Chapter - 2

Current State of Management Styles in Industries of Kerala

The previous chapter gives the concept and the need of management styles. It provides us with the theoretical frame work of different styles management and also differentiates between management and leadership styles. It sets a base for management styles and its commitment, for diversity in Indian management styles and also briefs on the ingredients of management style. It also focuses on the various management styles practiced by industries or organisation for an effective management. This chapter highlights the state of management styles in industries of Kerala.

Knickerbocker (1969)¹, emphasized that, ‘Even in the simplest situation such as when a group embarks on discussion which will eventuate in a decision of some sort, a manager seems to be essential’. For a group to speak or act except through an individual member is operationally difficult. If everyone talks, no one can hear or attend. If everyone plans at once, or acts at once without a plan, there is no group but rather a collection of individuals planning or acting. For the group to act as a unit or to show organisation, it is necessary that individual

members do not start speaking for themselves. The necessity for an ordering of discussion is readily apparent as a means to a group. Such ordering must come through the action of an individual. Someone must verbalize the necessity for order, the methods of ordering, the final agreement on methods, and the agent. Some individual must bring order and in doing so he provides simple but necessary means for the group. Even at this simple level, the necessity for a manager is real and apparent to most groups. To the extent that the objectives of the group require greater diversity of effort and greater co-ordination, the need for a manager will increase. While discussing about the role of management in industries or organisations, it is that quality of behaviour of an individual where he guides people and their activities into an organised efforts. The successful organisations have one major attribute that sets itself apart from unsuccessful organisations: dynamic and effective management.

Peter Drucker (1954)\(^2\) evaluates that, the managers (business leaders) are the basic and scarcest resource of any business enterprise, and also revealed the required quality of a manager as ‘there is no dearth for intelligent people to manage our organisations, what is in shortage, is

of ordinary people with ordinary intelligence and extra ordinary creativity’. Most of the failures of industries, which have been noticed, can be attributed to ineffective management.

_Terry, George_ (1960)

points out that, ‘Of every one hundred establishments started, approximately fifty, which is one half or 50 percent of the total, go out of business within the first two years. By the end of five years, only, one third of the original one hundred will be in businesses’. On all sides thus there is a search for people who have necessary ability to manage effectively. Shortage of effective management is not confined to industries, but also is evident in the lack of administrators in Government and in every other form of organisations. We are facing acute shortage of people who are willing to assume significant management roles in our society.

The objective of this study, to recapitulate, is to know the various management styles and to have a comparative study of Autocratic and Democratic styles of management practiced by the managers in industries of Kerala state.

Managers of various industries in our state are following diverse methods of management and there is a dearth of systematization. It was

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found that different management styles are practiced by managers. The survey has been able to bring to light that no manager is practicing the styles mentioned in books or anything near to the proper styles of management. There is also no attempt by managers of the industries in Kerala state to understand these management styles. Most of the managers were practicing management styles which are contrary to the expectations and do not follow any directive principles. Unfortunately selfish ends are usually governing the managers and because of the absence of a correct management style the overall organizational goals lose their precedence. The situation becomes complicated when political parties interfere in day to day affairs of the management through their unions. When the unions try to distract the management from their ends, the management becomes puzzled. As a result management of organisations and industries become defective and they ultimately fail to discharge their responsibilities with the desired standards.

The study also made an attempt to compare the employee’s job satisfaction, their attitude towards managers, productivity and performance under Autocratic, Democratic and the Free Rein style of management and tried to find out the specific relationship between these variables. The industries of Kerala state are having managed by inheritance or by chromosomes with the result that most of the
industries are highly centralised and family-oriented in their organisational structure and are authoritarian in their approach to their employees. The management of these industries is relatively authoritarian in their relationship with the lower management and to the employees.

The industrial background of the state is a prime indicator of the effectiveness of the management styles prevalent within the state. Kerala state remains an industrially backward state as compared to other states of India, even on the eve of completion of the tenth five year plan. The state had laid greater emphasis on the traditional and small-scale industries in the early years of five year plans. A negative industrial growth was recorded in 2001-02 at constant and current prices. There was a revival in 2002-03 and 2003-04. A negative growth at constant price was experienced again in 2004-05 but this was reversed in 2005-06. The average growth rate for the period 1999-2000 to 2005-06 is 1.54.

Labour disputes in Kerala state have taken the shape of a chronic ailment that has been preventing the growth of the industries in Kerala state for the last few decades. The problem of labour disputes in Kerala has been severely accentuated by the growth in trade unionism. This has been primarily due to the fact that in Kerala state Industrial Democracy has been mistaken by union activism and the same has been
taken to its extreme which as a result has hampered the production efficiency of the industries of Kerala state. The difficulty to a manager with such a situation is primarily because industries are basically meant as a unit encompassing a multitude of activities like production, services, marketing etc to achieve profits. This is in direct contradiction with the primary motives of the Democracy espoused by trade unions. The unions with the distinct colour of narrow ideologies and dubious political affiliation are commonly seen within the industries of Kerala state. The fashion of the day for any politicians is to control as many unions as he can and he does not even know as to what he is controlling or dealing with. Unions are formed with the still narrowed ideology of religion, caste etc. This results in multiple unions being active within one industry or organisation at the same time. Violence, indiscipline and threat of strikes have become the order of the day within the industries and the organisations in Kerala state.

The instability is the direct result of the Government’s apathy to deal with the situations firmly. There is also a new kind of phenomenon where an individual leader, perhaps a muscleman, with no political trade union or industrial background is entering the trade union field and creating havoc within the industry or the organisation. It is only a small minority of employees who have come to realize that they are the pawns
in the hands of the leaders and by resorting undemocratic and unlawful industrial actions, they suffer and are not able to wield any influence over others for fear of physical harm. Within the industries and the organisations in Kerala state there is a lot of planned absenteeism among the employees. Absenteeism is one of the major sources of unforeseen shortage of employees on any given day. This is purely because of the employees trying to augment their earnings within the industry or the organisation with activities outside the industry or the organisation. The employees tend to be absent from work as they have no fear of being fired from their jobs because of the increased power of the employees’ unions.

For management style to be effective and prevalent a favourable environment must be developed. The industrial environment in Kerala state is very different in comparison to the environment prevalent in the more industrialised states of India. The prevalent environment in Kerala state has been a severe deterrent towards the growth of the industries. The politicization of the industrial scenario and the wrong or extreme interpretation of democratic and political rights of employees within an organisation or industry is one of the prime reasons for the degradation of industries in Kerala state. Due to the prevalent business environment
Kerala state has also been low on the list of states in terms of prospective investment destinations.

During the course of the research study it was also clear that managers are not clearly educated on the various styles of management that can be used in an organisation. Managers were also very clearly confused about the prevalent style of management within the organisation. The overriding consideration for most managers was the political implications of actions because of the strong trade union culture within Kerala state.

The study also has been able to bring to light that the Keralite industrialists trying to move their production facilities and factories away from Kerala state due to the difficulties being faced by them. The problems are mainly due to unfavourable labour conditions prevalent in Kerala state. The managers also face issues with the uncertainty faced due to the constant strikes, trade union problems, and involvement of political parties and their leaders in the operations of the organisations.

During the course of the study we have come across several instances of managers quoting how democracy and labour empowerment has been confused and taken up in a wrong meaning by the employees in Kerala state. This has led to a very sharp decrease in industrial productivity. It has also resulted in several organisations
ending up as loss making enterprises. It has also resulted in managers fearing labour consequences and thus not taking entirely correct decisions. Such a situation results in that the managers not being able to fully adopt any particular management style and results in a situation of confusion being prevalent within the industry or the organisation.

We have also come across some one or two instances where participative management is being truly practiced. In these situations the managers maintain complete transparency within the organisation. This may be in terms of the present financial state of the organisation, the future plans of the organisation, what share of profits of the organisation is being shared with the employees etc. The employees are then freely encouraged to give constant feedback with regards to ways of increasing company profits, increasing efficiency of production, addressing employee welfare issues etc.

In-spite of the prevalent mood of distrust between the owners, managers and employees few of the industries and organisations have managed to be successful. We through the study have found that managers in some of these organisations have managed and been able to bring success to these organisations by instilling a sense of belonging and ownership of the tasks being performed within the employees. The managers have been able to achieve this by providing employees with
various fringe benefits, rewards, and increasing their level of personal involvement and personal interaction on the shop-floor and the lives of their employees inside and outside the organisation. Such a treatment by the managers helps increase the trust that the employees have for the managers, their purpose and their actions.

The management styles prevalent in an organisation can be determined by analyzing four variables. The four variables to be found which can be used to determine the management styles prevalent in an organisation are attitudes, job satisfaction, performance, production. These variables can be taken from the employees’ side and can be used to understand the management style prevalent. This can help to understand the validity of the management’s self assessment of the management styles adopted by them in the organisation. In the present study the variables have been ascertained by primary research using direct questionnaires. These questionnaires used to ascertain the values of these variables, have been designed on the basis of the results obtained in pilot study. The questionnaires developed were distributed among employees and in total 201 responses from 74 industries were collated.

Values are ever encompassing concepts. Values are tinged with morale flavour, involving individuals’ judgments of what is right,
good or desirable. Morale is defined as the willingness to strive for the goals of a particular group. Industrial morale is the possession of the feeling of being accepted by belonging to a group of employees through adherence to common goals and confidence in the desirability of these goals. Quite simply, morale is a group concept. They are at the core of the personality of an individual and therefore, are a powerful though silent, force affecting behaviour. Values have an important influence on the attitudes, perceptions, needs and motives of people at work. Attitudes contribute an important psychological attribute of individuals which shape their behaviour.

Schermerhorn (1988) has defined attitude as a predisposition to respond in a positive or negative way to someone or something in one’s environment. When a person says that he likes or dislikes something, an attitude is being expressed.

An attitude may be defined as the way a person feels about something- a person, a place, a commodity, a situation or an idea. It expresses an individual’s positive or negative feelings about some object. It describes an individual’s feelings, thoughts and predisposition

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to act towards some object in the environment. Attitudes may be regarded as varying in several ways:

- Direction- for or against something.
- Degree- favourableness. To be neutral in attitude is to be indifferent to the object.
- Degree of confidence.

Attitude may also vary in the degree in which the object of the attitude is common to a number of people or unique to a particular individual. An attitude may be unconsciously held. Most of our attitudes may be those about which we are not clearly aware. Prejudice furnishes a good example. A person can simultaneously hold inconsistent attitudes towards the same object or at least towards aspects which are not clearly discriminated from one another.

There are three basic components of attitude. Cognitive or informational component- it consists of beliefs and values, ideas and other information a person has about the attitude object. Affective or Emotional component- it involves the person’s feelings of likes and dislikes towards the attitude object. Behavioural component- the tendency of a person to behave in a particular manner towards the attitude object is the behavioural component of an attitude. These components show that an attitude can be considered as a way of
thinking, feeling and behaving. If someone has favourable thoughts about his manager at the job, he would develop feelings of consideration and respect for him and, as a result, may like to associate more frequently with him.

The attitudes of people tend to be relatively stable but can always be notified at least to some extent. Certain difference in employee’s attitudes is inevitable and that is responsible for difference in their behaviour within the organisation. There are certain ways by which it is possible for a manager to get some inkling of attitudes of the individuals such as interpreting the chance remarks of the individuals or the behaviour of the individuals in the work groups. A sensitive supervisor or manager can always get a feeling with respect to the general reaction of his work-group even though he cannot pinpoint such reactions specifically. The other way to find attitude change is the analysis of certain factors such as turn-over rate, absenteeism and production level. Various methods have been developed for doing this, some of these consisting of questionnaires which are filled by the employees.

There is a tentative link between attitudes and behaviour. Beliefs and values create attitudes that predispose behaviour. In other words, attitude leads to intended behaviour. However, this intention may or may not be carried out in any given circumstance. Even though attitudes
do not always predict behaviour, the link between attitudes and potential or intended behaviour is important for managers. It is not uncommon to hear concerns expressed about someone’s ‘bad attitude’. These concerns are expressed for behavioural consequences with which the poor attitude is associated. In an organisation, unfavourable attitudes of employees in the form of job dissatisfaction can result in labour turnover, absenteeism, tardiness and low productivity.

It is frequently suggested that consideration by a manager for his subordinates has a positive effect on their motivation to perform the task effectively. It is normal belief that employee oriented manager tend to get better productivity and work motivation. The questionnaire for measuring the worker’s attitude towards their managers had six items.

Those six items were taken from the Job Attitude Questionnaire (JAQ) formulated by Saraveswara Rao (1971)\textsuperscript{5}. Out of the six items, two items are negatively keyed. For each statement of the subject was asked to state his feeling on a five point scale ranging from totally agree to totally disagree. The intermediate categories were labeled as agree, moderately agree and disagree. For all positive statements arbitrary weight of 5 points for strongly agree, 4 for agree, 3 for moderately agree, 2 for moderately disagree and 1 for disagree.

agree, 2 for disagree and 1 for totally disagree. For the negative statements, obviously weights were reversed. The response to the questionnaire was collected from one employee per hundred employees in the industry.

The term ‘job satisfaction’ is commonly used in any discussion of organisational behaviour. Job Satisfaction is the amount of overall positive effect or feelings that individuals have towards their jobs. Job Satisfaction is the amount of pleasure or contentment associated with a job. Job satisfaction is an individual’s emotional reaction to the job itself. It is his attitude towards his job.

According to Blum (1956)⁶ “job satisfaction is a generalized attitude resulting from many specific attitudes in three areas; specific job factors, individual adjustment and group relationships”. Since the most common way of determining it is to ask individual worker about it.

Hoppock (1935)⁷, views job satisfaction as, ‘any combination of psychological, physiological and environmental circumstances that causes a person truthfully to say, I am satisfied with my job’.

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Smith (1955)\(^8\) stated that, ‘Psychology of Industrial Behaviour’, holds that job satisfaction is the employee’s judgment of how well his job on the whole is satisfying his various needs.

Davis (1977)\(^9\) observes that job satisfaction is the favourableness of unfavourableness with which employees view their work. It results when there is a fit between job characteristics and the wants of the employees. It expresses the amount of congruence between one’s expectation of the job and the rewards that the job provides.

Job satisfaction refers to a person’s feeling of satisfaction from the job which acts as a motivation to work or serve better. It is difficult to measure the job satisfaction since it is related to and depends upon many factors. It is a complex of different attitudes possessed by an individual. To sum up job satisfaction is a complex set of variables. Job satisfaction is governed to a large extent by perception and expectations. In other words, job satisfaction is the resultant attitude of an employee because of a perfect relationship between the perceptions of how well the job fulfils the various need and

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expectations or aspirations are actually fulfilled. Any discrepancy between aspirations and perceptions accounts for dissatisfaction. There is a negative relationship satisfaction and absenteeism. It makes sense that dissatisfied employees are more likely to be absent from work as compared to the satisfied employees may absent themselves from the workplace.

The employees’ job satisfaction within the organisation was measured through a structured questionnaire issued to one employee per hundred employees within the industry. The questionnaire has been self designed by us and its effectiveness has been verified using a pilot study.

In the design of the questionnaire extensive use of the **Brayfield** and **Rothe**\(^\text{10}\) scale has been made. The questionnaire comprises of a total of eighteen items. From the eighteen items included in the questionnaire, eight items are negatively keyed while the remaining ten items are positively keyed. The grading of the item happens on a five point scale with the scale being reversed for tabulation of the negatively keyed items. For each statement of the subject was asked to state his feeling on a five point scale ranging from totally agree to totally disagree. The

intermediate categories were labeled as agree, moderately agree and disagree. The moderately agree point of the scale indicates neutral response. The items have been selected in such a way that the satisfied end of the scale is indicated by totally agree and agree for the positively keyed items and by totally disagree and disagree for the negatively keyed items.

Productivity is one of the concepts that have become gaining increasing popularity these days in industries. In developing countries, it has become a crucial problem and commands greater importance. This concept is equally popular among producers, consumers, workers and government administrators. The need for the hour is to increase productivity at each level of production. Increase in industrial productivity benefits all classes of the society. It results in higher returns to the entrepreneurs, lower costs to the consumers, better remuneration to the employees and higher national income to the nation as a whole. Productivity can be said to be a measure of what we achieve in terms of specific objectives to what we put in terms of resources. It means the balance between all factors of production that will give the greatest output to the smallest effort. Thus, it is the ratio of output to input. Productivity is a ratio between the output produced and the amount of resources used during the course of production. The output is indeed the
result of combined input of several factors such as land, materials, labour and capital. Higher productivity means that more is produced with same expenditure of resources, i.e. at the same cost in terms of land, materials, machine time or labour or alternatively that the same amount is produced at less cost in terms of land, materials, machine time or labour used up, thus relearning some of these resources for the production of other things.

Employers and employees have to play vital roles to increase the productivity. The main responsibilities for realizing productivity rests with the management can introduce and create favourable climate for a productivity program and obtain the cooperation of the workers which is essential for real success. Workers psychology is an essential part of industrial relations which has effective influence over productivity. An industry will be a sad loser when it neglects the extensive use of labour psychology. Right from the stage of initial recruitment and placement to the final stages of superannuation, psychology plays a vital role in increasing productivity. It is said that the objectives of personnel management continue to be best achieved through the science of productivity and controlling employee behaviour. Every effort to influence productivity through industrial relations techniques involves an excessive standard in labour psychology. Moreover, productivity is
directly related to job satisfaction and psychology helps to create an environment where in every employee can have job satisfaction. Dissatisfaction and frustration are formidable obstacles in the way of increased productivity and every attempt made to promote job satisfaction is a step in the direction of higher productivity\textsuperscript{11}.

There is a definite relationship between morale and productivity. Low morale can never result in high production for a long period. It will, manifest itself in low production sooner or later depending upon the nature of the work. Where the work involves the total man low morale will lead much more rapidly to decreased productivity. A scientist who feels resentment toward his organisation or a manager will rapidly become unproductive. But where the work does not involve the total man (e.g., machine paced work which usually employs only a part of man’s capabilities) a longer period of time will be required before the adverse effect of low morale will manifest itself in the form of norms to lower performance. High morale may or may not result in high production depending upon the kind of high morale as follows:

- **Person–oriented morale.** This kind of morale represents a situation where most of the employees are spending all their time

and energies in satisfying their Personal objectives unrelated to the industry’s goals. The result is happy employees with good morale but unhappy managers with low production.

- **Production–oriented morale.** This kind of morale represents a situation where there is complete identity between the individual and the organisation goals and, therefore, both employer and the employees work together on common goals. The result is that both the parties are happy. There is high morale and high production.

The term performance is often interchangeable with productivity. In reality, productivity and performance are very closely interrelated. But there are some shades of differences between the two variables. The term productivity means output from one particular factor of production or particular form of input. It is the ratio of output to input. Performance is the actual behaviour of a worker in a work situation. It is the result of combination of many factors including productivity. In leadership studies, group productivity or output are generally taken as indicators of job performance. In some other studies, productivity (quality and quantity), cooperativeness with fellow workers, obedience and

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behaviour with the superior and initiative are taken as indicators of job performance\textsuperscript{13}.

Employee productivity and performance refers to an act of fulfillment of the requirements of a given job. It is the manner in which the employee carries out his job, efficiency at work or accomplishment on discharge of duty. Evaluation of such a behaviour is not an easy task, because what criteria to follow for productivity and performance evaluation depends on the whole work situation. Moreover, who should be the best judge? What should he evaluate? What techniques he use? All these are important questions in employee productivity and performance measurement\textsuperscript{14}. Many measures were used by industrial psychologists for measurement of productivity and performance. One might, logically, expect production data to be the most frequently used criterion in the industrial setting.

\textbf{Schulz and Siegel} (1960)\textsuperscript{15} have pointed out that production records have been used less extensively than one would expect. Often it is easier to acquire information about a person’s job behaviour that is not in terms of production figure but the personal data number times he


is late, accidents, grievances, the quality of his work and his relationship with the supervisors and fellow workers. Many researchers\textsuperscript{16} have reported that there is a frequent use of productivity and performance as a viable metric in the analysis of management styles being used in an organisation. Based on these valid points, it was decided to take ratings from immediate superiors and managers. This also helped in establishing an estimate of reliability and validity of the ratings.

For the purpose of the study, the ratings forms prepared by \textbf{Anuradha Sharma (1986)}\textsuperscript{17} were used. It includes five variables in order of preference as productivity (Quality), productivity (Quantity), cooperativeness with fellow employees, behaviour and obedience with the manager (superior) and the initiative of the employee. It has got a five point format which showed degrees such as very good, good, average, poor and very poor. The scores are 5 for very good, 4 for good, 3 for average, 2 for poor and 1 for very poor.

Industries or Organisations are collection of individuals who come together for the accomplishment of certain goals and objectives. Every aspect of an industry or an organisation is determined by the


competence, motivation and effectiveness of its employees. The ability of the organisation to survive and respond to competitive challenges can be sustained and mobilized only if the industry or organisation has competent, efficient and highly motivated manpower. Therefore, it can be assumed that the effectiveness of the industry or organisation depends on the nature of human resources it possesses. The ability of an organisation to achieve its objectives and meet the needs of its various stakeholders, notably employees, owners, customers, etc. forms the core meeting of organisational effectiveness\textsuperscript{18}. An organisation would be judged as effective if it shows a healthy growth rate, its employees feel that they are getting good value for their money, the suppliers are happy with the treatment given to them by the organisation and so forth\textsuperscript{19}.

Managerial effectiveness was assessed by averaging the ratings of several senior and top level managers from the participant’s organisation on how well their industry or organisation had performed relative to comparable organisations in its industry on each of several criteria of effectiveness. Five of these criteria were conventional business indicators, namely, profitability, growth rate of sales or


revenues, financial strength, operating efficiency, and performance stability over a period of time. Two criteria were related to stake holder’s good will, namely staff morale and public image and goodwill for the organisation. Two were systematic criteria, namely adoptability and innovations, both vital for surviving and prospering in a turbulent, competitive environment. The tenth criteria was social impact through pioneering new products, etc. a measure of the contribution of the organisation to society. There is substantial evidence that the style of management affects one or more dimensions of organisational effectiveness. The concept of organisational effectiveness implies excellence in meeting the demands of various stake holders in the industry or organisation. Therefore, it implies versatile excellence, that is, excellence on various criteria of performance that partially conflict with each other. The rated data on relative performance on ten indicators of effectiveness indicated, however fairly high co-variation among these indicators, suggesting therefore a fairly high bonding between performance indicators. This in turn suggests that a substantial decline in performance vis-à-vis any indicator may trigger declines in many other indicators and a substantial improvement in any may trigger improvements in the rest. Management styles that arrest such multi-dimensional declines and stabilize effectiveness at a reasonably high
level may be particularly valuable in volatile environments in which destabilizing stimuli are many\textsuperscript{20}.

Management is a human enterprise, it is to be expected that if the cues emitted by management are positive and constructive, as with professional, participative, organic and altruistic styles, they would have an uplifting effect. In societies in transition, such as India’s, in which managements of complex organisations are still learning the ABC of good management, the practice of professional, participative, organic and or altruistic management styles may significantly protect them from the risks of practicing other home grown or imported management styles\textsuperscript{21}.

Efficiency in the matter of running an industry and maintenance of productivity at a raising rate and a higher level, call for good labour relations throughout the process of production\textsuperscript{22}. This is where the human aspect of production efficiency comes in. Human relations are based on the relations between man and man so far as industry is concerned, between management and managed. In between other words labour relations in industry means, good relations between the

employees and employer. Efficiency in turn, depends upon the good relationship with the employees. Without close co-operation and understanding between management and employees, measures to increase output and to improve working conditions will be ineffective\(^\text{23}\).

Any job to be of human value should be able to develop initiative and promote active and constructive co-operation between employees. An average employee is simple minded even gullible and suspicious. He keeps himself at a distance from his superiors. He is sensitive, doubtful and undecided. This attitude of suspicion and frustration changes when he is assured of sympathetic hearing and proper redress of his grievances and encouragement in his work. If he is satisfied that his employer or management will do the best for him, he will work whole heartedly, contentedly and efficiently, with result that production and productivity will be much higher. Human relations in industry are not merely a sentimental requirement. They are prerequisites to higher productivity. If employees are treated as human beings, they will, as a rule behaves as human beings.

Constant contact with the employees; sympathy and understanding of their problems and needs; their good will and co-

operation are essential for its successful operation and for good labour relations. The basis of human relations in industry lies in recognizing the human needs of individual employees and taking care of them. Rules and regulations must be devised accordingly.

Human problems that arise in the industrial understandings can be solved and improved industrial relations can be promoted by the proper use of industrial psychology. Employees can be made more efficient and cooperative by promoting correct attitudes in them. Employee’s attitude is the controlling factor in good labor relations and higher productivity. Employees must feel that they are an integral part of industrial operations that their welfare is important to the management and that their contribution to the productive process is appreciated. This is most essential in promoting the correct attitude in the employees. Human relations in industry are conditioned to a great extent by the approach and attitude of the supervisory staff. All persons in the supervisory and managerial must recognize that they are dealing with human beings who have got their human needs, aspirations, problems and difficulties. An industry must be treated as a social unit and as an instrument of production and of better living.

Employees are most satisfied and highly productive when their jobs offer them security and economic status, recognition of their
efforts, a clear policy of increments and promotions, expression of
grievances, suggestions of constructive ideas, a clear delineation of
duties and responsibilities, reasonable fringe benefits, a sense of status
through job within the company and the community, an effective
communication system, adequate arrangement for health safety and
welfare, congenial working environment and finally an atmosphere of
mutual trust and respect.

A patient listening of employee’s grievance and an expression of
sympathy and an empathetic consideration can win the confidence of an
employee. An appreciation of his contribution to the progress of industry
and towards higher production will create in him a sense of
responsibility and partnership. This in turn, will foster a feeling of
comradeship. The result is that, the employee will be putting in his best.
His co-operation will be whole hearted and effective. He will be happy
satisfied and contented and proud of his work, however small it may be;
absenteeism will be negligible, production will be higher, mutual respect
and understanding will prevail and strikes and frictions will be rare.

Industrial management in today’s environment, with influx of
series of labor laws on one side, the growing tendency on the part of
employees to fight for their rights and privileges in preference to
considering their duties and obligations, on the other, is a very difficult
one. It is more so if persons occupying the managerial chairs are men without mature thinking and proper training. Rule of terror cannot last long. Bullying the assistants and giving no peace of mind to them is very poor management. Frustration, fear and friction will be the result. Real co-operation in industry is possible only where there is mutual understanding and good will between the management and employees. Indiscipline, disloyalty and indifference develop where the employees have a feeling of insecurity and ill will towards the management. Good industrial relations can be promoted easily if the management is good, employees co-operation will be hundred percent. Their attitude to management will be excellent. Employee’s unrests will be rare. A Person with a human mind, capable of seeing the other man’s point of view, his problems, ambitions and aspirations in their true perspective, one who has got the necessary technical skill, administrative ability, tact and patience can, no doubt be a successful industrial manager. The credibility of the industry or organisation and its top management rests entirely in the hands of the lowly front-line manager. When the people believe that their own supervisors or managers know what is going on, they usually believe that most managers up the line also know what they

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are doing, and the company is being open with them\textsuperscript{25}. One secret of Japanese management, available to anyone else who notices it, is the attention they pay for maintaining management credibility. The Japanese understand the gap between de facto and de jure, and what is legislation or claimed. A manager’s credibility does not necessarily drop gradually; a single event can send it plunging over a cliff\textsuperscript{26}.

As part of the study, for the purpose of understanding the manager’s viewpoint of the management being followed by him within the industry or organisation two sets of questionnaires were provided to the managers. The two questionnaires used in the study were Managerial Styles questionnaire and Managerial Style Effectiveness questionnaire. We have also taken care of properly documenting the demographic details, academic details and beliefs of the managers whose responses have been taken in the self assessment questionnaires. These details have been gathered using 16 questions like age, educational qualification, professional qualification, length of service in present organisation, span of control under the manager, man days lost, capacity utilisation, number of lock outs, attrition faced and percentage, profitability, etc. The two self assessment questionnaires were given to

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\item\textsuperscript{25} Peter Drucker. (1987). Personal View, Strategic Planning society News. PP. 316-322
\item\textsuperscript{26} Peter Wickens.(1987. The Road to Nissan. Basingstoke Macmillan. PP. 142-151.
\end{itemize}
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the managers of the selected industries across Kerala state selected by random selection. The responses were taken from a total of 107 managers from 74 industries of Kerala state.

For measuring the management styles of the managers the scale developed by Sinha (1981)\textsuperscript{27} is selected. The scale was designed to measure management styles namely Autocratic, Democratic and the Free Rein. The scale comprises of a total of forty items. Out of these forty items fifteen items are meant for Autocratic, fifteen items for evaluating Democratic management style and the remaining for measuring the Free Rein management style prevalent within the organisation. It's a five point scale containing categories of always, usually, sometimes, rarely and never with a score of 5, 4, 3, 2 and 1 respectively. All the items in the management styles scale are positively keyed. The style for which a respondent gets the maximum score was considered as his style of functioning. A pilot study using the scale was conducted to ascertain the applicability of the scale to the study.

A questionnaire based on the scale developed by Pestonjee (1988)\textsuperscript{28} was selected for the purpose of measuring the effectiveness of

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the management style of a manager within a particular industry. The questionnaire consists of forty questions. Each of the questions can be answered on a five point scale with the options totally agree, agree, moderately agree, disagree and totally disagree with a score decreasing from 5 to 1. All the questions used are positively keyed with the highest score being 5 for each question.

The foregoing discussions reveal the state of management in industries of Kerala state. Based on these discussions the data collected and analysed. An attempt has also made to assess the role of managers in moulding the behavioural aspects of employees and managers. The next chapter gives the analysis of data and the results.