Chapter - 1

Theoretical Frame Work of Different Styles of Management

In the introduction we have discussed and felt the need of a correct management style in an industry or organisation. We have reviewed existing literature extensively and objectives of the study have been worked out. Based on the objectives of the study the hypotheses have been formulated and methods to evaluate the hypotheses were selected. In this chapter we present the theoretical frame work of different management styles practiced in industries and organisations in the environment.

The concept of style is usually connected with literary writings. The word style comes from the Latin word ‘stilus’, the pointed iron or bone instrument used by Romans to write on their warren tablets. Style is now defined as, “any distinctive, and therefore, recognizable, way in which an act is performed and made”\(^1\). Management style refers to the manager’s way of handling specific aspects of his role performance criterion, responsibilities and relationships with people\(^2\). Oxford English Dictionary covers almost three columns to define the word style. According to dictionary meaning, the term style can be used in multiple

senses: Specific or characteristic manner of expression, execution, construction or design in any art, period and work environment; the way in which any thing is made or done; the last phrase comes close to the sense in which ‘style’ is generally used in management literature. Style in the context of management, therefore, is defined as the way in which managing is done.

Management is a distinct process consisting of activities of planning, organising, actuating and controlling, performed to determine and accomplish stated objectives with the use of human beings and other resources. A man who knows only the skills and techniques without understanding the fundamentals of management is not a manager, is at best an artisan. Management is a practice. Management style is an integrative concept that covers both the content of management decision making and the process of decision making. Decision making involves setting of goals, policies, functions, etc. The process of decision making is one of the combinations of authoritarian verses participative, bureaucratic verses organic styles of management. A bad style can badly handicap an organisation while a good style can lift an organisation to excellence.

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A management has to decide not only which goals should be pursued but also to what extent and also what trade-offs need to be made between competing goals. The management has also to shape the operating environment so that it is more congenial to the organisation. Management inspires and motivates members of the staff for superior performance, takes care of the interests of various share holders in the organisation, such as labour unions, bankers, suppliers, clients and Government agencies, so that they continue to support the organisation and cultivates a favourable image of the organisation in order to build up a general good will.

Managing an industry or an organisation is not an easy job. A single decision maker has to bear far too many dimensions in his or her mind for continuous success. A wide range of expertise needs to be availed of by the management to be able to take even reasonably good decisions. Inevitably management becomes a group effort. This generates its own dynamics within the ranks of management, such as differences of opinion, selective perception, and struggle for power and communication difficulties. These dynamics, along with the objectives of the organisation, the operating context and key choices in the past give rise to a distinctive management culture. This distinctive culture is the ‘Style of Management’.
The way in which any business is managed is often described as the style of management. Managers of business enterprises, it may be contended, adopt styles which they consider appropriate in respective roles. One can think of a variety of management styles in the diversity of managerial personalities and environment. The ideology and style of top management may be regarded as a strategic variable which influences the designing of organisations. What the top management prefers to be carried into organisational practice manifests itself as the management style prevalent in the organisation. The philosophy and style of top management are likely to be supported and maintained to the extent that organisational members down the line in the hierarchy accept and follow them. The acceptance of top management attitudes, beliefs, philosophies and the styles by middle managers depends, however, on a number of variables. Even then, the top management values and practices are recognized to have a dominant influence on the organisational system as a whole. The top management thus becomes a source of guidance and sets examples for the entire organisation to recognise and emulate.

Why are the styles of management so important? Direction of activities in the organisation is effected by the manager. A good manager is necessary for:
(a) **Motivating Employees:** Motivation is necessary for work performance. A good manager by exercising his management skills motivates the employees for high performance. Motivation refers to a dynamic working force which emanates from within. It is an inner striving condition which activates or moves individual into action and continues him in the course of action enthusiastically. Managers by definition are required to work with and through people; so they must get at least some fundamental understanding of the forces that motivate the people that they are to manage. Motivation could be defined as an inner state of activities, energizes or moves behaviour towards goal.

**Rensis Likert** (1961)\(^4\) has termed motivation as the core of management. Motivation is an important function performed by a manager for actuating the people to work for the accomplishment of organisational objectives. Effective motivation succeeds not only in having an order accepted but also in gaining a determination to see that it is executed efficiently and effectively.

(b) **Creating Confidence:** A good manager may create confidence in his followers by directing them, giving them advice & getting through them good results in the organisation. The manager thus enables his

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followers to perform their tasks with surety and this increases their output efficiency. The manager can infuse confidence by backing up his followers whenever required by them. The manager also increases confidence by making sure that he is consistent in his management styles and decision making processes.

(c) **Building Morale:** Morale is the degree of enthusiasm and willingness with which the members of a group pull together to achieve group’s goal. High morale leads to high productivity and organisational stability. Through providing good management in the organisation, the employees morale can be raised high and in-turn ensure high productivity and stability in the organisation.

Daniel Katz and Robert Kahn (1978)\(^6\) have given the following four reasons that even a mature industry or organisation cannot work without a manager. The reasons are the incompleteness of formal organisational design, changing environment conditions, the internal dynamics of the organisation and the nature of human membership in organisations. A manager should have specific skills for achieving excellent results in managing the organisation and motivating his followers to achieve the required results. Leadership style is a part of

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management style. Leadership is the projection of personality - that combination of persuasion, compulsion and examples that make other people do what you want them to do\(^7\). Industry must find out natural leaders, train them in the techniques of management and give them an opportunity to lead. Leadership style is the ability of one person to influence others to cooperate and contribute to the pursuit of excellence of organisational objectives. Persons in different leadership positions engage themselves in specific behaviours. Leadership style means the behaviour of the manager towards his followers. It is the way in which the manager uses his influence to achieve the objectives of the organisation. Effective leadership behaviour will inspire and stimulate the employees so that they can enjoy a high level of morale, are motivated to receive new ideas and are always ready to venture into new goals. Leadership is an integral part of management and is clearly connected with understanding organisational behaviour, communication and motivation. The behaviour of a manager is the inspiring force that generates healthy climate, high morale and motivation for the receptivity of new ideas for taking the industry or organisation to higher and still higher places.

Most of the managers (business leaders) do have a predominant or core style, the one they feel fits them or they are most comfortable with. They will use this style most of the time. However, few managers vary their style to fit varying circumstances or with different people. Management should be viewed as a more broad based activity than leadership. Management involves more than people. It includes decisions and actions related to finance, materials, markets, technological advancements, information processes, and so on. When comparing with management, leadership triggers or activates the people who will use the money, process the materials, and operate the equipments and so on. Therefore, the manager has to be effective and has to perform other managerial roles including interpersonal roles as a figure head and liaison man for the industries and organisations, informational roles as a monitor and disseminator of information and as a spokesman for the industry or organisation and decisional roles as an entrepreneur, disturbance handler, resource assigner as well as negotiator\textsuperscript{8}.

Thus, the direction of activities in the industry or organisation is affected by the manager. For the effective handling of the managerial aspects involved in an industry or organisation an efficient manager is

most essential. Based on the researches various key functions are identified which are to be performed by, modern managers\(^9\). These are planning, organising, supervising, coordinating, controlling, communicating, investigating, evaluating, decision making, staffing, representing and negotiating. Leading is therefore only one managerial function. Thus the management style should not be equated with the leadership style, although the latter is included in the former and forms a major part of any management style. If the leadership style is defined as the way people are managed; then the management style should be viewed as the way a manager performs all his roles or functions to achieve organisational objectives. Thus by implication, management style means a method whereby the organisation’s resources of men, money, materials, machines and time are systematically organised to achieve the best possible results\(^10\).

Management style may also be distinguished from organisational styles. When individual managers adopt varying ways of responses to the nature of their jobs and the demands of the given environment, these ways are called the management styles. These styles may also result from varying the nature of managerial personnel including their

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behaviours, predispositions, motives, attitudes and values\textsuperscript{11}. When the managerial styles coalesce and distil into a meaningful pattern at the upper levels of an organisation, this pattern can be called the organisational style of the organisation\textsuperscript{12}.

Thus the Management style, in this sense, refers to the personal style of the individual managers whereas organisational style means the style of management of the team as a whole primarily at the top level. Management style develops from practice although managerial beliefs and theories provide the sense of direction to practice. Managerial style is just another name for behaviour\textsuperscript{13}. The concept of the Management style is also linked with Leadership style. Management style is a combination of characteristics that indicates what a person is, influences the things he does and controls the effectiveness with which he does them\textsuperscript{14}.

According to Marvin Bower (1973)\textsuperscript{15} the management styles is the way, we do things around here and he further states that, “the style

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of managing is an all-prevailing, continuously operating force that determines whether the company provides future leaders”. Management style is also linked with the management ideology.

_Khandwalla (1977)_{16} has characterized ideology as the invisible network of values, beliefs and norms that govern management behaviour. While these elements of ideology are invisible, the visible, operating manifestation of ideology is said to constitute the management style.

Management style takes place by programming behaviour through instinct and by functional specialization. A management has to decide not only which goals should be pursued but also to what extent, and what trade-offs need to be made between competing goals. The way in which a manager characteristically conducts his dealings with his subordinates have been called management style_{17}. Since the management is defined as getting things done through and with the people, the manner in which the manager deals with people is his style_{18}.

The reason why style is defined in this manner is that non human resources like money, machines, materials, information or computer

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methods and techniques cannot be utilized and converted into desired output except with the help of people. If the people are important, the approach adopted by management in decision making, motivating staff, and delegating authority, communicating information and maintaining control becomes equally important. It is this approach which is termed as the management style\textsuperscript{19}.

Management style in most well run organisations is characterised by openness, flexibility and informality. There is little emphasis on seniority and hierarchy, and individual initiative is usually admired and encouraged. Employees are treated as internal customers and customer-care and quality-assurance programmes are designed to look after the needs of the internal customers also proactively. The management philosophy is not based on traditional principles of direction and control. Instead it focuses on consensus and commitment. The focus is on the individual, not the union; employee relations, not on union-management relations; and information sharing and involvement, not bargaining and power play. There is a movement towards reduction of hierarchical levels to make these organisations flatter. Lack of hierarchy could increase a sense of equality within the industry or organisation.

\textsuperscript{19} Hano Johannsen and Terry Page, G. International Dictionary of Management. Kogan Page Ltd. P. 218
This will thus increase the sense of ownership and belonging within the industry or organisation. Managerial positions may soon be replaced by coordinators with greater emphasis upon peer level human net working which is considered as an important pre requisite for handling the fifth generation information technologies.

Thus the new generation high tech industry or organisations are poised to become more Democratic in structure and the style of functioning within the framework of a company form of the organisation\textsuperscript{20}. Management style is a term that refers to the nature of the relationship between the managers and the non managerial employees. It includes not only the personal relationship between the individuals within the organisation or industry but also the style of communication and the attitudes that the managers have for and in front of the employees and the attitude that they generate within the employees. The term ‘leadership’ is some times used to connote the major role to be played by a manager inside an industry or organisation. This refers to the ways in which the managers achieve and affect the attitudes and actions of their employees. Usually the actions desired are those which lead to the achievement of organisational objectives. Forms

of leadership therefore form a major constituent of the various styles of management.

Managers can foster commitment only by keeping employees happy and the key to ensuring happiness understands what they want from work. Maintaining employee morale and the commitment should be a key deciding factor as to which the management style which managers must adopt. Managers should provide meaningful work, strong support system, and sense of empowerment, open communication and feeling of involvement to the employees.

- **Meaningful work** - Employee dedication thrives on a holistic work atmosphere marked with challenging assignments, assistance in completing work, training opportunities and career development. Organisations should go a step ahead and transform ‘just any job’ to a rewarding career path, thus fostering buoyant excitement and motivation all around.

- **Strong support system** - Assisting employees in their plans, developing their ideas, supporting them in attaining personal goals and collaborating efforts to help them to succeed and can make all the difference in the world. It not only inspires trust and respect in management, but also inculcates the drive to achieve industrial or organisational objectives.
• **Sense of empowerment** - Nothing can boost die-hard commitment as much as a confidence in employees’ abilities and worth. Managers should demonstrate this belief by delegating important tasks and functions to qualified personnel and thus giving them a chance to shine and bestowing credence in their value. Results are achieved not because of the perfect strategy or knowing how to give orders, but when the people feel empowered to do their very best.

• **Open communication** - Managers can fine-tune loyalty levels by keeping their workforce informed about business goals, direction and strategies. Opening the channels of communication involves thoughtfully listening to staff contributions and explaining the rationale behind various decisions.

• **Executives should meet regularly with employees** (say, once a week or a month) to discuss choices, seek input and enquire about individual problems, requests and job satisfaction and career goals. Tell them how sales are going, how customers are reacting, what problem areas have surfaced and about overall company performance. Getting them to understand and embrace ideas along with the chance to be heard will foster zealous adherence, active participation and a strong team spirit.
• **Feeling of involvement** - Every employee yearns to feel like an integral part of the industry or the organisations. Employers can impart this by soliciting staff opinions and ideas on varied issues like improving productivity, solving problems; increasing customer satisfaction and helping the industry to grow. They should engage employees in shaping industries’ vision; ask questions about their difficulties and implement appropriate suggestions wherever possible. This inclusiveness can go a long way in building respect and trust in management.

• **Sensible appreciation** – last but not the least, timely acknowledgment is a much-coveted requirement. Employers should make it a point to recognise achievements with a public pat-on-the-back, monetary reward, pay raise or benefits. Find the most appropriate ways to say ‘thank you’ for employee efforts and contributions—at times, even a smile of gratitude can work wonders.

Furthermore, strive to inculcate a sense of pride in ‘**my industry or organisation**’ as with pride comes loyalty and such employees will stick around through thick and thin. It can be summed up best with, “When an employee’s sense of being valued and belonging exceeds expectations, that employee is nearly seven times as likely to strongly
recommend the industry or organisation as one of the best places to work”

Empathy is one thing which enables perception as nearly accurately as possible. It is the persons understanding and sensitivity to the feelings, thoughts and situation of others. This is again dependent on attitude. Attitude is defined as mental status developed through experience, which exerts an active influence depending upon response to conditions and circumstances. Having an attitude means existence of an object towards which it is directed. Attitudes again depend on the effective component belief. This again is a factor depending not only on the individual but also on the circumstances and environments. The task significance does play a role in attitude change. Task significance is the degree to which a job has substantial impact on the lives or work of others or the impact on the task has on the organisation’s future. Autonomy also plays a role in task significance. All these added to the value of work culture give the net resultant effective behaviour of a person in an organisation. Therefore,

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\text{Attitude + Value = Effective Behaviour.}
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Attitudes are generally internal and inherent. Altering organisational structure may bring in complex factors in individuals and results in ego clashes in groups. In adding value to attitudes, culture plays a vital role. Culture is the way of life of people in their surroundings. It consists of conventional pattern of thoughts and behaviour including values, beliefs, and rules of conduct, political organisation and economic activity. Culture provides the principles for explaining and understanding human behaviour. It is one of the distinguishing elements of social thought. Thought is the full extent of its influence on behaviour. Thought and perception are yet to be gauged with reference to the managerial effectiveness. Culture plays a vital role and it is indisputable when we see the distinguishing difference in managerial functioning.

**Culture + Value + Personality + Attitudes = Management Excellence.**

Personality, culture, ethics, values add up to provide an organisation with effective and efficient managerial functioning. Lack of above four attitudes cause managerial obsolescence in an industry or organisation. Management is a profession and process but professional management is a concept and depends on the collective behaviour within an organisation or industry. This again is dependent on the perception.
The style is the man himself. Style is said to be the cornerstone of our knowledge of human behaviour. Style means the mode of expression, execution, action and bearing generally. It mirrors a person’s inner-self, his beliefs, values, sentiments and feelings that are his total personality. It denotes the behaviour pattern of a person in relation to his environment. It is also an overt expression of an individual’s self-concept and his intra personal and inter-personal relationships. In this sense, everybody should be having a style – whether one notices it or not. As such style is very much an individual factor – it makes the performers what they are and helps them to excel in their respective fields.

“A man’s Style”, said Maurice Valency, is intrinsic and private with him like voice or his gesture, partly a mater of inheritance. It is more than a pattern of expression. It is the pattern of soul. In management too; the personal style of functioning is an important dimension of overall managerial behaviour. Therefore understanding the style of a manager can be very useful for judging his personality and behaviour. Golightly has gone to the extent of saying that style is a

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source of fun and joy. ‘**Style and variations in style**’, he says, makes management an interesting and divesting practice, without it, management would be a dull business, lacking vitality, individuality and the human touch\(^{25}\).

Managers tend to adopt different styles because each manager brings to the job his own particular blend of management traits, which add up to his style\(^{26}\). Most practising managers are found to use various combinations of style instead of following one particular style. Researches have also revealed that style – the personal styles of individuals and the collective style of an industry or organisation-makes significant contribution towards causing individual and collective effectiveness of management. Style is not in itself a management skill but it conditions the ways in which management skills are exercised and utilized.

**Siddhartha Ganguli**\(^{27}\) has put it as the tools and techniques of management - the ‘hardware’ content, the scientific part, could be acquired and applied by anyone provided he has the necessary background and training. But the management ‘software’- the artistic

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part of executive function- is less easy to acquire and calls for certain basic skills. This artistic part is what is called the management style.

The determinants of management style and the impact of management style are the two important questions in this respect. These questions are what are the determinants of management style and what is the impact of particular management styles on managerial effectiveness? A survey of numerous studies leads one only to general observation that style is a dynamic concept and a particular style followed by the management is the result of interactions among a multitude of variables.

From the studies of Mahoney et al (1965)\textsuperscript{28}, it has been found that higher level executives have a tendency to concentrate their time and effort on certain functions at the expense of others. For instance, as compared to lower level managers, the top managers spend more time on planning than on other functions. Findings of the above studies do reveal that policy considerations are often of prime importance in top management’s scheme of functioning basically due to job requirements.

Similarly, Heller (1971)\textsuperscript{29} has found that the managers in the personal and general management functions use less centralized decision making styles than their counterparts in the finance and production functions. The purchase stores and sales functions have the middle position. Managerial style therefore is determined by the kind of managerial functions performed. Researches in the area have added certain other functions like investigating, decision making, representing, negotiating and so on, which plays a central role in managerial work.

The style of a manager is the result of multiple interacting variables. These have been highlighted by Mc Gregor, (1967)\textsuperscript{30}, who identified five such variables. These variables are attitudes, knowledge, skills and capabilities of organisation members, nature of task and technology, organisation structure, skills, capabilities and other attributes of the manager and environmental variables in the larger organisational system and society. The management styles in our environment seemed to differ sharply according to the type of industry. Firstly, styles differ widely due to organisations’ difference in terms of their type, purpose, size, operating environment, history etc. Given this diversity it would hardly be possible for all industries or organisations to


be managed in the same way, although in authoritarian societies an attempt is made to improve a uniform management style. Secondly, styles differ because it is possible to manage organisations in different ways. Over the years, many of the management functions to be performed have been identified. There were sharp differences between the business groups, but also between enterprises belonging to the same business group.

Managements have a choice in the way they perform such functions as setting of goals, developing an organisational structure, staffing, controlling performance, coordinating independent activities, motivating staff, dealing with various stakeholders, building an image for the organisation, or managing the external environment. The unique compulsions of each industry’s or organisation’s situation and the availability of operating alternatives combine to breed a distinctive management style for each sizeable organisation.\(^{31}\)

A management style, it was noted earlier, is a distinctive way in which the above mentioned points and other management functions are performed. Given the many choices in the performance of each management function, an almost limitless number of management styles can be visualized. In reality, however, one encounters far fewer styles.

This is because styles tend to be internally coherent. If a management chooses to coordinate activities in a participative manner, it is also likely to choose to set goals, develop strategies, control operations etc., participative rather than an authoritarian manner. Styles tend to crystallize around major management convictions and commitments. That is, their cores tend to be ideological in character and commitment to core management ideology of risk–taking in business or conversation, professionalism in hiring staff or intuitive choices, flexibility in administration or mechanical efficiency and so on is likely to shape the rest of the style. These commitments are not randomly generated nor are they exclusively the commitments of the person who happens to be the chief executive, although undoubtedly the chief executive usually does play a significant role in the evolution of a style of management. The style evolved has to be viable, that is, it has to be able to measure up to real-life situations.

Social processes within the ranks of management, such as information and experience sharing, advocacy of points of view, political deals and so forth, also play a good part\(^\text{34}\).

Managerial ethos is concerned with the character and values of managers as a professional group. By ethos we mean habitual character and values of Individual groups and races. Autonomy, equity, security growth and opportunity are some of the specific values which affect the working of the present day managers. The work value is also an important element which influences the style of working of managers. The work value is the worth a person ascribes to the opportunity of work.

On the foregoing discussions it is required to highlight about the various Management styles practiced in industries or organisations. Various styles are practiced for the administration of organisations and industries and this variety is often encountered in real life. From the working definitions of these styles, it would be possible to study how closely real life styles resemble these ideals. What the consequences are of practicing styles that closely resemble these ideal styles verses the consequences of practicing styles are remote from ideal type of styles.

Important styles followed or practiced from the past in industries or organisations are enumerated below:-

- **Conservative Style:** Conservation is a rule of life in general. The essence of conservation is conservation of whatever has worked in the past and has demonstrated survival value. The principle of survival is at the core of the conservative style of management. The pure conservative style was defined as a cautious one-step at a time approach to problems. The decisions become generally compromised between the conflicting demands of the board, unions, government, managers and the customers. Precedents and traditions are given importance. The primary concern is with stability and steady growth. The defect of this style is that it sticks to traditional ways of operating even when there have been very harmful consequences. Such a style is not that suited for today’s fast paced and dynamic corporate environment.

- **Entrepreneurial Style:** This style of management is sharply contrasting to the conservative style. Style facilitates conquest and the unfolding of opportunities for growth. The entrepreneurial style has emerged from the spirit of adventure, probing and innovation. Through initiative and innovation, entrepreneurship not only creates new industries, it also opens up new markets and transforms old and mature industries. In this style there is an active search for big and new
opportunities. The style is also characterised by large, bold, sweeping decisions, despite the uncertainty of its outcome; a forceful leader at the top holding great power. The main ingredient of entrepreneurial style is that the major organisational goal is rapid organisational growth.

- **Professional Management Style:** Professionalism implies attributes, such as; scientific development of a high level expertise pertinent to the organisational occupation. A relatively standardized high level of professional management can also get excessively fixated on textbook practices, tools and techniques and thus blocking out improvisation and experimentalism. Professional management style is a systematic research for growth opportunities and systematic anticipation of problems through formal forecasts. A systematic consideration of the costs and benefits of the various alternatives and a carefully coordinated formalized top management strategy are required. The emphasis here is on long term planning. In professional management, a control and information system and the extensive use of expertise and all pervasive research are required before making decisions. The management believes in having only highly qualified persons, with advanced technical or professional degrees take all the decisions. This necessitates high human capital expenditure for employing these highly qualified managers. There are an enormous number of costly staff departments
manned by these experts. There is very little cooperation between these departments or between line and staff departments, while there is apparently a sophisticated planning of activities, more often than unrealistic assumptions.

- **Intuitive Style:** This style is contrary to the professional style of management. Intuition means knowing something despite having little or no information. Intuition is quick inference based on thumb rules learnt during previous experience, quick judgement and conclusions arrived at subconsciously. In intuitive management there is a sharp consciousness of the problem at hand but goals are seldom formally articulated – they sort or float just below the threshold of consciousness of the decision makers. In the intuitive style of management, a strong emphasis is on having experienced, executives with a lot of common sense and with a good and a well honed judgement for making the decisions even when they do not have necessary paper or academic qualifications. The decision making process in the intuitive style of management is much faster in comparison to the analysis intensive professional management style. The emphasis is on using good rules of thumb and sound judgement rather than on a lot of formal analysis by experts. Fear of ‘analysis paralysis’ and distrust of ‘academic’ prescriptions and distrust of any kind of expertise are a fad in the
management. Decisions are completely ad-hoc and depend entirely on the whims and fancies of who ever is in charge. There is no attempt to analyze any issue in depth. Rather, the tendency is to apply the first surface solution that strikes the decision maker.

- **Bureaucratic Style:** This Management style which is efficient by programming the behaviour of members rationally. In formal human organisations this principle, which converts members into robots, has been greatly elaborated to encompass such mechanisms of programming behaviour as rules, regulations, standard operating procedures, formalised language and communications, formalised relations and so on. Bureaucratic management was defined as a strong emphasis on smooth functioning by prescribing in writing objectives, procedures, rules and the powers, duties and responsibilities of the managers and other staff. The emphasis is on clear reporting relationships, precise job descriptions, formal communications, strict control and above all, correctness of procedures and accountability. The bureaucratic style requires the managers to exert their control on the subordinates and mandates constant supervision.

- **Organic Style:** Organic style of management was discovered in 1961 and defined as a strong emphasis on the free flow of information and communication within the organisation. Widespread awareness of
the organisations goals, problems and business plan of action among the managers at all levels. There is dislike for paperwork and formalized procedures and job descriptions. The emphases are on administrative flexibility, openness, innovation, the importance of the effective problem solver, and above all on resourcefulness and getting things done. The management does not believe in any sort of order. There is really no organisational chart; duties and responsibilities are neither not defined nor are people clear about whom they are supervising or reporting to. There are no rules, or even if any are there, everybody knows that they are meant to be broken. No secrets are kept. Everybody has access to all information, and nobody believes in storing information in files.

- **Familial Style or Paternalistic Style:** There is a strong emphasis on family like relations in the industry or organisation and many important decision- makers are actually related or belong to the same community. The emphasis is on close working relationship between the managers. Senior managers showing a parental concern for their juniors and on the juniors giving their seniors much loyalty and respect. Responsibility and duty towards the organisation are strongly emphasized as also the organisations duty is to look after its employees. The superior–subordinate relation is feudal, slavish subservience expected by every
subordinate. One can not get ahead at all without a godfather and community or familial affiliations in such an organisation. The culture in such industry or organisation is mostly uni-dimensional. Such a style lays a great emphasis on loyalty within the managers towards the organisation and there is a high level of trust among the members.

- **Altruistic Style:** Altruism means concern for the welfare of others, selflessness and egotism. Altruism has manifested itself in its full richness among human beings; as enlightened self interest, selfless service to others, pursuit of ideals, ethics, pursuit of universal brotherhood, reverence for all life and pursuit of spiritual consciousness. The management practicing the altruistic style feels that it is a trustee for the interests of society, owners, customers and employees. In making decisions the purity of means is emphasized as much as the securing of business goals. The emphasis is on honesty, a spirit of sacrifice, commitment to the welfare of others, and dedication to great social ideals. The management is enamoured of having a good public image, of being enlightened that it keeps on getting involved with one charitable social welfare activity after another at the cost of neglecting pressing internal issues. There is an evident conflict between the business goal of achieving profit and the social goal of the welfare of the society.
• **Free-Rein or Laissez-Faire Style:** The Free-Rein (Laissez-Faire) gives power to the subordinates. The group can develop its own goals and solve its own problems. Little or no direction is provided by the management. Free-Rein style gives employees complete freedom to make decisions. No direct control and everyone get their own way due to laziness or overworked managers in this style of management. Free rein management ignores the manager’s contribution. It fails to give the group the advantages of managers inspired motivation. The manager completely abdicates his management position, gives all responsibility and most of the work entrusted to him to the group which he is supposed to lead, limiting his authority to maintain the contact of the group with persons outside the group. The Free-Rein manager believes people have the skills to do a task and can do it without too much direction. The manager uses power very little, if at all, giving subordinates a high degree of independence in their operations. Such managers depend largely on subordinates to set their own goals and means of achieving them and they see their role as one of aiding factor in the operations of the followers by furnishing them with information and acting primarily as contact with the group’s external environment. He is there to support and participate when needed. The ‘supporting’ style of the Free-Rein manager is used with the pathfinders and senior branch members,
recognizing their experience and skills. This style is generally not useful but can be effective in highly motivated, professional groups.

- **Autocratic Style of Management:** The premise of the Autocratic style of management is the belief that in most cases the employees can not make a contribution to their own work and that even if they could they would not. The natural management style that a manager with this belief system would favour is the Autocratic management style. Autocratic managers work to the maximum extent possible. A major threat to control is complexity; complex jobs are more difficult to learn and employees who master such jobs are scarce and possess a certain amount of control over how the job is done. Thus Autocratic managers attempt to simplify work to gain maximum control, planning of work, including quality planning is centralized. A strict top-down chain of command of approach to management is practised. Procedures are maintained in exquisite detail and enforced by frequent audits. Product and process are requirements which are recorded in equally fine detail and in-process and final inspection are used to control quality. Autocratic managers command and expect compliance, are dogmatic and positive, and manage by authority to withhold or give rewards and punishments.
The nature of the relationship between the managers and non-managerial employees is a term that refers to the Management Style. It includes not only the personal relationship between the individuals but also the style of communication and the attitudes that the managers have towards the employees and the attitude that they generate within employees. The term ‘leadership’ is sometimes used and refers to the ways in which the managers achieve and bring out the attitudes and actions of their employees. Usually the actions desired are those which lead to the achievement of organisational objectives. A form of leadership therefore implies a style of management and Autocratic style of management is one particular style of management.

Authoritarian Style is a clear division of all staff into those that give orders and those that take orders, much centralization of power at the top, punishment of subordinates for disobedience or incompetence. The emphasis is on unquestioning obedience and strict discipline. In such a management style management believes in ruling by fear. All lower level managers and staff members are constantly under a threat of being fired, punished or side tracked for the slightest deviation from the often unreasonable wishes of the bosses. The decisions of the bosses are generally arbitrary and whimsical and often the thought process behind the decision making is not clear to the employees of the organisation.
Authoritarian or Autocratic management style relies on legitimate, coercive and reward power to influence others. The core of the authoritarian management style is management by dominance. The various other concepts which are an integral part of the authoritarian management style are - the concept of due process before punishment is handed down, so that punishment is not seen to be arbitrary, the concept of discipline and graduated punishment depending on the nature and seriousness of breach of discipline and the concept of legitimacy which spells out the conditions under which dominance can be exercised.

The authoritarian style manager is aggressive, parental and dictatorial in their dealings with the group. Due to its overwhelming control over the group, the authoritarian approach works well in crisis and pressure situations as the group will look towards its manager for answers. However there are some negative aspects to the authoritarian approach. In certain cases, the group may fail to develop a sense of ownership of the work accomplished. A constant use of the authoritarian style can also cause members to be apathetic and unproductive when the manager’s back is turned. The employees have a lack of sense of ownership and belonging to the organisation. As a result of this many times the members of the group are not motivated to do more than what is necessary. There is also a danger of employees being disoriented
about the goals of the organisation and trying to bleed the organisation with their activities.

Autocratic style of management is defined as a management style where the manager has complete responsibility for the outcome and the manager has concentrated in him the tool to control and the power to enforce within the organisation, the definition could be slightly different depending on the manuscript which one is learning and is sometimes referred to as antiquated.

The Autocratic management style is based on the use of coercion as a means of control in an attempt to force the employees to behave in a particular way. The response of the employees towards such coercion is seen to be extremely authoritative that is they will do as they are told because the alternative may be unemployment. Another reaction by an employee to this Autocratic style is that they might only do the absolute minimum required of them to retain their jobs. Clearly productivity in such an organisation will not be very high. Military and law enforcement organisations historically operate with an Autocratic style of management. Autocratic style is seen as necessary in the situations in which the above organisations operate. Acceptance resentment should not arise because of this, since the Autocratic style is an accepted style of management in these organisational forms. A hierarchical structure
indicates an organisation with formal rules and procedures of conduct. Also it connects with a role culture, which clearly sets out the hierarchical positions with well defined responsibilities and duties.

Style of management is chosen according to the type of organisation, it should be chosen to suit the particular situation in a given organisation. The means of dealing with a disciplinary matter will differ from that used in a problem-solving situation. The style of management of routine day to day activities will differ from the management of project and design activities. Managers must therefore choose a management style to suit the situation.

An autocratic manager is one who centralizes authority, dictates work methods, makes unilateral decisions, and limits employee participation. Here the emphasis is given to the style which is authority-centred or manager-centred. The manager concentrates all authority and decision makings powers in him. The two forms of the autocratic management style are the tough autocratic style and the benevolent autocratic style.

Autocratic manager believes that his management style is based on the authority confirmed on him by position. The main characteristics of Autocratic management style are he makes all the decisions and his right to lead is derived from his positional authority. He often conceals
information from his followers in order to maintain his position as the fountain source of all knowledge and he describes each job in detail and imposes rigid work standards on his employees.

Autocratic decision making is when the manager maintains total control and ownership of the decision. Autocratic managers keep the decision making authority and control in their own hands and assume full responsibility for all actions. The Autocratic manager makes decisions alone as power is centralised in one person. Full authority and responsibility are assumed. Supervision is tight, direct and precise. Decisions are enforced using rewards and the fear of punishment. Subordinates do as they are told. Communication tends to be primarily downward. They structure the entire work in their own way and expect the workers to follow their orders and tolerate no deviation from their orders. The manager is also completely responsible for the good or bad outcome as a result of the decision. The manager does not ask for any suggestions or ideas from outside sources and functions from his own internal information and perception of the situation. Advantages include a very fast decision making approach and prevalent sense of personal responsibility of the manager towards the outcome. If an emergency situation exists, the Autocratic style is the best choice. The disadvantages of such a management style are varied and sometimes
include less than desired effort from the people that must carry out the
decision. If the employee is personally affected by the decision but not
included when the decision is made, morale and effort may or may not
suffer. It is not always predictable. If the outcome for the decision is not
positive, members of the organisation begin to feel they could have done
a better job themselves and the manager may lose credibility.

The Autocratic manager may adopt the benevolent Autocratic
management style. In such a scenario the subordinates are dealt with
effectively and may achieve security and satisfaction. A benevolent
autocrat may simply give orders, demand loyalty and may make
subordinates feel they are actually participating in the decisions even
though they are doing what the boss wants.

Autocratic managers keep the decision making authority and
control in their own hands and assume full responsibility for all actions.
They structure the entire work situation in their own way and expect the
workers to follow their orders and tolerate no deviation from their
orders. The subordinates are required to implement instructions of their
managers without questioning. They are entirely dependent on their
managers and the output suffers in the absence of the manager. The
autocratic management style ranges from tough and highly dictatorial to
paternalistic, depending upon whether the manager’s motivational
approach is threat and punishment or appreciation and reward. In highly autocratic situations, the subordinates develop a sense of insecurity, frustration, low morale and they are involved to avoid responsibility, initiative and innovative behaviour.

- **Democratic Styles**: It is believed that the human beings are entirely constituted by their social relationships- this belief rendered him and his successors incapable of recognizing the distinctiveness and independence of the individual person. The original idea of democratic socialism, that freedom must be guaranteed to all people in all walks of life, has time and again come up. The right of the people to have self-determination regarding work, the right of the society to participate in decision-making with regards to economic development and effective checks on power- all these exclude the monopoly of the state over the means of production as well as the arbitrariness of private ownership. Democratic socialism involves discussion of the dignity of man, his right not to be pushed around by others, his right to his own individuality and self-determination. The opportunity for democratic socialism to prove itself to be a credible alternative, globally, rests not on political appeal but rather on presenting economic, ecological, security policy based cultural programmes, which identify clearly what social prerequisites must be secured in order that all are able to enjoy a
large degree of individual freedom. A democratic setup is a practical necessity in our industries.

Democratisation is important to place the common people in effective control of the mechanism of modern economic life; it must give the individual a chance to express one’s judgement in influencing the affairs and destinies of the enterprise where the person has invested capital and labour. Truly democratic structures are not pre-designed. They are self designed by their members. Two distinct developments in 1980, point to the emergence of democratic forms of organisation and control. They relate to the growth of high tech industries and the phenomenon of employee ownership. Democratic industries or organisations are based on the principle of equality ownership rather than joint ownership.

Democratic decision making is when the manager gives up ownership and control of a decision and allows the group to vote. Majority vote will decide the action. Advantages include a fairly fast decision, and a certain amount of group participation. An individual is not responsible for the outcome. In fact, even the group feels no real responsibility because some members will say, ‘I didn’t vote for that’. Lack of group and personal responsibility seems to disqualify this style
of decision making; however, the democratic style does have its place in business.

Democratic or Participative manager\textsuperscript{35} consults the group on questions of interest to them and to which they can contribute. Communications flow freely and suggestions are made in both directions. The democratic manager identifies the problem and gives the group a chance to influence the decision from the beginning. He presents a problem and the relevant background and then asks the members for ideas to solve it.

The manager then incorporates their ideas as much as possible for making a final decision. Some decision making responsibilities still belong with the manager. Subordinates participate in goal setting and problem solving. This participation encourages member commitment to the final decision. The members also develop a sense of ownership towards the set goals in such an environment. The democratic manager creates a situation by which individuals can learn, enables people to check their own performance, allows subordinates to set challenging goals, provides opportunities for improved work methods and job growth and recognizes achievements and helps employees learn from

errors. Democratic style of management does not mean management by committee or making decisions by democratic voting, it means involving people in some aspects of running of the industry or organisation.

The basic premise of the participatory management style is the belief that the employee can make a contribution to the design of their own work. The belief system that leads managers to this conclusion was put forth as a management theory by Mc Gregor which advocates the belief that the employee’s are internally motivated. They take satisfaction in their work; and would like to perform at their best. Symptoms of indifference are a result of modern workplace, which restricts what an employee can do and separates him from the final result of his efforts. It is the managements’ job to change the workplace so that the employee can once again recapture his pride of workmanship. Managers who practice the participatory style of management tend to encourage employees in certain types of behaviour. To encourage the employees they establish and communicate the purpose and direction of the organisation. This is used to help develop a shared vision of what the organisation should be, which is used to develop a set of shared plans for achieving the vision. The managers’ role is that of a leader. By his actions and words he shows the way to his employees. He is also a
coach; evaluating the result of his people’s efforts and helping them to use the result to improve the organisation’s systems and the organisation as a whole. Democratic managers, share the decision making process under Democratic management. Members of the group tend to be more satisfied and less frustrated because they all play a part in the decision making process. Although the designated manager will still make the final decision, group members feel more validated if their ideas are considered and they are usually more motivated to implement the decision. The members feel a closer association with the decision taken as their views were also taken into consideration in the decision making process. Unlike an Autocratic manager who controls through authority he possesses, a Participative manager exercises control mostly by using forces within the group.

Participative management or employee involvement is a democratic philosophy that respects all members of an organisation as an infinite resource able to contribute knowledge and creativity to improving the organisations ability to survive. In employee’s participation management (EPM)\(^\text{36}\), the keyword is participation and the

participatory mechanisms should ensure mental and emotional involvement of employees-not only via indirect representation through unions in participative form but also their direct association across functions and down levels. The labour management relations will have to cope up with these specific changes in employee expectations - for more self determination, for more employee rights, for more equitable earnings, for better security and safety and to achieve and maintain a better quality of work life.

Participative management requires a management style that motivates people at all levels of work to accomplish the organisational mission. When all employees are participating, they are involved in setting organisational goals, solving problems, making decisions and planning and implementing changes. Participative management is more likely to succeed in organisations that develop strong cultural and structural supports. Organisations with participative commitment to employee participation at all levels, work autonomy, group problem solving, high standards, open communication, trust between employees and management, respect for one another’s knowledge and supportive relationships. Thus the Participative management style is defined as joint decision-making or at least shared influence in decision-making by a superior or manager and his employees.
Depending on the socio–political environment and cultural conditions, the scope and contents of participation may change. The employees’ participation management has been defined as, “the participation resulting from practices which increase the scope for employee’s share of influence in decision-making at different tiers of organisational hierarchy with concomitant assumption of responsibility”. Employees’ participation may be viewed as an instrument for increasing the efficiency of enterprises and establishing harmonious industrial relations, a device for developing social education for promoting solidarity among employees and for tapping human talent, a means for achieving industrial peace and harmony which leads to higher productivity and increased production, a humanitarian act elevating the status of an employee in the society, an ideological way of developing self-management and promoting industrial democracy, a means of mentoring and nurturing managerial talent within the organisation for its long term benefit and viability and as a tool to increase the loyalty of the employees to the organisation, thus enabling long term commitment of the employees with the organisation.

The important objectives of the employees’ participation are to improve the quality of working life by allowing the employees greater influence and involvement in work and the satisfaction obtained from
work and to secure the mutual cooperation of the employees and the employers in achieving industrial peace, greater efficiency and productivity in the interest of the enterprise, the employees, the consumers and the nation.

The above discussions revealed the theoretical frame work and the need of management styles. The concept and the ingredients of management styles are also discussed in detail. Based on the foregoing discussion, an in depth details regarding various management styles practiced for administration in our country is given. These discussions lead us to study about the current management styles practiced in industries of Kerala state. The management styles practiced in our industries is given in the next chapter.