CHAPTER I
INTRODUCTION

The future lies ahead, the past is behind us.
- Mort Sahl

Everything today is changed; everything today is new; and everything today is bigger. The nation's output is more than double of what it was two decades ago. From the standpoint of size, power and the ability to produce and to distribute billions of products each year, we have never before witnessed anything like this in Indian business. All this has been done through the effective use of manpower and the right combination of men, materials and capital. Obviously our productive output is the result of effective management.

Killen (1977) has rightly pointed out that good management is the process of planning, organizing, directing, motivating and controlling the work and workers of an organization so as to achieve the organization's goals. However management consists of getting things done through others and a manager is one who accomplishes objectives by directing the efforts of others.

In an organization the leadership function is performed by
the manager; and when there are several levels of leadership, for example, top, middle and supervisory managers, they are collectively called the management. Nevertheless, a manager is successful if he accomplishes the set goals. To do so the manager must create both a healthy physical and conceptual environment to achieve organizational and individual goals.

In view of this, George (1968) in The History of Management Thought has suggested a concise formula or model for management as:

$$Mg = \left\{ (Ac + Ap) \rightarrow Ec + Ep \right\} f (Oi, Og)$$

Where $Ac = \text{conceptual acts}$; $Og = \text{group (corporate) objectives}$; $Ap = \text{physical acts}$; $Oi = \text{individual activities}$; $Ec = \text{conceptual environment}$; $Ep = \text{physical environment}$;

After the industrial revolution 1750, the management can be broadly classified, as noted by Killen (1977), into three categories in business organizations. These are top management, middle management and first line management. Actually all managers perform the same functions, but they differ in terms of management functions. Anyhow, it is difficult to offer a clear and crisp definition of the three levels of management.

Every enterprise presents possibilities for the application of the art and science of management; and the field of management offers abundant opportunities for self-expression and financial remuneration to those who can and will qualify.
The Manager

Administration is not only the faculty upon which social stability rests but it is possibly the highest faculty of the human mind.

- BROOKS ADAMS

One of the factors primarily responsible for the growth and development of our dynamic economy, especially shortly before and after the turn of the twentieth century, was the vital role played by the entrepreneur who founded, built and directed his own business enterprise. Then as the organization grew in size and diversification in the first half of this century, and especially after World War II, the professional manager replaced the entrepreneur as the principal agent directing and influencing the continual development of our economic society and its many related institutions. As ours is an organizational society, the importance of the managerial role has increased.

Drucker (1967) has pointed out that every "knowledge worker" in modern organization is an executive if, by virtue of his position or knowledge, he is responsible for a contribution that materially affects the capacity of the organization to perform and to obtain results.

Rapid technological developments aiding the development of new industries is an important stimulant recognised in providing opportunities for managers to emerge. Once the organization reaches a size requiring more than the governing hand,
it must depend upon managers to assist at work.

The manager is, therefore, entrusted with administering the firm, its mission and destiny riding on his ability to compete with executives in other firms and on his ability to effectively utilize the material and human resources at his disposal. If he, accomplished it, the manager is regarded to be successful in achieving the goals.

Men who manage, have long been the subject of exhaustive and intensive research efforts by those interested in ascertaining the mysteries of managerial success. Why, for example, do some men succeed so remarkably as managers, while others, perhaps equally gifted in terms of professional training and intellectual capacities, fail even in similar circumstances. It is a crucial question needing an answer. Although there are difficulties of comparison and generalization from organization to organization, there is sufficient evidence to draw certain important inferences.

The Manager - Job Success

The manager does have power over people, but he has to use that power with a skill which approaches artistry if he is to have power with people.

- ROBERT N. HILKERT

The key to success for any organization is good management, and the key man in a good management is the manager.
For a firm to be successful, the employees must produce a quality product at a high level of efficiency and at a low cost.

Good management, in fact, is the single most important factor in the success of Indian economy. The managers have done it by wisely directing the efforts of others, by wisely using the manpower available and by wisely putting the right combination of men and materials together to get the work done.

Managers, in general, seek to be successful in meeting the expectations and achieving goals. Success is not a one-dimensional concept; rather it is a label given in a particular circumstances to describe in a relative sense, the extent to which a manager has performed his work according to his capacities and potentials.

Generally in all organizations higher managers are normally chosen from among those who have been successful at the next lower level. Katz and Kahn (1966) has described it as a career-progression model which implicitly assumes that success at higher levels can be predicted from the qualities that lead to success at lower level. Warner (1964) has pointed out that there is now increased opportunity for men to advance through the various levels of the organization, as compared to the more restricted career mobility in earlier years. Hagen (1959), however, has indicated that major executives tend to achieve
their success by moving diagonally from one firm to another, or even from one occupational field to another.

It is therefore evident that what is success for one company, where success is in terms of turnover, can be failure for another, depending on the company - its resources, its attitudes, its plans, and its criteria.

In any type of organization the job of a manager is to create an environment conducive to the performance of acts by others in order to accomplish personal as well as organizational goals. Srivastava (1971) has mentioned that the success of a manager depends to a great extent upon his ability to involve subordinates in the process of achieving goals. The manager's real authority is the authority and respect he earns from his subordinates.

The characteristics that go to make such a manager are difficult to determine. However as Hicks and Stones (1962) study suggests there are certain basic characteristics which all the successful managers possess regardless of their areas of specialization. In this regard Delancy (1974) has disclosed certain characteristics that are shared by the successful people in organizations. He expresses that technical ability and interest in work are the most important characteristics in achieving success. The executives, in addition, prefer money and security in jobs.
Bery (1973) dealing with the contributive and causative factors of the success of executives has noted intelligence, leadership ability, integrity and accidental factors like good health, good luck, being at the right place at the right time, being with a growth oriented firm as the key factors in the attainment of success. George (1977) also has suggested certain qualities most desired in a manager to attain success. Accordingly, a manager should be able to think, and to express, emotionally be stable and dynamic and possess technical competence, moral integrity, skill in human relations and organizational ability.

Several other studies, for example, Starch (1942), Chiselli and Barthol (1959), Porter (1961), Hulin (1962), Lal (1971), Katz (1974), Sandra (1978), etc., have listed out the basic characteristics essential for executive success.

Managers, therefore, have at their command many resources that affect the quality of their work. Their personal characteristics and capabilities are primary assets, but these are continuously influenced by the organization's climate and by the resources it devotes to training and development.

The Manager - Personality

Personality is to man what perfume is to a flower.

- CHARLES M. SCHWAB
Generally speaking, some people crumble at the first sign of disaster or drastic change, whereas others deal with the detours and obstacles that they encounter without losing sight of the main objectives. Some persons are increasingly successful and others increasingly frustrated. Probably this may be due to the individual's personality.

Personality is a unique factor and it is the sum total of one's experience. One man's individuality may be immediately obvious, whereas another's will come to the surface much more gradually. In either case, the man's individuality is always there.

Personality is one's style of life. Style of life has a great deal to do with holding a job and getting promotion.

Psychologists have offered more than fifty definitions of personality. Some definitions emphasize the effect a person has on others. Other definitions emphasize the organization or balance of personal qualities to give cooperation in one's own mental life. Personality, however, shows itself even when there are no people around to impress.

Individuals who have widely divergent personalities still are able to make good in the same work. Apparently, any personality is suitable for business if it includes enough of the characteristics that help an individual to progress in the world and if it does not go to extremes in some characteristics.
In business an executive cannot make a secret of his abilities and ambitions if he wants to get ahead. Eventually there is no such thing as an ideal business personality. As everyone sees people in terms of their own experiences and preferences, an executive must take chances with his personality which sometimes will work for and at other times against his interests. If an executive is unable to make any impression on other people, even good work will not be appreciated.

Research evidence shows that personality has much to do with executive behavior, performance and success. Warner and Martin (1959) have stated that:

It is clear that certain kinds of personalities make successful leaders and other kinds seem to doom men to failure. These personalities which help them achieve and rise to power and position are formed in the ordinary cultural matrices in which all of our personalities come into being. Yet research evidence indicates that these particular experiences have peculiarities that are identifiable and significant in the careers of successful men.

However, Whyte (1956) has advanced the thesis that organizations have forced their executives to become 'organization men' by exacting conformity to collective pressures. Obedience, subservience and unquestioning loyalty are demanded as the price of advancement in the company hierarchy.

It is therefore questionable whether there is any such thing as a managerial personality. Hence one of the ways to
understand what underlies managerial success is to study the far more nebulous mental or personality traits possessed by successful managers. Admittedly, the process of collecting, classifying and analyzing these data is not as simple as quantifying factors like age, education, social background and so on. Prediction of future success based on these data, namely, personality factors, is obviously not nearly as precise. Yet the manager does function in an environment of stress and ambiguity which decidedly influences and in some part shapes his personality characteristics. So to understand managerial processes, one must examine the psychological characteristics of the men who shape both the organization and its processes.

The works of Ghiselli, Henry, Wald and Doty and others have attempted in depth to understand the underlying personality factors of managerial success.

Ghiselli (1960), for example, has concluded that intelligence, initiative, self-assurance and perceived occupational level play a fundamental role in determining managerial success. He heavily emphasised on the intellectual demands of the managerial job as it demands much creativity and innovation.

Henry (1949) has observed that a successful executive is an active, striving, aggressive person, but that his aggressions are channeled into work or struggles for status and prestige.
Wald and Doty's (1954) study shows that the top executives possess a high level of intelligence, social maturity, firmness, frankness coupled with sensitivity and a reasonable degree of emotional stability.

These and other studies lead to a tentative inference that it is difficult to set forth an ideal managerial personality precisely, since this will vary among companies and their different management climates. In this regard Huttner, Levy and Stopol (1959) have noticed personality and mental differences between occupational grouping and company size.

There are, nevertheless, many common denominators found in the psychological makeup of executives both over time and in various types of firms. Moreover, above all else, men who manage do so primarily because of their high need to achieve, to express their inborn and learned talents and to realize their potentials as creative persons, regardless of specific differences in personalities, values, needs and attitudes.

In general the characteristics of the successful executive are personality characteristics - characteristics which are descriptive of the total personality of the individual executive. They develop during a comparatively long period of his life span. They are not techniques which are learned easily from a job situation.

It does not imply that the individual executive cannot be
trained. It does not mean that he cannot learn or that he cannot become a better executive by constant experience on the job. It only means that unless this general configuration of personality characteristics is apparent, he will always have difficulty in the executive situation.

The Manager - Creativity

The great man is the man who does a thing for the first time.

- ALEXANDER SMITH

Creativeness in industry has never been unimportant, but it has never been as important as it is now. The reason is the pace of change. For the industrialist and the manager there are two areas in which change dominates his thinking, namely, the technology and the market, what he produces and what people want, supply and demand.

Technological advance is constantly bringing new possibilities into the field of production; and consumer demand is also constantly changing, as people become wealthier and can afford new products. In organizations only these two are important out of thousands of other factors. To put the two together and launch a new product or cut the price of an old one requires an act of bisociation, a creative act and a creative act demands a creative person.
It is obviously important, therefore, to understand how creative people work best, how a steady supply of good new ideas can be generated.

Creativity could be a product of heredity and environment. Every person is creative to some degree. Creativity is a new combination of thoughts or things. It is a combination of past experience and patterns for the future. Creativity comes out of conceptual unity, originality, sparks from the subconscious, openness in thinking and self-actualization. Creative thinkers are not produced by planned education, but they just happen. Creativity is a function of people but not of organization or condition. A creative person is unhappy if he is not creating something. Nevertheless, it is important to recognize that individuals alone are seldom responsible for creativity and even less for innovation.

Creativity can be defined as the generation of an idea; and imagination can always give birth to new ideas. No man can be ordered to produce new ideas. Bright ideas are the spontaneous products of a fertile mind. In an industry, creativity may become manifest in a new machine, a new department or a new training programme. Creativity cannot be created easily, but it can be exploited to the fullest extent. In order to mine creativity to the utmost, its components, dimensions, and problem areas are to be recognised and actions to be initiated to allow it to develop in a favourable climate.
However, survival will be possible in a scientific and technological age only by bringing in new ideas all the time.

John (1956) defined creative thinking as the process of bringing a problem before one's mind clearly as by imagining, visualizing, supporting, musing, contemplating or the like and then originating or inventing an idea or concept along new or unconventional lines. It involves study and reflection rather than action.

Ideally, the creative idea in the development process should fit in as follows: Company policy - Screening of markets - Selection of suitable markets - Creative idea for market entry. But too often creative ideas do not wait until the correct stage in the development has been reached. Hence an alternative evaluation process starting with the idea is as follows: Creative idea - Relevant market - Market screening.

Jay (1968) has explained the development process of the creative idea as almost uncomfortably similar to sexual intercourse.

Wallas (1926) has postulated four stages in creative process, namely, preparation, incubation, illumination and verification.

Hicks (1972) by selecting and combining the best elements of all the methods postulated by several authorities and practitioners for creative thinking has described the stages of
creative thinking process as: (a) attitude and concentration, (b) selecting or defining a problem, (c) exploration and preparation, (d) hypotheses, brainstorming or wild thinking, (e) incubation or gestation, (f) illumination and (g) verification and application.

In any organization, some of the fruitful areas for applying the process of creative thinking are (a) introduction of new goods or service, (b) introduction of new methods of production, (c) creation of new market, (d) new source of supply, (e) ways of organizing and (f) management or administration for more effectively achieving objectives through human effort. Therefore creativity is being sought and used in marketing, advertising, production, transportation, financing and personnel relations.

A.C. Monteith*, Vice President of Westinghouse has stated that creative thinking has become the spark plug of American business. If we do not find enough imaginative men to supply that spark plug, the machine will run down.

Unfortunately no two creative thinkers are alike. Each one has his own capacities, his own methods, his own idiosyncrasies. Notwithstanding this, a number of writers have concluded that two general types of creative thinkers can be distinguished:

the intuitive thinkers and the logical thinkers, i.e., the people who conceive a new idea and then test it and the people who accumulate knowledge and analyze it until something new emerges. These are the extremes and most creative thinkers are combination of the two.

A search of the relevant literature, reveals to us the more basic capabilities found in the make-up of the creative thinkers.

Sprecher's (1959) study has found that the highly creative persons differ from the least in the novelty of ideas and the ability to produce valuable and practical solutions.

Jones (1964) has concluded that generally more creative industrial scientist or engineer is found to be highly capable of reasoning well with words and other symbols, fluent in the output of ideas, original in the quality of ideas and high in degree of scientific curiosity.

Nabi (1979) has suggested that the creative person is highly motivated and ever seeks new achievements.

These and other capabilities surely occur in widely varying degrees. Hence among the many the most desirable rather than the most essential qualities of a creative thinker are: a. knowledge, b. capacity for self-instruction, c. scientific curiosity, d. observation (sensitivity to environment), e. memory
f. intellectual integrity, g. skepticism, h. copious flow of ideas and i. enthusiasm coupled with persistence.

In addition, personality factors undoubtedly underlie a good deal of the variations in creativity among different individuals. Considerable personality differences between creative and uncreative professionals have been noted.

Barron (1957) has reported that generally the creative person is characteristically active.

MacKinnon (1962) has indicated that highly creative persons are inventive, determined, independent, industrious and sensitive.

Mallappa and Ramesh (1977) has pointed out that highly creative persons are more intelligent, more socially bold, less tense and have a stronger self-sentiment.

Generally the creatives are more independent in judgement and resistant to the opinions of the majority. They show a stronger need for order and are better able to arrange the situation in a meaningful way. They show an ability to live with disorder, contradiction and imbalance, until they are satisfied. They are more open to experience and emotions. Further, the creative individuals are highly appreciative of intuitive and apparently irrational methods of arriving at a potential answer.
This list of abilities is an ideal one and by no means does everyone display them to the highest degree possible. Moreover they seem to cluster together in various ways so as to form a number of sub-types.

Nevertheless creativity is vital in industrial organizations. The highest rewards in recognition and income will be offered to those who will contribute to economic, business and technological progress through creative thinking about the world's problems. Fortunately, the process of creative thinking is not patented or withheld from anyone. It is freely available for all to use.

So, it can be inferred that managerial success is an important aspect which every organization expects from the employees whom they hire. Men who manage have long been the subject of exhaustive and intensive study. Managers are the key men in industries. Accomplishing goals through people is the concern of a manager. He leads the organization to reach its target through harmonizing the employees to accomplish goals simultaneously.

Many managers today do not view success as an expression of profits for several reasons. Profits are considered as only the reward for a successful mission. The job of a manager, obviously, is to get the good out of a man without letting the bad to interfere. There is always a need for a efficient manager of an on going concern to keep things running happily and
Managers are considered part of the management group with certain types of responsibilities. To meet these responsibilities successfully managers should possess certain personal qualities and be able to perform the basic managerial functions. Of course there are wide differences in the backgrounds, knowledge and skill of the people involved. And it is also evident that success differs from company to company, issue to issue and country to country. Therefore, it is difficult to determine precisely the characteristics that go to make a successful executive. Several investigators have mentioned the qualities most desirable in a manager to accomplish success. Accordingly the personal characteristics and capabilities of a manager are the primary assets, but these are continuously influenced by the organization's climate.

We have available today, however, the knowledge and experience needed for the successful practice of management; but there is probably no field of human endeavour where the tremendous gap between the knowledge and performance of the manager in wider or more interactable.

It is in this context and in view of the fact that studies on Indian managers have been few if any, that the present investigation has been contemplated. It is a study of personal characteristics and creative potential among middle level
management personnel working in industrial establishments of Andhra Pradesh, India. However, the study confines itself to an investigation of personality and creativity aspects of the most successful and the least successful managers in Indian business organizations. Applicational outlet of such knowledge is evident.