Chapter II

RESEARCH DESIGN
STATEMENT OF THE PROBLEM

Motivation and leadership are the crucial issues in all organisations. Every manager has to deal with these aspects in order to succeed in the organisational mission. As such a manager must be a good leader in order to motivate people to perform better in their jobs to achieve individual as well as organisational goals. Organisational researchers have been studying the topic of motivation and leadership for many years. Though the concepts of leadership and motivation are two sides of the same coin, they mean different things to different people.

No universal meaning can be associated with the motivation concept for a number of reasons. The concept of motivation or its derivatives, can be used as a noun, an adjective, or an adverb.

The study of the subject of leadership is as old as civilization itself. Since past to the present many behavioural scientists, psychologists and management experts have tried to analyse, speak and write about the attitudes, characteristics and dynamics that go with leadership. The problem of leadership has been one of the man's major concerns since the days of antiquity. Leadership, similar to motivation, has been conveying many meanings to many people.

Motivation is the cause of leadership and leadership is the effect of motivation. In the first stage it is the motive which influences the leader and in the second stage the leader influences
the followers. Thus, they are multidimensional, multi-faceted, multi-situational and multi role concepts.

As the specific findings of one research in a particular area and in a particular organisation may not be totally relevant to other organisations, the research on these issues continue for ever.

What are the factors that effect motivation and leadership? What is the role of leader in motivating people? How to reconcile the motivation and leadership? The present empirical thesis addresses these issues.

RELEVANCE OF THE STUDY

In the present day era of liberalization, privatization and globalisation, the organisations have to compete with domestic and foreign agencies for providing good service and 'developing the right goods and service to the right people in right time'. It is possible with the improved performance, commitment and team work of their employees. Hence, an attempt to study the motivation and leadership of the LIC and commercial bank employees is strongly felt by the researcher.

The establishment of Life Insurance Corporation of India in the year 1956 helped the Indian economy by developing saving habits in the people. The LIC has developed not only the saving habits but also made the people to protect their lives against the risk. As a government organisation, it has contributed and continuous to be
the main source to the government revenue. Hence it is playing vital role in the Indian economy.

The nationalization of 14 commercial banks, in 1969 also occupy a vital place in the Indian economy with the increasing emphasis laid on the socialistic pattern of society by providing a new orientation to the Indian banking industry. These nationalized banks have strengthened the rural economy by expanding their banking facilities to the rural areas.

LIC and commercial banks come under service industry and their main aim is to render good service irrespective of 'The way they operate'. The performance of any organisation depends upon its members i.e., employees. Motivation and effective leadership play very important to improve the performance of employee which in turn improves the performance of the organisation.

The present micro level study is an attempt to investigate into the motivation and leadership of employees in LIC and CBB.
REVIEW OF LITERATURE

Some of the studies made by different authors in both theoretical and empirical spheres are presented in the following paragraphs.

Frederick W. Taylor's Major work which was published in 1911 was eventually led to improved recognition and productivity for industrial workers. The changes he brought to management paved the way for later development of organisational behaviour. To be sure, the goal was still technical deficiency, but at least management was awakened to the importance of one of its neglected resources. In 1920 Whiting Williams was also published a significant interpretation of his experiences, What's on the Worker's Mind.

Elton Mayo and F.J. Roethlisberger in his work gave academic stature to the study of human behaviour at work. They applied keen insight, straight thinking and sociological backgrounds to industrial experiments at the Western Electric Company. The result was the concept that an organisation is a social system and the worker is in deed the most important element in it. Their experiments showed

that the worker is not a simple tool but a complex personality interacting in a group situation that often is difficult to understand.

Herzberg's study on Maslow's model covered over 200 industrial accountants and engineers in Pittsburgh area. It reported that employees named different types of conditions for good and bad feelings. His study revealed that the factors responsible for job satisfaction are quite different from the factors that led to dissatisfaction, so identified were classified by his as 1. Motivational factors and 2. Hygiene or maintenance factors. Hygiene or maintenance factors are the context factors. According to him, they can dissatisfy by their absence but they can not satisfy by their presence.

One of McClellands' studies examined the motivational patterns that were emphasized in schools, books and families in different nations. His studies revealed that people's motivational patterns tended to agree with the cultural environment in which they grew up. He also found that nations with more achievement - motivated people tend to have faster social and economic development that leads to higher goals and drives, so the people do better work. They are not strongly 'money hungry', although they


may acquire wealth in their drives to achieve. They work because of their desire for challenge, accomplishment, and service to others. It is estimated that 10 per cent of the people in the United States are highly achievement motivated.

Rao has studied on the managers, supervisors and the workers of small industries perceive the organisational climate of these industries. There were no consistent differences in the perceptions of the managers, supervisors and workers and the differences shown were dependent on the units. The personal factors such as age, education, professional training and previous experience were not associated with their perceptions.

McClelland's another study of power motivation reported that power-motivated people make excellent managers, if their drives are for institutional power instead of personal power. Institutional power is the need to influence the behavior of others for the good of the whole organisation. In other words, these people seek power through regular leadership channels, so they are accepted by others and rise to leadership because of their successful performance. However, if a


person's drives are toward personal power and political manipulation, that person tends to be an unsuccessful organisational leader.

Stinson and Johnson's study covered over 400 industrial workers and supervisors. It reported that both achievers and affiliators disliked structured tasks and wanted more job autonomy. The achievement oriented workers disliked the structured tasks because their jobs had less challenge and opportunity for decisions.

The reasons given by the affiliation-oriented workers were some what different. They disliked a structured task because it restricted their freedom to make contacts with friends and mix socially on the job.

E. Lawler and Suttle made a research and found a little evidence to support Maslow's theory that human needs from hierarchy. They did note, however, that there were two levels of needs - biological and other needs - and that the other needs would emerge only when biological needs were reasonably satisfied. They found, further, that at the higher level, the strength of the needs varied with the individual; in some individuals social needs predominated, while in others self-actualization needs were strongest.


Rajappa\textsuperscript{11} has highlighted the importance of working environment in the analysis of work motivations. Results of his study reveals that organisations with achievement oriented climate were highly productive organisations.

Bansal\textsuperscript{12} reported that qualities need for successful job performance of managers are job knowledge, decision making, good human relation, coordination, leadership, co-operations, communication, need for power, need for occupational achievement and intelligence.

Sharma\textsuperscript{13} has also emphasized the importance of organisational climate in employee work motivation. Based on a survey of fifty industrial organisations in India, he observed that grievance handling, recognition and appreciation, participative management and scope for advancement are important factors in an organisational climate enhancing work motivation of the employees. In other words, what required is the improvement of quality of work environment and not merely the material benefits.

Edwin Locke (1968)\textsuperscript{14} and a group of researchers have produced an impressive amount of support for the proportion that the setting of "specific hard but attainable goals" is related to much higher levels of performance than is the setting of diffuse, easy or moderate goals such as "Do your best". He has shown that even individuals trying for a goal so high they rarely reach it perform better than those who are attempting to attain easy goals. A person's goal of performance will, according to Locke, help a manager to predict the person's future performance and satisfaction. He argues that all other theories of motivation, such as expectancy theory, are insufficient unless they include a goal-setting dimension.

**LEADERSHIP**

Some of the studies made by different authors in both theoretical and empirical spheres on leadership are presented hereunder.

A series of pioneering leadership studies were conducted on high school children in the late 1930s by Ronald Lippitt and Ralph K. White\textsuperscript{15} under the direction of Kurt Lewin at the University of Iowa.


They studied the decision-making component of the leader's behaviour and classified leaders into three types as authoritarian, democratic and laissez-faire. One definite finding was the boys' overwhelming preference for the democratic leader. In individual interviews, nineteen of the twenty boys stated they like the democratic leader better than the authoritarian leader. The boys also chose the laissez-faire leader over the autocratic one in seven out of ten cases.

Leadership studies undertaken at the University of Michigan's Survey Research Centre\(^{16}\) divide leadership into employee-Centered and production-centered. The conclusions arrived at by the Michigan researchers strongly favoured the leaders who were employee-oriented in their behaviour. Employee-oriented leaders were associated with higher group productivity and higher job satisfaction. Production-oriented leader tended to be associated with low group productivity and lower work satisfaction.

Krech and Crutchfield\(^{17}\) (1948) proposed a number of leadership functions. These are executive, planner, policy maker, 'expert' external group representative, controller of internal relationships, purveyor of rewards and punishments, arbitrator and

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mediator, exemplar, symbol of the group, surrogate for individual responsibility, ideologist, father figure and scapegoat.

Hemphill (1949) and his associates at Ohio State Leadership Studies developed a list of approximately 1,800 items describing different aspects of leader behaviour. The items were sorted by the research team into nine different categories or hypothetical subscale, with most items assigned to several subscales. However, 150 items were found on which sorters were agreed to subscale for assigning an item. These items were used to develop the first form of the Leader Behaviour Description Questionnaire (LBDQ)

Robert Tannenbaum and Warren H. Schmidt (1958) see leadership as involving a high variety of styles, ranging from one that is highly boss-centered to one that is highly subordinate-centered. The styles vary with the degree of freedom a leader or manager grants to subordinates. They recognize the following styles:

1. Leader makes decision and announces it.
2. Leader makes decision and persuades subordinates to accept it.
3. Leader presents ideas and invites questions.
4. Leader presents tentative decision subject to change.

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5. Leader presents problems, gets ideas and suggestions before making decisions.

6. Leader defines problems and limits of action and asks group to make decisions.

7. Leader permits group to function within limits defined by situations.

The theory recognizes which style of the leader is appropriate depends on the leaders, the followers and the situation and also concludes that the successful leader is one who can assess the forces and behave appropriately at any given time.

Sanderson and Nafe 20 (1929) have proposed four types of leaders: the static, the executive, the professional and the group leaders.

Pigors 21 (1936) has observed that leaders in group work tend to act either as master or educator.

Levine 22 (1949) has identified four types of leaders. The charismatic leader helps the group rally around a common aim, but tends to become dogmatically rigid. The organisational leader highlights and tends to drive people to effective action. The intellectual leader usually lacks skill in attracting people. The informal leader tends to adopt his style of performance to group needs.


Ganguli\textsuperscript{23} (1964) has conducted a study in a state owned engineering company on leadership behaviour. He reported that 46.9 percent of the managers and 31.0 percent of workers of a factory preferred autocratic organisational climate while only 12.30 percent of the managers preferred democratic climate. The existing environment was perceived to be autocratic by 51 percent of the managers and 43.6 percent of the workers.

Apple White\textsuperscript{24} (1965) had summarized much of the research on leadership roles and functions, the question of why people attempt to lead, leadership under stress conditions, the relationship of communication to leadership, the problem of leader assessment and the concept of leadership styles.

Stogdill\textsuperscript{25} (1965) found in 27 organisations that leader structure is related to follower satisfaction with organisation, while consideration is associated with satisfaction with freedom of action.

Thiagarajan and Deep\textsuperscript{26} (1970) found that authoritarian leaders as more influential than the persuasive, and the persuasive more than participative.

\textsuperscript{25} Stogdill, R.M. "Managers, Employees, Organisations," Bureau of Business Research, Ohio State University, Columbus, 1965.
Evans\textsuperscript{27} (1970) tested the path-goal hypothesis in two organisations. It was found that consideration and structure do not interact in path-goal facilitation but, rather, both consideration and structure acted separately to enhance path-goal instrumentality.

Fleishman and Simmons\textsuperscript{28} (1970) studied the effectiveness of Israeli foremen. Those high in both consideration and structure were most effective. Those low on both scales were least effective.

Sadler\textsuperscript{29} (1970) drew a comparison among the various leadership styles preferred by employees in British companies. This involved 1,270 men and 319 women employed by two companies engaged in the marketing of office and computer equipment and in research and development for computer facilities. Employees’ preferences were recorded in terms of four leadership styles: Tells, Sells, Consults, Joins (i.e. four points in continuum beginning with authoritarian to democratic style). It was found that most employees preferred a ‘consults’ style (moderate participation) to other styles. However, the highest degree of satisfaction was associated with getting the style of leadership that employees wanted, regardless of the actual style.


The study of 120 managers by Jaggi\textsuperscript{30} (1978) concludes that prevailing leadership styles appear to be between 'benevolent autocracy' and 'consultative' type. The study further indicates that the leadership style is associated with various factors such as age of the executives, their positions and functions and the size of the organisations. Thus, younger managers and managers in bigger sized companies are less authoritarian whereas the managers in production and technical areas are more authoritarian.

Singh\textsuperscript{31} (1979) has studied 100 managers of Public Sector Enterprises and concluded that 3 per cent of managers adapted democratic style, 7 per cent autocratic style, 23 percent compromiser style, 31 percent bureaucratic style and 21 percent developer style. He has found that there is procedural rigidity in Public Sector Enterprises.

Kalra\textsuperscript{32} (1980) has studied the pattern of styles of 70 managers and has found that most of the managers have their leadership behaviour guided by the situations in their organisations.

\begin{itemize}
\item \textsuperscript{30} B.L. Jaggi, "Management Leadership Styles in Indian Work Organisations," \textit{Indian Manager}, April-June 1978.
\end{itemize}
Sinha\textsuperscript{33} (1980) in his study lists out three types of leadership styles as 1. Participative. 2. Authoritarian and 3. Nurturant-task leadership.

Habibullah and Sinha\textsuperscript{34} (1980) studied five hundred and twenty-three executives of the Bharath Heavy Electrical Limited to find out various factors of leader behaviour. The responses of the executives to the leadership styles scales were factor analyzed by the principal component method and varimax rotation was used. Resultantly, they found the following ten usable factors: subordinate based participation; leader centered nurturance; authoritarianism; guidance and encouragement; direction; task-orientation; friendly-orientation; power; role performance, distance and discipline.

R.P. Singh and Janak Pandey\textsuperscript{35} (1986) conducted a study to show pattern of relationship between three leadership styles (participative, authoritarian and authoritative) with different strategies of control, need-satisfaction and commitment with the organisation. The study was conducted on a sample of 250 respondents comprising 150 workers, 50 supervisors and 50 line-managers of electronic equipment manufacturing large public undertaking in India. The study suggests that participative style


\footnotesize{35. R.P. Singh and Janak Pandey "Leadership Styles, Control Strategies and Personal Consequences," \textit{Indian Journal of Industrial Relations}, Volume 22, No.1, July 1986, pp.41-51.}
leads to greater need-satisfaction and organisational commitment, and authoritative style is closer to participative leadership but it does not lead to commitment. The study also brings out that participative and authoritative are positive styles of leadership. Authoritative may substitute participative till conditions in an organisation do not permit but participative style of leadership would not work till there is change in the socio-cultural milieu of the Indian Organisations.

Ansari\textsuperscript{36} (1986) observes that NT (Nurturant-Task) is a forerunner of a 'participative' style in the reciprocal influence process between leaders and subordinates.

Neelam Varma\textsuperscript{37} (1986) has made an attempt to examine the relative validity of the implicit leadership by testing two groups experienced (executives) and inexperienced (students) in an oil refinery. The study suggests that a leader's behaviour may be conceived of as a joint effect of all the five dimensions of leadership, i.e., Authoritarian style, Bureaucratic style, Nurturant, Participative and Task-orientation.

Hingar\textsuperscript{38} (1986), in her study found that leadership styles do not exert much influence on job satisfaction. She also found that there is no difference in the leadership styles across managerial


hierarchy and there is no difference in the judgement made by leader himself and by his subordinates.

In a study by Omer Bin Sayeed\(^\text{39}\) (1990) attempted to examine conflict handling strategies, leadership behaviour and leadership styles (relationship and task-motivated styles) in a common framework. The study was conducted on 79 middle level managers who were undergoing various training programmes conducted at National Institute for Training in Industrial Engineering, Bombay, India. It was found that conflict management strategies represented two main conflict management styles, viz., Reciprocal Problem Solving Style and Authoritative System Supported Style, which tended to relate selectively with five leadership dimensions. Reciprocal conflict management style significantly related with Participative, Nurturant, and Task-oriented leadership behavior, while Authoritative Conflict Management Style had significant relationships with authoritarian and bureaucratic leadership behavior. The low esteem for coworker (task-motivated leadership style) had a strong relationship with the application of force as a conflict management strategy, besides revealing some moderating influences of esteem for coworker between leadership behavior and conflict management strategies.

\[39\text{. Omer Bin Sayeed "Conflict Management Styles: Relationship with Leadership Styles and Moderating Effect of Esteem for Coworker,"}\]


74
Rama J. Joshi⁴⁰ (1991) explores the concept of managerial effectiveness as perceived by the Chief Executives. Based on interviews with the Chief Executives of units (covered by the study), certain dimensions of managerial effectiveness were identified. They are:

Leadership, inspiring, dynamic, motivating, gets respect of others, result oriented, desire to achieve, direct resources towards maximizing results,

Ability with people, good human relations skill, concern for people, identification with the company and its goals.

Understanding and discharging their own role in the organisation, effective handling of problems/situations,

Innovative/doing something on their own initiative/creative

Rajinder Kaur⁴¹ (1993) has designed a study to investigate the psychological characteristics of democratic and autocratic managers as well as to find out the relationship between managerial styles and managerial success. 325 managers from Bharat Electronics Limited, Banaglore comprised the sample. The study indicates that managerial success is not associated with managerial styles. A

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tendency towards the autocratic style prevails among the Indian managers. The psychological correlates reveal a qualitative difference in the characteristics of the democratic and the autocratic managers.

N. Panchanatham and others\textsuperscript{42} (1993) attempted to explore the leadership and problem solving styles of executives of public sector organisations. The results indicate that the executives dominantly used democratic, authoritative and coaching styles of leadership, there were no significant relationships between leadership styles and problem solving styles and in the field of specialization of executives did not have any influence on their problem solving styles. The study suggested that the organisation should design separate training programmes on problem solving and leadership styles and the executives of different branches should be considered equally for developmental programmes.

Manisha Agarwal and G.C.Agarwals\textsuperscript{43} (1995) study examined the relationship between junior and middle manager's power styles and their influence over different dimensions of decision-making activities through participativeness in three industrial organisations. Data analysis reveals the importance of the integrated power style in predicting managerial participativeness in goal-setting and conflict-


handling. Findings have significant implications for reducing middle level managers' feelings of powerlessness by increasing the degree of their participation in activities affecting personal or organisational level outcomes with the utilization of an integrative approach to power exercise at the work place. The study also indicates the importance of monetary incentives for middle and junior managers for securing their effective participation in the decision-making activities.

S.Subramanian and K.Sajjan Rao 44 (1997) study is an attempt to investigate the attitudes of union leaders towards certain management decisions. Data have been gathered from 68 union leaders belonging to two prominent unions. Their perceived importance of the 12 crucial management activities and also their perceived contribution of the unions (as opposed to management) in implementing these aspects have been studied. Results reveal a positive orientation of union leaders towards these aspects and suggest that unions have metamorphosed from their traditional role of just getting their colleagues their due, to a more progressive outlook. The authors envisage a more dynamic, functioning for union leaders in the changing realities by which they can contribute not only to the welfare of their colleagues, but also towards development of their organisation.

V. Ravichandran and D. Nagabrahmam's\textsuperscript{45} (1997) study attempted to explore the effectiveness of leadership in a transitory environment. A list of 15 traits/skills such as vision, expertise, motivation, calculated-risk, innovativeness, exemplary, assertion, integrity, charisma, interpersonal skills, initiativeness, ambition, altruism, commitment and empathy were identified through interaction process based on which a questionnaire was constructed and rated on five-point Likert scale. Data were collected from 299 managers representing 8 nationalized banks and their branches. The study states that effective leadership was perceived to be related to the person and his character such as one's expertise with interpersonal capabilities and empathy. The study also suggests that effective leaders are those with vision and having noble and altruistic goals. It is also noted that the ideal of leadership in everybody's mind has influencing effect on leadership in organisations if it is properly communicated and shared among top echelons.

Syed Vazith Hussain\textsuperscript{46} (2002) made an attempt to analyse different leadership styles in small scale industries at micro level. The decision making styles are identified by him are: Style I Benevolent autocrat; Style II Strict autocrat; Style III Prior consultation; Style IV Democratic style and Style V Delegation. He collected data from 98 owner-managers of small scale industries. He concluded that owner-managers in small scale industries are


adopting different styles depending upon the situation even though they are free from adopting any style. The results of the study strongly confirms the view that leadership is situational and effective leader should be flexible enough to adopt to the differences among the subordinates and situations.

OBJECTIVES OF THE STUDY

The specific objectives of the study are:

1. To study the perspectives of motivation of employees in L.I.C. and Commercial Bank Branches in association with the socio economic and organisation position (S.E.O.P.) variables;

2. To examine the relationship of Leadership styles with certain socio economic and organisation position variables of employees between L.I.C. and Commercial Bank Branches;

3. To find out the differences in Leadership styles as perceived by leader and subordinates between L.I.C. and Commercial Bank Braches; and

4. To examine the impact of Leadership on motivation of employees in LIC and Commercial Bank Branches.
HYPOTHESES

The null hypotheses formulated for the study are the following:

1. There is no significant difference between LIC and commercial bank employees in motivation.

2. There is no significant difference between employees of LIC in motivation.

3. There is no significant difference between employees of commercial bank branches in motivation.

4. There is no significant difference between LIC and CBB employees under high degree of motivation.

5. There is no significant difference between LIC and CBB employees under their low degree of motivation.

6. There is no significant difference between LIC and CBB employees under their moderate degree of motivation.

7. There is no significant inter relationship among soci-economic and organisational position variables (SEOP) of employees of LIC.

8. There is no significant inter relationship among SEOP variables of employees of CBB.

9. There is no significant relationship between SEOP variables and leadership styles of employees of LIC.

10. There is no significant relationship between SEOP variables and leadership styles of employees of CBB.

11. There is no significant relationship among leadership styles of employees of LIC.

12. There is no significant relationship among leadership styles of employees of CBB.

13. There is no significant difference among different leadership styles in the inter levels of employees of LIC in self perception about their styles.

14. There is no significant difference among different leadership styles in the inter levels of employees of LIC as perceived by their subordinates.
15. There is no significant difference in leadership styles of employees of LIC as judged by leader himself and as judged by his subordinates.

16. There is no significant difference among different leadership styles in the inter levels of employees of CBB in self perception about their styles.

17. There is no significant difference among different leadership styles in the inter levels of employees of CBB as perceived by their subordinates.

18. There is no significant difference in leadership styles of employees of CBB as judged by leader himself and as judged by his subordinates.

19. There is no significant difference among different leadership styles of employees of LIC and CBB in self perception about their styles.

20. There is no significant difference among different leadership styles of employees of LIC and CBB as perceived by their subordinates.

21. There is no significant difference between LIC and CBB employees in impact of leadership on motivation.

22. There is significant difference between employees of LIC in impact of leadership on motivation.

23. There is no significant difference between employees of CBB in impact of leadership on motivation.

24. There is no significant difference between LIC and CBB employees under High Degree of impact of leadership on motivation.

25. There is no significant difference between LIC and CBB employees under Low Degree of impact of leadership on motivation.

26. There is no significant difference between LIC and CBB employees under Moderate Degree of impact of leadership on motivation.
AREA OF THE STUDY

The study covers the region, Nellore District of Andhra Pradesh, India (L 13.30° and 15.51° and 70.5 and 80.61°) which is spread over an area of 13160 Sq. Km. The district head quarters, Nellore is the major town the Revenue divisions of Kavali, Nellore, Gudur and sub divided into 15 blocks and 46 mandals for administrative and micro – management of developmental activities. The district is at present constituted into 3 municipalities and 1201 villages.

The District has a population of 26.60 lakhs as per 2001 census constituting 3.68 percent of total population of Andhra Pradesh. It has rural population of 20.56 lakhs constituting 77 percent of the total district population. Out of the total population male and female population constitutes 13.41 lakhs and 13.18 lakhs respectively. 40.6 percent of the population in the district are literates. The average density of population is 202 per Sq. km.

Altogether at the time of the present study, there are 40 branches of Syndicate Bank which are acting as Lead bank in the district, 27 branches of State Bank of India, 28 branches of Andhra Bank and 34 branches of other nationalised banks (See table 2.1).
Table - 2.1

Distribution of Commercial Banks in Nellore District

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Name of the Bank</th>
<th>Number of Branches</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Syndicate Bank</td>
<td>40</td>
</tr>
<tr>
<td>2</td>
<td>State Bank of India</td>
<td>27</td>
</tr>
<tr>
<td>3</td>
<td>Andhra Bank</td>
<td>28</td>
</tr>
<tr>
<td>4</td>
<td>Other Nationalized Banks*</td>
<td>34</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>129</strong></td>
</tr>
</tbody>
</table>

Source: Lead Bank Office. Annual action plans, Nellore District.

* Other Banks includes Corporation Bank, Canara Bank, Bank of Borada, State Bank of Hyderabad, Indian Bank and Punjab National Bank etc.

The distribution of LIC operating in Nellore District since 1956 with 8 branches is presented in Table 2.2.

Table - 2.2

Distribution of LIC Branches in Nellore District

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Name of the Branches</th>
<th>Number of branches</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Nellore (Divisional Office)</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>Nellore (Branches)</td>
<td>3</td>
</tr>
<tr>
<td>3</td>
<td>Naidupet</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>Gudur</td>
<td>1</td>
</tr>
<tr>
<td>5</td>
<td>Atmakur</td>
<td>1</td>
</tr>
<tr>
<td>6</td>
<td>Kavali</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>8</strong></td>
</tr>
</tbody>
</table>

Source: Information collected from LIC Divisional office, Nellore.

The total number of personnel employed in the Commercial banks in the district are 1523 consisting of 91 Higher Level Executives, 104 Middle Level Executives, 326 Lower Level Executives and 1002 clerical staff. In LIC there are 486 personnel consisting of 15 Higher Level Executives, 79 Middle Level Executives, 64 Lower Level Executives and 328 clerical staff. (See table 2.3.)
### Table - 2.3

**Distribution of personnel employed in CBB and LIC**

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Higher Level Executives</th>
<th>Middle Level Executives</th>
<th>Lower Level Executives</th>
<th>Clerical staff</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Banks</td>
<td>91</td>
<td>104</td>
<td>326</td>
<td>1002</td>
<td>1523</td>
</tr>
<tr>
<td>LIC</td>
<td>15</td>
<td>79</td>
<td>64</td>
<td>328</td>
<td>486</td>
</tr>
</tbody>
</table>

Source: Information collected from LIC and Lead Bank Office, Nellore.

**METHODOLOGY**

The study is mainly based on primary data collected from a sample chosen for this purpose from the employees of LIC and CBB in Nellore District by making personal visits through a schedule prepared for this purpose. The primary data are collected in three phases. In the first phase the purpose and objectives of the schedule are explained to them and requested them to go through the schedule thoroughly. In the second phase doubts with any of the respondents about the contents of the schedule are clarified. In the third phase the data are collected through schedules from the respondents.
SAMPLING

The present study confines to, superiors and subordinates, hierarchical levels in L.I.C. and Commercial Bank employees with a view to find out the differences between them. Stratified Random Sampling Technique with proportional allocation method have been used.

- Table – 2.4

The sample number of employees drawn from each cadre in L.I.C. is given below

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Designation</th>
<th>Total Number of Employees</th>
<th>Sample drawn</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Divisional manager, Marketing Manager, Managers, D.T.C., Principal. (Higher Level Executives)</td>
<td>15</td>
<td>9</td>
</tr>
<tr>
<td>2</td>
<td>Branch Managers, Assistant Branch Managers, Administrative Officers, (Middle Level Executives)</td>
<td>79</td>
<td>49</td>
</tr>
<tr>
<td>3</td>
<td>Assist Administrative Officers, Supervisors, Development officers. (Lower level Executives)</td>
<td>64</td>
<td>40</td>
</tr>
<tr>
<td>4</td>
<td>Higher grade Assistants, Lower grade Assistants, Record Clerks/Typists.</td>
<td>328</td>
<td>202</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>486</strong></td>
<td><strong>300</strong></td>
</tr>
</tbody>
</table>

Source: Information collected from LIC Divisional Office, Nellore.
Table – 2.5

The sample number of employees drawn from each cadre in Commercial Banks is given below

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Designation</th>
<th>Total Number of Employees</th>
<th>Sample drawn</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Asst. General Manager, Sr. Manager IV, Chief Manager, Divisional Managers. (Higher Level Executives)</td>
<td>91</td>
<td>30</td>
</tr>
<tr>
<td>2</td>
<td>Lead District Manager, Manager, Sub Managers, Deputy Managers. (Middle Level Executives)</td>
<td>104</td>
<td>34</td>
</tr>
<tr>
<td>3</td>
<td>Jr. Managers, Asst. Managers, Probationary Officer, Field Officers, Accountants (Lower level Executives)</td>
<td>326</td>
<td>107</td>
</tr>
<tr>
<td>4</td>
<td>Computer Operators, Spl. Cashiers, Cashiers, Sr. Assistants, Spl. Assistants clerks, Typists.</td>
<td>1002</td>
<td>329</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>1523</strong></td>
<td><strong>500</strong></td>
</tr>
</tbody>
</table>

Source: Lead Bank Office. Annual action plans, Nellore District.
TOOLS FOR DATA COLLECTION

In the present study, five schedules were used for the data collection.

Schedule I (Personal profile) is designed to elicit the information relating to SEOP Variables viz, age, designation, experience, education qualification and economic status.

Schedule - II is designed to know the opinion on some factors relating to motivation consisting of 40 items.

Schedule III is designed to know the opinion on some factors relating to leader's self-perception consisting of 30 items. It was administered to Higher Level Executives, Middle Level Executives, Lower Level Executives with a view to judge their own leadership styles. This schedule measures five leadership styles viz., Authoritarian (A), Participative (P), Bureaucratic (B), Task-orientation(T) and Nurturant (N) each of these categories consists of six items.

Schedule -IV A is used to measure impact of leadership on motivation of subordinate. This schedule consists of 40 items.

Schedule -IV B is used to measure leader's behaviour as perceived by his subordinates (subordinates perception on superior
styles). This schedule consists of 30 items measuring the above five leadership styles, each of those categories consists of six items.

**TOOLS FOR ANALYSIS**

The data collected through the schedules from primary sources have been processed and the results are tested with the hypotheses by employing appropriate statistical tools like mean, standard deviation and ‘t’ values, etc.

1. The Chief managers, divisional managers, A.G. Managers, D.T.C. principal and Marketing manager are treated as peers at the Higher Level Executives.

2. The branch managers, A.O.s. senior managers, deputy managers, lead managers, assistant branch managers are at the Middle Level Executives.

3. The Junior managers, assistant managers, sub managers, probationary officers, special officers, development officers assistant administrate officers, development officers, accountants are treated as Lower Level Executives.

4. The Special grade assistants, senior assistants, clerks, special cashiers, cashiers, higher grade assistants, lower grade assistants clerks, typists are non executive subordinates or clerks.

The variables under taken for the study are viz. age, designation, experience, education and economic status

The leadership styles were measured in two ways i.e., as judged by leader himself (leader’s self perception) and as judged by
his immediate subordinates' (subordinates' perception on superior style).

In L.I.C. the Divisional Manager, Marketing Manager, Managers, D.T.C., Principal. (Higher Level Executives). Branch Managers, Assistant Branch Managers, Administrative Officers, (Middle Level Executives), Assist Administrative Officers, Supervisors, Development officers. (Lower level Executives), Higher grade Assistants, Lower grade Assistants, Record clerks/Typists are taken at the lower level as clerks for the analysis of leadership styles.

In Commercial Banks, Asst. General Manager, Sr. Manager IV, Chief Manager, Divisional Manager (Higher Level Executives). Lead District Manager, Manager, Sub-Managers, Deputy Managers (Middle Level Executives). Jr. Managers, Asst. Managers, Probationary Officer, Field Officers, Accountants (Lower Level Executives). Computer Operators, Spl. Cashiers, Cashiers, Sr. Assistants, Spl. Assistants, Clerks, Typists are taken at the lower level as clerks for the analysis of leadership styles.

Five leadership styles judged by leader himself and as judged by his subordinates' viz, authoritarian, participative, bureaucratic, task-orientation and Nurturant were taken for the study.
SCORING PATTERN

The opinions of the employees are obtained with the help of five-point scaling technique. The scale descriptions of schedule II and IV A using. 1. SA - (Strongly Agree) 2. A - (Agree) 3. MA - (Moderately Agree) 4. D - (Disagree) 5. SDA - (Strongly disagree)

And the scale descriptions of schedule III & IV B using 1. Q.T. - (Quite True) 2. T - (True) 3. D - (Doubtful) 4. F - (False) 5. Q.F - (Quite False.)

For the purpose of quantification of the opinions expressed by the employees through the schedule the scale descriptions are quantified in the following manner.

<table>
<thead>
<tr>
<th>Scale descriptions</th>
<th>Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>SA</td>
<td>QT</td>
</tr>
<tr>
<td>A</td>
<td>T</td>
</tr>
<tr>
<td>MA</td>
<td>D</td>
</tr>
<tr>
<td>DA</td>
<td>F</td>
</tr>
<tr>
<td>SDA</td>
<td>QF</td>
</tr>
</tbody>
</table>
There are six items of each style and the maximum score was 30 while minimum was 6.

Item No.3, 22, 23, 26, 27 and 28 represent Authoritarian style. Item No.1, 6, 7, 10, 19 and 29 represent Participative style. Item No.9, 13, 17, 20, 24 and 25 represent Bureaucratic style. Item No.5, 8, 11, 14, 18, and 21 represent Task – orientation style. Item No.2, 4, 12, 15, 16, and 30 represent Nurturant style.

FIELD STUDY

The field investigation was conducted from September, 2002 to June, 2003 by adopting the personal interview method. During the investigation considerable help has been received from head office officials, managers, officers and clerical staff of the LIC and commercial banks are under the study in Nellore District, there were, however, problems in collecting the personal data as well as the perceptions about the leadership and motivation their experiences with superiors, peers and subordinates due to the inhibition to express freely about the organisation and its members. These problems, of course, could be overcome by developing acquaintance with the respondents, approaching more number of times and visiting the bank and LIC branch offices.

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SCOPE OF THE STUDY

The study is confined to the officers from Higher Level Executives, Middle Level Executives, Lower Level Executives and Non Executives or Clerical Staff in L.I.C. and Commercial bank branches. It examines the perspectives of the motivation of employees and the leadership styles as perceived by leader himself, the perception of subordinates on their superior’s leadership styles, and the impact of leadership on motivation of subordinates. Though this is a micro study, the conclusions would be relevant to all organisations working in similar environment.

LIMITATIONS OF THE STUDY

The study used for the purpose of collecting the opinions of employees has the following limitations.

1. Certain behavioural and management terms used for the purpose of research are new to the respondents, as they are not in general use.

2. In the process of data collection, some of the respondents have expressed difficulty in understanding the schedule.

3. Sub staff personnel have been excluded from the study as it is assumed that they lack comprehensive view to respond.

Therefore, in the process of data collection these limitations are handled by adopting appropriate measures like informal discussions so as to collect reliable and dependable information.
CHAPTER DESIGN

The study is organized into Eight Chapters.

Chapter one INTRODUCTORY reviews the introductory concepts, theories and approaches of motivation and leadership.

Chapter two RESEARCH DESIGN presents the statement of the problem, research methodology, review of literature and design of the study.

Chapter three MOTIVATION: PERSPECTIVES covers the perspectives of motivation of employees in L.I.C. and commercial bank branches.

Chapter four LEADERSHIP STYLES: PERCEPTIONS analyses the leaders self perceptions on their styles.

Chapter five LEADERSHIP IN LIC & CBB: SUBORDINATES PERCEPTION analyses subordinates’ perceptions on superiors styles.

Chapter six LEADERSHIP STYLES: SELF & SUBORDINATES PERCEPTIONS analyses the differences of leadership styles of L.I.C. and commercial bank branches.

Chapter seven IMPACT OF LEADERSHIP ON MOTIVATION incorporates the impact of leadership on motivation of subordinates.

Chapter eight SUMMARY OF FINDINGS presents the summary of findings and conclusions.