest definitions, the leader is viewed as a focus of group change, activity, and process. Cooley (cited in Stogdill, 1974) maintained that “the leader is always the nucleus of a tendency.

<table>
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<tr>
<th>Chairman</th>
<th>Special grade</th>
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<tbody>
<tr>
<td>Managing Director</td>
<td>Top Executive Grade VIII</td>
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<tr>
<td>Deputy Managing Directors</td>
<td>Top Executive Grade VII</td>
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<tr>
<td>Chief General Managers</td>
<td>Senior Management Grade Scale VI</td>
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<td>General Managers</td>
<td>Senior Management Grade Scale V</td>
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<tr>
<td>Deputy General Managers</td>
<td>These officials could be from any of the above-mentioned grades or from the following grades, depending upon the seniority of the positions:</td>
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<tr>
<td>Regional Managers</td>
<td>Senior Management Grade Scale IV</td>
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<tr>
<td>Branch Manager and Functional</td>
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<td>Executive at Central Office/</td>
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<td>Regional Offices</td>
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Figure 5.1: Management Grades in a Nationalized Banks

In this thesis, the leadership styles of managers from the Middle Management Grade Scale II level to the Senior Management Grade VI level have been studied.

Chapin (1985) view leadership as a point of polarization for group cooperation.
Krech and Crutchfield (2004) observed that by virtue of his special position in the group, the leader serves as a primary agent for the determination of group structure, group atmosphere, group goals, group ideology, and group activities. Knickerbocker (2004) maintained that when conceived in terms of the dynamics of human social behaviour, leadership is a function of needs existing within a given situation, and consists of a relationship between an individual and a group. Hersey and Blanchard (2007) believed that leadership is the process of influencing the activities of an individual or a group in efforts toward goal achievement in a given situation.

The trend of thought represented by the above definitions has been influential in directing attention to the importance of group structure and group processes in the study of leadership.

5.4 LEADERSHIP AS PERSONALITY:

Early attempts to characterize the process of leadership emphasized the tendency to stress the possession of desirable qualities by the leader. This resulted in establishing the leader’s special attributes and perceptive abilities rarely found in a person who was not born to be a leader. The concept “personality” appealed to several early theorists who sought to explain why some persons are better able than other to exercise leadership.

Bowden (1996) equated leadership with strength of personality when he stated that the amount of personality attributed to any individual may not be unfairly estimated by the degree of influence he can exert upon others.

Tead (2001) regarded leadership as a combination of traits which enables an individual to induce others to accomplish a given task.

The personality theorists tended to regard leadership as a one-way influence effect. While recognizing that the leader may possess qualities differentiating him from followers,
they generally failed to acknowledge the reciprocal and interactive characteristics of the leadership situation.

5.4.1 Leadership as the Art of Inducing Compliance:

Munson (cited in Stogdill, 2004) defined leadership as “the ability to handle men so as to achieve the most with the least friction and the greatest co-operation” (p. 3).

Allen (2008) regarded a leader as one who guides and directs other people.

Bennis (2001) viewed leadership as the process by which an agent induces a subordinate to behave in a desired manner.

The compliance induction theorists, perhaps more than the personality theorists, tended to regard leadership as a unidirectional exertion of influence and as an instrument for molding the group to the leader’s will. It expressed little recognition of the rights, desires, and necessities of the group members or of the group’s traditions and norms.

5.4.2 Leadership as the Exercise of Influence:

Use of the concept “influence” marked a step in the direction of generality and abstraction in defining leadership.

Stogdill (2004) termed leadership as the process of influencing the activities of an organized group in its efforts toward goal setting and goal achievement.

Tannenbaum, Weschler, and Massarik (2004) defined leadership as “interpersonal influence exercised in a situation and directed, through the communication process, toward the attainment of specified goal or goals” (p. 408).
According to Bass (2001), an individual’s efforts to change the behaviour of others is “attempted leadership”. When the other members actually change, this creation of change in others is “successful leadership”. If the others are reinforced or rewarded for changing their behaviour, this evoked achievement is “effective leadership”.

The influence concept recognized the fact that individuals differ in the extent to which their behaviours affect activities of a group. It implied a reciprocal relationship between leader and followers, but one not necessarily characterized by domination, control, or induction of compliance on the part of the leader. It merely stated that leadership exercises a determining effect on the behaviours of group members and on activities of the group.

5.4.3 Leadership as Act or Behaviour:

Hemphill (2005) suggested that leadership be regarded as the behaviour of an individual while he is involved in directing group activities.

Fiedler (2007) proposed a somewhat similar definition when he said, by leadership behaviour they generally mean the particular acts in which a leader engages in the course of directing and coordinating the work of his group members; this may involve such acts as structuring the work relations, praising or criticizing group members, and showing consideration for their welfare and feelings. (p. 36).

The behavioural theorists were particularly interested in definitions that provided a basis for objective observation, description, measurement, and experimentation.

5.4.4 Leadership as a Form of Persuasion:

Several early theorists attempted to remove any implications of coercion from their definition of leadership, while at the same time retaining the concept of the leader as a
determining factor in the relationship with followers. The use of “persuasion” seemed to meet this specification.

According to Cleeton and Mason (1994), leadership indicates the ability to influence men and secure results through emotional appeals, rather than through the exercise of authority.

Koontz, O’Donnel, and Weihrich (2004) believed that leadership was “the act or process of influencing people so that they will strive willingly and enthusiastically toward the achievement of group goals” (p. 505).

5.4.5 Leadership as a Power Relation:

French (2006) and Raven and French (2008) considered leadership in terms of differential power relationships among members of a group. Interpersonal power was conceived as a resultant of the maximum force which A can induce on B minus the maximum resisting force which B can mobilize in the opposite direction.

Bass (cited in Stogdill, `2004) too regarded power as a form of influence relationship when he said, “when the goal of one member, A, is that of changing another, B, or when B’s change in behaviour will reward A or reinforce A’s behaviour, A’s effort to obtain the goal is leadership” (p.12).

5.4.6 Leadership as an Instrument of Goal Achievement:

Several theorists have defined leadership in terms of its instrumental value for accomplishment of group goals and satisfaction of needs.

R.C. Davis (1992) referred to leadership as the principal dynamic force that stimulates, motivates, and coordinates the organization in the accomplishment of its objectives.
K. Davis (1995) defined leadership as the human factor which binds a group together and motivates it toward goals.

5.4.7 Leadership as an Effect of Interaction:

Several theorists have viewed leadership not as a cause or control, but as an effect, of group action. This group of theorists called attention to the fact that leadership grows out of the interaction process itself.

Bogardus (2005) stated that “as a social process, leadership is that social inter stimulation which causes a number of people to set out toward an old goal with new zest or a new goal with hopeful courage—with different persons keeping different places” (p. 377).

Pigors (1965) regarded leadership as a process of mutual stimulation which, by the successful interplay of individual differences, controls human energy in the pursuit of a common cause.

5.5 Leadership as a Differentiated Role:

One of the achievements of modern sociology has been the development of role theory. Each member of society occupies a status position in the community as well as in various institutions and organizations. In each position, the individual is expected to play a more or less well-defined role. Leadership may be regarded as an aspect of role differentiation.

This view was held by Gordon (2005) when he conceptualized leadership as an interaction between a person and the group members. Each participant in this interaction may be said to play a role, and in some way these roles must be differentiated from each other. The basis for this differentiation seems a matter of influence—that is, one person, the leader, influences, while the other persons respond.
Sherif and Sherif (2006) supported Gordon’s perception of leadership and suggested it be considered as a role within the scheme of relations and may be defined by reciprocal expectations between the leader and other members.

5.5.1 Leadership as the Initiation of Structure:

Several writers view leadership, not as the passive occupancy of a position or acquisition of a role, but as a process of originating and maintaining role structure.

Homans (2004) identified the leader of a group as a member who originates interaction.

For Hemphill (2004), to lead is to engage in an act that initiates a structure in the interaction as part of the process of solving a mutual problem.

Stogdill (2004) defined leadership as the initiation and maintenance of structure in expectation and interaction.

This group of writers attempted to define leadership in terms of the variables giving rise to the differentiation and maintenance of role structures in groups.

5.5.2 Leadership as Viewed in the Last Decade:

Earlier researchers made a distinction between management and leadership. The role of the manager, endowed with formal authority to direct and control the activities of the group, may be referred to as that of “head” (Weissenberg, 2001). Leadership, on the other hand, differs from management in that the person who is the leader, unlike the manager, may or may not be a member of the actual group he leads. Thus, it would be difficult to exercise the responsibilities of management in many organizations without some degree of active group involvement. The foundation of a leader’s power is established on all the resources he can use in order to affect the behaviour of other (McKenna, 2003). The
resources, according to Dahl (2001), include wealth, capability, prestige, skill, physical strength, and personal rewards like recognition or affection.

Early attempts to characterize the process of management/leadership emphasized the tendency to stress the possession of desirable qualities by the leader. This resulted in establishing the leader’s special attributes and perceptive abilities rarely found in a person who was not born to be a leader (Bavelas, 2005). The modern approach, however, was more implicit in presenting the supreme image. It described management/leadership in terms of courage to take risk, intuition, and self-confidence.

Stogdill (2004), in reviewing the literature, considered that the personal characteristics of the leader could be understood by the criteria of capacity, achievement, responsibility, participation, and status. According to Stogdill, most definitions of leadership emphasized honesty, courage, and perception, combined with self-confidence.

Over the years the terms management and leadership have become synonymous, though once in a while some writers to try to prove that they are different. For instance, Zaleznik (2007) believes that managers and leaders differ on four basic dimensions:

1. Attitudes toward goals. Managers tend to adopt an impersonal if not passive attitude toward goals, while leaders adopt a personal and active attitude toward goals.
2. Conceptions of work. Managers tend to view work as an enabling process involving some combination of people and ideas. In order to get people to accept solutions to problems, managers need to coordinate and balance continually. Where managers act to limit choices, leaders work in the opposite direction to develop fresh approaches to long-standing problems and to open issues for new options.
3. Relations with others. Managers relate to people according to the role they play in a sequence of events or in a decision-making process. Leaders, on the other hand, are concerned with ideas and relate to people in more intuitive and empathetic ways.
4. Senses of self. Managers see themselves as conservators and regulators of an existing order of affairs with which they personally identify and from which they gain
rewards. Leaders feel separate from their environment, including others people. Their sense of who they are does not depend upon memberships, work roles, or other social indicators of identity.

Contemporary writers disagree with this view and Williamson (2004) made his point by giving his book the title The Leader Manager. According to Williamson, the vast majority of companies today find themselves at critical times of transition-- a transition triggered by dramatic changes in their competitive environments and the realization that the management strategies of the past are no longer working. Consequently, attention has to be directed on making managers make this difficult transition. One of the principal hallmarks of the new environment we are entering as a society is the elevation of people as businesses’ key leverageable asset. Consequently, managers must come to view their leadership responsibilities toward their people with every bit as much respect, discipline, and sophistication as they do their fields of functional expertise.

Bennis and Burt (2005) believe that managers can become effective leaders if they possess the four traits that are evident in leaders:

1. Management of attention. Managers should be able to make their dreams apparent (in the sense of goal, outcome, and direction) and enroll others in making them happen.
2. Management of meaning. To make dreams apparent to others, managers must communicate their vision to align people with it.
3. Management of trust. Managers must be considered as trust-worthy and reliable by the people they deal with.
4. Management of self. Managers must be aware of the skills they possess and deploy them effectively.

Berlew (2004) believes that leadership is the quality that lifts people out of their petty preoccupations and unifies them in pursuit of objectives worthy of their best efforts.
Kanter (2005) stresses that those individuals will succeed and flourish as leaders who have become masters of change.

Tichy and Devanna (2006) are of the opinion that leaders are visionaries who come up with a fresh vision of the organization and “transformational” leaders institutionalize that vision.

5.6. CONCLUSION:

This chapter is concerned with the leadership styles and employee management in various branches of banks under study. The study has discussed:

- Leadership as personality,
- Leadership as the art of inducing compliance,
- Leadership as the exercise of influence,
- Leadership as act or behavior,
- Leadership as a form of persuasion,
- Leadership as a power relation,
- Leadership as an instrument of goal achievement,
- Leadership as an effect of interaction,
- Leadership as a differentiated role,
- Leadership as the initiation of structure,

After all, earlier researches made a difference between management and leadership, but Bennis and Burnt believe that managers can become effective leaders if they possess the required traits, which are evident in leaders.