INTRODUCTION
CHAPTER-I
INTRODUCTION

Human beings live in a time of rapid change in a competitive world, in which organisations needs to shift their functions constantly without warning and with no apparent reasons. Liberalization, loosening of trade barriers, etc., increase in product diversity and volume of transactions, global competition, revolution in information technology, material sciences, genetic engineering, rise of consumerism, change in sex roles, etc. are major reasons resulting in shift towards a market based economy. Many of the traditional, tested managerial and organisational solutions are increasingly becoming obsolete. It is imperative that organisations need to marshal their resources with lightening speed to respond to changing conditions, utilize and maximize the combined skills and wisdom of all people on a suitable path to success. (Senge, 1990).These complex unpredictable and interconnected environments of organisation the need for continuous revamping have resulted in growing popularity of the term the “learning organisation” (Gareet, 1987, Senge, 1990). The major feature underlying this concept is a vision of an organisation, which is capable of ‘self-reflection’ and of creating and utilizing new knowledge. Praheld and Hamel (1990) emphasis the need for a focus on developing “the core competencies which constitute the collective learning of the organisation. This makes it imperative for organisations to promote the development of new organisation culture and devise strategies for constant learning.

Man spends major part of his life in the organisations within which he works. When people join an organisation, they bring with them the unique values and behaviors that they have been taught. Any organisation with firmly established organisational culture would be taught the values, beliefs and expected behaviors of that organisation. Just as society moulds human behavior, an organisation also moulds human behavior that is in tune with the prevalent set of norms and behavior. In this process, certain basic attitudes and beliefs about the people and their work situations are slowly but firmly accepted in the organisation, which becomes its ‘Organisational Culture.’
Introduction

Individuals arrive at organizations with variant motivations, experiences, and values. These natural individual differences tend to direct behavior in numerous, often divergent directions. An understanding of value expectancy of members in an organization is fundamental to the understanding of managing organisational culture and behavior. The value orientation of employees underlies employees and employers behavior. Major managerial functions and roles are perceived through value driven approaches. Knowledge of culture of organisation may help us to understand the power of culture on human behavior at work. It helps in better decision making and control of human behavior at work. (Dhingra, & Pathak, 1999).

Each organisation is unique in its own way, with a distinct organisational culture. The cultural characteristics are relatively enduring over time and resist attempts to change. It can explain the dynamic nature of an organisation. Some uniformity in the behavior of employee is demonstrated that is the way they think, feel and behave in similar ways. It is this implicit agreement among employees that binds every organisation and creates it culture. In other words, employees are captive of the culture and also create its culture of organisations, which enables one to predict attitudes and behaviors of the people of organisations. Organisations have cultures that, influence employee's actions towards clients, competitors superiors and subordinates.

Social work is a profession for those with a strong desire to help improve people's lives. Social workers help people function the best way they can in their environment, deal with their relationships, and solve personal and professional problems. Social workers practice in a variety of settings. Industrial social work is one of the area in which the social worker extend their skill and expertise in helping personnel managers in the industry directly and organisational development indirectly, by intervening the employee management.

Social work in the workplace is on the cutting edge of practice. It is unknown to most businesses and industries. Many are beginning to invite social workers in to their service programmes. Several businesses and industries, large and small, have introduced social
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workers into their personnel systems to help employees and their families, with personal, family and community problems. There has been a duality of purpose in mind; humanitarianism and more efficient and effective production.

Industrial social work therefore refers to the utilization of social work expertise in meeting the needs of employee/worker or union members and the serving of broader organisational goals of the settings. For social workers, it offers the opportunity to intervene in a multiple of environmental systems that affect the individual. Direct service in these settings is all-encompassing them. It includes counseling, organisation of support groups, concrete services, consumer advocacy, linkage an individual to community services, training and staff development for union representatives and management personnel, and consultation to union and industrial decision makers.

Straussner's (1990) define industrial social work is a specialized field of social work practice which addresses the human and social needs of the work community through a variety of interventions which aim to foster optimal adaptations between individuals and their environments.

Objectives of Industrial Social Work

According to the Report of the European Seminar on Personnel Work (September, 1960), Brussels, Belgium, it is:

- Personnel social work is used synonymously as industrial social work.
- Co-operating in relation to and advising on the prevention of social problems.
- Personnel social work not only deals with curative but also preventive aspects of social problems. To help any individual or group to adopt to the work situations, and to the work requirements, to stimulate management to adopt the work situation to the social needs of the employees, and to assist the work community as a whole to function in a better way.
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Helping management and other staff functions to adopt the working situation to the general needs of the employees.

Systematically trying to help employees to develop their inner resources and if necessary to mobilizes other services within the enterprise to bring about changes in the work environment.

To ameliorate the effects of industrialization and urbanizations on the personnel adjustment of the employees.

To reduce problem causing tension and anxiety, springing from condition within the enterprise and affecting the individual in his capacity as an employee.

To direct the growth along desirable lines for which, utilizing the present facilities and resources in a better and fruitful way adjusting the individual to his complex changing world.

Role of Industrial Social Worker

It is essential to understand the areas of responsibilities associated with each functionary, so as to gain a clear perspective of role and status of the industrial social worker. The development of the industrial social work in India is recent. It is primarily voluntary and is influenced by the emphasis placed by the government on certain programmes in organized sector.

The place of social worker in an industrial organisation is within the administrative preview of Personnel or Human Resource Management department. Occasionally is under the direct control of the line managers. The workers are occasionally involved in the decision making in the development of the welfare services. However, since he/she is enjoys autonomy in their day-to-day functioning, they are in a position to build a purposeful relationship with the operative employees. This will enable them to relate freely to the social worker with trust and confidence.
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Tasks of Industrial Social Work

Sinha (2007) mentioned tasks of social work in his books “Aspects of Industrial social work”. They are:

- Helping individuals and groups in the clarifications and solution of the problems connected with the work situations.
- Paying attention to special categories which may be subject to abnormal stress.
- Informing and advising management (including the personnel manager) and joint councils on social policy, when appropriate and in consultations with other specialized services, with a view to preventing social difficulties arising.
- The industrial social workers may in some cases they have to do additional tasks that are participating in training program, assisting in administering welfare activities etc. However, responsibilities, attitudes and behavior required by these additional tasks should never conflict with general social work principles.

Professional Social Work Ethics

It is at this point that the issue of professional social work ethics assumes importance, both for the social worker and the employing organisation.

They are:

- The social worker should be outside the chain of command of the management, even though officially s/he may have to operate from the personnel or administrative department.
- The worker should not have any responsibility involving his functionary, directly controlling the work life of the employee in so far as it affects the production process.
- The worker should maintain the professional confidentiality. This does not mean that the worker should not share the workers problem with staff at other levels and
management. His work necessarily demands contact with different levels of management in the industry for effective discharge of his functions.

It is equally important for the workers to note that the strategic role of social worker in industry stem from his intimate contact with the rank and file workers as well as the access he has to in decision making channel and the upper echelons of the power structure in industry... but he should be very cautious of the dangers involved in his multiple identification with people in a variety of status of roles and in having his skills used manipulatively.

This is particularly true of his role in enhancing positive communication between workers and managers. This is highly complex, due to the growing importance of the trade unions, which now has great influence on the management. It is primarily delegated to the Personnel Officer and rather than to the Labor welfare Officer, or the social worker. It is the personnel officer who has to act as spokes men of the workers and advice the management on the action to be taken on their problem. He also has to strive to maintain a neutral stand to hold the balance between the management and employees and the situation which can arise possible conflicts between the trade unions and the management objectives. Here the positive and the neutral stand of the industrial social worker can be of great value to the personnel officer.

The responsibility of the social worker fall mainly in the category of non statutory services such as:

1. Family individual and group, counseling and home visit in relation to adjustment of the work orientation, personality and other problems at preventive level.
2. Active participation in corporate social responsibility activities and community development initiatives of the industry.
3. Employee management and effective intervention of labor management problems
4. Industrial counseling.
5. Case work interventions.
6. Health and educational help, which would involve referral to other agencies.
7. Coordination of welfare services with other welfare agencies.
8. Workers education.
10. Workers recreation management.

Although personnel officer welfare officer and the industrial social worker are all concerned with the human relation aspect in the industry, a comparison of their rights and duties reveals that the former are organization oriented and the social worker is essentially employee oriented. He/she can effectively sustain her working relation with other specialist for implementing the social welfare policy.

It is important to highlight the advantages of employing Industrial Social Workers in the industry to the further growing acceptance. There are already numbers of others professionals in industry providing service similar to industrial social work so questions of turf are arising. It would seems that professional social work needs to develop models of industrial social work that will clarify management, laborers and other helping professions what it can realistically provide. Industrial Social Work shown in figure 1 can give some directions to industrial social work practice.
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1) Self-realizations
2) Growth & development
3) Integration of enterprise
4) Healthy promotions
5) Productivity
6) Tardiness
7) Equity
8) Discipline

1) Planning
2) Organizing
3) Staffing
4) Directing
5) Supervising
6) Leading

1) HRD
2) Personnel Management
3) Industrial Relations
4) Community Organisations
5) Consultant
6) Labour welfare

1) Integrity
2) Propriety
3) Fairness
4) Faithfulness
5) Risk-taking
6) Trust
7) Self-respect
8) Creativity & Innovations
9) Hard working

1) Knowledge
2) Values
3) Skills

1. Ambiguity about Functions
2. Overlapping roles with other professionals
3. Lack of functional integrity and autonomy because of being answerable to the management.

Figure 1 Models of Industrial Social Work

Source: Adopted from Gill (1996)
Introduction

Concept of Culture

The common meaning of culture is the way we do things around here. But this statement over simplifies the concept and misses powerful underlying concepts and processes. The culture can be better understood as the shared assumptions, beliefs, values and norms, actions as well as artifacts and language patterns. It is an acquired body of knowledge about how to behave and shard meaning & symbols, which facilitate everyone's interpretation and understanding of how to act within an organisations. Culture is the unique whole, the heart and soul that determine how a group of people will behave. Culture is collective beliefs that in turn shape behavior.

Maclver and Page (1953) indicates that culture is the expressions of our nature in our modes of living and our thinking, intercourse, in our literature, in religion, in recreations and enjoyment. Culture is the sum total of behaviors pattern, attitude and values shared and transmitted by the members of given society (Linton, 1936). Culture is to human collectively what personality is to an individual. Culture could be defined as the interactive aggregate of common characteristics that influence human groups to its environment.

Hofstede (1980) states that culture determines the identity of human group in the same way as personality determine the identity of individual. Moreover the two interact: culture and personality is a classic name for psychological anthropology. Culture traits some times can be measured by personality traits.

Gills (2002) in his study indicate that culture is a basic attribute of society, a familiar concept, yet difficult to define. It is the subject of prodigious research and millions of words by insightful and expressive people. It has many aspects and exhibits itself in many ways. Our culture is inside us – it is transparent to us. It affects everything we do; the way we perceive and interact with the world, the way we relate to one another, the way we cope with our lives, the way we resolve conflicting interests. It is passed on to us through our institutions and traditions, our political and social art, our music and theatres,
our games and entertainment and our icons. It is embedded in the synaptic connections in our brain.

Concept of Organisational Culture

In general, the concept of organisational culture used in organisational studies is borrowed from anthropology. Pettigrew (1979) assumed that organisational culture is "the system of publicly and collectively accepted meanings operating for a given group at a given time. This system of terms, forms, categories, and images interprets a people's own situation to themselves ". To Schwartz and Davis (1981), organisational culture is "a pattern of beliefs and expectations shared by the organisation's members" and it can make "norms that powerfully shape the behavior of individuals and groups in organisations". Schein (1985) contended that organisational culture is "a pattern of basic assumptions invented, discovered, or developed by a given group as it learns to cope with its problems of external adaptation and internal integration that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems".

From the above typical examples of definitions of organizational culture, it can see that even though the definitions may be diverse, to certain extent there is consensus that organizational culture is a system of shared assumptions, beliefs, values, and behaviors in an organisation. Furthermore, if the idea of Schein (1985), Dyer (1985) and Kilmann et al. (1985) is correct, culture should have three different levels: shared assumptions, values, and norms (overt attitudes and behaviors) arranged from abstract to concrete and from deep to superficial

Edgar Schein (1985) one of the most prominent theorists of organizational culture, gave the following very general definition:

Schein (1990) states that culture is what a group learns over a period of time; what it tries to solve its problems of survival in an external environment, and its problems of internal integrations. Moreover, such learning is simultaneously a behavioral, cognitive and
emotional process. Therefore, organisational culture can be understood as: a patterns of basic assumptions, invented, discovered or developed by a given group, as it learns to cope with its problems of external adaptations and internal integrations, that has worked well enough to be considered valid and therefore is to be taught to new members as the correct way to perceive, think and feel in relations to these problems.

The culture of the organisations reflects a vision shared by the members at large. If the vision of the organisations does not take into account human settlements and values and majority organisational members do not share it, has no utility at all. It is the shared vision that makes whole organisations aligned and prevents people from working at cross purposes. Senge (1990) says in fifth discipline that a shared vision it a vision that many people are truly committed to because it only tells us the destination towards which we must traverse; it acts as a great source of inspirations leading to motivations and commitment. There are two fundamental source of energy that can motivate organisations: fear and aspiration. The power of fear underlies negative visions. The power of aspirations drives positive visions. Fear can produce extra ordinary change in short changes. But an aspiration endures as a continuing source of learning and growth. A noble vision can reinforce the sense of commitment on the part of employee. The vision established an over arching goal. The loftiness of the targets compels new ways of thinking and acting in the presence of greatness, pettiness disappears. In the absence of great dream pettiness prevails. Undoubtedly, shared vision and mission provides clear direction as also impart a sense of identity to the work force.

Definitions of Organisational Culture

The notion of organisational culture rooted in cultural anthropology. Organisational culture is collection of shared beliefs, values, ritual, stories, myths and specialized language that foster a feeling of community among organisation members.

Various scholars have defined culture differently. According to Kroeber and Kluckholn (1952) culture consists of patterns, explicit and implicit, of and for behavior acquired and
transmitted by symbols, constituting the distinctive achievement of human groups, including their embodiment in artifacts. The essential core of culture consists of traditional (i.e., historically derived and selected) ideas and especially their attached values. Culture systems may, on the one hand, be considered as products of action, and as conditioning elements of future action.

Elliott Jaques (1952) has defined culture as "the culture of factory is its customary and traditional way of thinking and doing of things which is shared to a greater or lesser degree by all its members and which new members must learn and at least particularly accept in order to be accepted into the service in the firm."

Andrew Pettigrew (1979) described "Culture is a system of publicity and collectively accepting meanings operating for a group at a given. This system of time forms caligourees and images interpret peoples own situation to themselves."

Meril Reis (1983) said that culture bearing milieu that is distinctive social units possessed of a set of common understanding for organizing action and languages and other symbolic which for expressing common understanding.

In the words of Hofstede (1980) culture is, "The collective programming of the mind which distinguishes the members of one human group from another. The interactive aggregate of common characteristics that influences a human group's response to its environment."

Anthropologist Symington (1983) has defined culture as, "... that complex whole which includes knowledge, belief, art, law, morals, customs and capabilities and habits acquired by a man as a member of society."
Sinha (2000) suggests "Culture consists of totality of assumptions, beliefs, values, social systems and institutions, physical artifacts and behavior of people, reflecting their desire to maintain continuity as well as to adapt to external demands."

What these descriptions suggest is a set of value systems that are equally shared by all the members. They take a long time to evolve and are sustained over a long period of time. They form a common core that binds people together.

Work culture, on the other hand, is a totality of various levels of interaction among organizational factors (boundaries, goals, objectives, technology, managerial practices, material and human resources, and the constraints) and organism factors (skills, knowledge, needs, and expectations) interact among themselves at various levels. Over a period of time they develop roles, norms and values focusing work and are called work culture.

Characteristics of Organisational Culture

Campbell et al (1970): describe five characteristics which tap the essence of organisational culture:

- **Individual autonomy** - includes individual responsibility, interdependence, and opportunities for exercising individual initiative.
- **Structure** - degree of formalization, centralization, and direct supervision.
- **Reward orientation** - factors of reward, promotion-achievement orientation, and emphasis upon profits and sales.
- **Consideration** - warmth and support provided by superiors.
- **Conflict** - degree of conflict present in interpersonal relationship between peers, as well as the willingness to be honest and open about the interpersonal differences.
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Functions of organizational culture:

According to Ott (1989) organisation culture serves the following functions:

► It provides shared patterns of cognitive interpretations or perceptions, thus communicating to the organizational members how they are expected to think and behave.
► It provides shared patterns of feelings, i.e. an emotional sense of involvement and commitment to organizational values and moral codes of things worth working for, or believing in, so that the organisational members know what they are expected to value and how they are expected to feel.
► It defines and maintains boundaries, allowing identification of members and non-members. It functions as an implicit organizational control system, prescribing and prohibiting certain behaviors.

Thus, essentially organisational culture can be seen as an integrative mechanism, which serves to tie up the diversity of organizational experiences into a meaningful whole.

Dimensions of Organisational Culture

O'Reilly, Chatman, and Caldwell (1991) in some comparative work published that seven dimensions could be used to compare across organizations.

► Innovation and risk taking – willing to experiment, take risks, encourage innovation
► Attention to detail – paying attention to being precise vs. saying its “good enough for chopped salad”
► Outcome orientation – oriented to results vs. oriented to process
► People orientation - degree of value and respect for people. Are people considered unique talents, or is an engineer.
► Individual vs. Team orientation – are individuals most highly noted, or are collective efforts
► Aggressiveness - taking action, dealing with conflict
► Stability – openness to change
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Components of Organisational Culture

The expression of organisational culture can be manifested, and studied, in a variety of ways and at many different conscious or subconscious levels. Understanding of these different manifestations is crucial for managing cultural change. It perpetuates itself through these manifestations and gets transmitted to new employees. Bass et al (1990) has listed various components of the culture with their brief descriptions shown in figure 2:

<table>
<thead>
<tr>
<th>Cultural Form</th>
<th>Definitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rite</td>
<td>Relatively elaborated, dramatic, planned sets of activities that consolidated various forms of cultural expressions into one event, which is carried out through social interactions, usually for the benefit of an audience.</td>
</tr>
<tr>
<td>Ceremonial</td>
<td>A system of several rites connected with a single occasion or event.</td>
</tr>
<tr>
<td>Ritual</td>
<td>A standardized, detailed set of techniques and behaviors that manage anxieties but seldom produce intended technical consequences that are of practical importance.</td>
</tr>
<tr>
<td>Myth</td>
<td>A dramatic nature of imagined events usually used to explain the origins or transformations of something. Also, an unquestioned belief about the practical benefits of certain techniques and behaviors that is not supported by demonstrated facts.</td>
</tr>
<tr>
<td>Saga</td>
<td>An historical narrative describing the unique accomplishments of a group and its leader, usually in heroic terms.</td>
</tr>
<tr>
<td>Legend</td>
<td>A handed down narrative of some wonderful event that is based in history but has been embellished with fictional details.</td>
</tr>
<tr>
<td>Story</td>
<td>A narrative based on true events often a combination of truth and fictions.</td>
</tr>
<tr>
<td>Folktale</td>
<td>A fictional narrative.</td>
</tr>
<tr>
<td>Symbol</td>
<td>Any object, act, event, quality, or a relation that serves as a vehicle for conveying meaning, usually by representing another thing.</td>
</tr>
<tr>
<td>Language</td>
<td>A particular form or manner in which members of a group use vocal sounds and written signs to convey meaning to each other.</td>
</tr>
<tr>
<td>Gesture</td>
<td>A movement of a part of the body used to express meaning.</td>
</tr>
<tr>
<td>Physical settings</td>
<td>Those things that surround people physically and provide them with immediate sensory stimuli as they carry out culturally expressive activities.</td>
</tr>
<tr>
<td>Artifact</td>
<td>Material objects manufactured by people to facilitate culturally expressive activities.</td>
</tr>
</tbody>
</table>

Figure 2: Organisational Components

Source: Adapted from Trice (1984)
Organisational Culture Perspective

Organisational culture means two different but related things. First, it is the culture that exists in an organisation. When the phrase is used in this sense, it means something similar to the culture is a society and consists of such things as shared values, beliefs, assumptions, perceptions, norms, artifacts and patterns of behavior. It is the unseen and unobservable force that is always behind organisational activities that can be observed. Organisational culture is a social energy that moves people to act. Second, organisational culture is a way of looking at and thinking about behaviors of and in organisations, a perspective for understanding what is occurring. When used in this sense, organisational culture refers to a collection of theories that attempt to explain and predict how organisations and the people in them act in different circumstances. Organisational culture perspective means the use of organisational culture as a frame of reference for the way one looks at, attempts to understand, and works with organisations. The organisational culture perspective represents a counterculture within organisation theory. Its assumptions, theories, and approaches are very different from those of the dominant structural and system perspectives. The organisational culture and system perspective challenging the views of the structural and systems perspectives for example, how organisations make decisions, and how and why people in organisations behave as they do. Organisational culture is the newest and perhaps the most controversial of the organisations and people that depart based on assumptions about organisation and people that depart radically from those of the mainline perspective. One important difference is that organisational culture perspective does not believe that quantitative, experimental-type, logical positivist, scientific research is especially used for studying organisations.

Levels of Organisational Culture

In the words of Schein (1992), levels are referred to as the degree to which the cultural phenomena is visible to the observer. Levels of cultural are described on the basis of formal-overt aspects (goals, technology, structure, policies, procedure and financial resources) and informal -covert aspects (perceptions, attitude, feelings, values, group norms etc
Figure 3: The Iceberg of Organizational Culture

Source: Arshad (2003)

Figure 3 explains the organisational culture as formal and informal aspects in terms of iceberg of organisational culture. It has been clear on the basis of literature that there are three models explaining the levels of organisational culture, namely Schein's Models, Denison's Models and Kotter & Heskett's Models. A brief description of these models given below (Arshad 2003).

Schein's Models

Schein's 1992 suggests the culture of an organisation consists of three levels artifacts, espoused values and underlying assumptions. Artifacts are those formal (overt) aspects such as dress, which can be easily discerned, yet are hard to understand: these aspects may also include goals of the organization, technology used, structure, policies, procedures and financial resources such levels remain on surface and are visible:
In the view of Stoner (1995) artifacts are the things that one sees, hears and feels, when one encounters a new group with an unfamiliar culture. Artifacts include products, services, and even behaviors of group members. Artifacts are everywhere, and one can learn about a culture by paying attentions to them.

Espouse Values are the aspects which are also called beneath artifacts. They include strategies and philosophies kept at conscious level of the organisation. These are in actual, the reasons that we give for doing what we do. Schein (1992) argues that most organisational cultures can trace their espoused values back to the founders of the cultures.

Basic Underlying Assumptions are the core or essence of cultures such assumptions and values are difficult to discern because they exist at a largely unconscious level yet

Figure 4  Scheins levels of Culture

Source: Schein (1992)
provide the key to understanding why things happen and why this way they do? These basic assumptions form around the deeper dimensions of human existence such as the nature of human: human relationship and activity; reality and truth. Talking about the concrete definitions to explain the culture of an organisation, Schein (1992) himself acknowledge that, even with rigorous study, we can only make statement about elements of culture not about the entire culture.

**Denison’s Models**

Daniel Denison (1990) of the University of Michigan Business School has also found clear, compelling relationship between an organisation’s culture (define by Denison’s in terms of mission, involvement, constituency, and adaptability) and bottom line business performance (define in terms of profitability, sales and revenue growth, market share, innovation and product development, quality and employee satisfaction). Denison’s 15 years research of more than 1000 organisations of different size, sectors industries, and ages consistently shows that cultures affects an organisation’s ability to change in ways that support sustainable success. This Model consists of basic human system and some essential conditions.
Strategically speaking, Denison's model consists of basic human system and some essential conditions. Figure 5 shows the relationship among six factors in Denison's models.

**Human System**: It is evident from Figure 5 that at the heart of Denison's model of organisational culture is individual's beliefs and assumptions. The system elements of mission, involvement, consistency, and adaptability are tied to bottom-line business performance and used to operationalize the concept of culture. But for any change to be effective, it is crucial to challenge and clarify people's beliefs, assumptions, and attitudes. In other words, the most potent leverage for significant and sustainable change resides within the human system at the core of every organisational system.
Essential Conditions: In the view of Dension (1995), it widely depends on leadership to certain conditions to sustain a particular culture as cultural transformations occur within the context of everyday operation of the organisation facing issues, challenges and opportunities. These conditions heavily depend upon the top leadership but must eventually keep its presence throughout the system. There are five essential conditions and they are:

Conditions 1: Change efforts must be focused clearly defined results and be implemented in the context of real-life, real-time challenges. Furthermore changes are attempted in vacuum or as part of an off-site event, with no ties to daily operations and objectives. Change initiatives are not implemented as training that is separate and distinct from organisational objectives, they are implemented within the context of what the organisations is trying to achieve its purpose, mission, goals and success measures. It is only within that context the change has meaning, has organisation wide impact and catalyzes high performance.

Conditions 2: Real change has to be driven from the top but fueled throughout an organisation. That is essential to achieve accelerated, enduring organisational change. Its importance cannot be overstated. Senior leaders must be a part of the change, must experience the change, and must own the change as part of their formal accountabilities and responsibilities. Only in that way do people throughout the organisation find adequate evidence of the reality of change so that they want to invest themselves fully in the process and take ownership for strategic objectives. Such situations are very important in the routine working for organisations and for the sustained policies.

Conditions 3: Role of leader is key to success or failure of organisations. His/her role is not less than founder, who starts the socializations process, as leader is to implement it in creating a true sense of desired culture. It is therefore necessary that an organisation’s leaders have to commit to a systematic, organisations-wide approach to cultural change.
Conditions 4: Organisational working is a collective / joint venture of everybody in the organisation. Employees at all levels have to be engaged, have to be involved, and have to take ownership of the change. It is only through the level of engagement that a change is integrated into an organisational culture.

Conditions 5: Organisations need external coaches to catalyze, guide and facilitate a change process despite the temptation to keep the messy business of change in-house. Most internal leaders, human resource specialists, and organisational development practitioners believe that they have adequate experience and are in the best positions to lead change. But in reality, almost never true. It is best to have someone from outside the tank to help people examine organisational beliefs and assumptions.

Kotter and Heskett Model

Kotter and Heskett (1992) on the basis of a study of more than 200 organisations tried to determine which factors make some organizational cultures more successful than others. They identified two levels of cultures: one visible and another invisible.

![Figure 6 Kotter & Heskett's Level of Organizational Culture](Source: Stoner et al. (1995))

<table>
<thead>
<tr>
<th>Invisible</th>
<th>Visible</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Shared Values:</strong> Important concerns and goals that are shared by most of the people in a group, that tend to shape group behavior and that often persist overtime even with changes in group membership.</td>
<td></td>
</tr>
<tr>
<td><strong>Group Behaviors Norms:</strong> Common or pervasive ways of acting that are found in a group and that persist because group members tend to behave in ways that each these practices (as well as their shared) to new members, rewarding those that fit in and sanctioning those that do not.</td>
<td></td>
</tr>
<tr>
<td>Harder to Change</td>
<td>Easier to Change</td>
</tr>
</tbody>
</table>
Figure 6 explains the levels of organisational culture as identified by Kotter and Heskett, differ in terms of their visibility and their resistance to change. At a deeper and less visible (invisible) levels culture refers to values that are shared by the people in group and that tend to persist over time even when group membership changes. These notions about what is important in life can vary greatly in different organisation or companies; in some settings people care deeply about money, in others about technological innovation or employees well being. At this level, culture can be extremely difficult to change in part because group members are often unaware of many of the values that bind them together.

At the more visible level, culture represents the behavior patterns or style of an organization that new employees are automatically encouraged to follow by their fellow employees. Each level of culture has a natural tendency to influence the others. This is perhaps most obvious in terms of shared values, influencing a group behavior, a commitment to customer, for examples, influencing how quickly individual tend to respond to customer complain or suggestions by someone relating to the organization. But causality can flow in the other direction too – behaviors and practice can influence values.

ORGANISATIONAL CULTURE IN INDIAN CONTEXT

Sinha (1990) illustrated that large organisations in India seems to have a bipolar continuum of soft and synergetic work culture. Soft and Synergetic work cultures may be conceptualized as the extreme on a continuum of how work is viewed and valued and how. An Organisational and Para- Organisational factor affects these viewing and valuating processes. He is of the opinions that majority of public sectors organisations in India have a soft work culture. In the soft work culture work received a lower priority than social personal obligations. Non- work interest and activities displaced work from its central place in the life space of organisational members. In soft work culture there is low centrality of work, low job affect, low role clarity, lesser hard work, lesser time spent at work, high social and personal obligations, weak work norms, poor relationship, non
contingent reinforcement, low work pressure, indifferent upkeep of technology, and bad physical conditions. Profit is secondary to employees of such organisations since they give more importance of welfare, social and personal obligations. He related to private sector industrial organisations with synergetic work culture. Both employers and employees in the synergetic work culture spend more time at work, extent greater harder work, high centrality of work high job effect, high role clarity, low social-personal obligations, positive relationship strong work norms, reasonable working conditions, high work pleasure, good upkeep of technology and reinforcement based on performance and merits.

Moddie (1972) indicates that in both private and public sectors the Indian managers favor delegation of authority to him, not so much from him to subordinate. Indian decision-making is a process of much consultations in which decisions ultimately emerge at the top, seldom in the middle and almost never at the bottom of private and public management beyond the routine.

Elhance and Agarwal (1975) found that there is moderate degree of delegations is higher in the later. Further, in both sectors there is high degree of technical delegations and lowest degree of financial delegations.

Hoque (1996) reported that private sector workers perceived significantly less deficiency in fulfillment of their desire for praise or reward compared to the public sector workers. Sinha (1997) and Vasudev and Pal (1988) found that sincere and hard works were more amply rewarded in the private sector compared to the public sector.

Kavitha (2000) summarized determinants of work culture in selected Indian organisation as follows:

- Indian generally prefers to work in superior subordinate relationship and highly status conscious. To check with boss is crux of decision-making.
- Work as a concept has not been internalized by the Indian organisations and there are little concerns for product and services.
The work culture of private sector characterized by challenging work, opportunity for growth and learning, freedom to act and congenial work conditions. The features of public sector work culture are found to be high job security, moderate chance for promotions and better policies and administrations.

Indian organisations can be categorized in to having soft and synergetic work culture. In a soft culture the management is found to be pliant and the professed goals and objectives of the organisations are comprised due to social habits, values and extraneous considerations. In a synergetic work culture management is vibrant and work is treated as being very important.

Employees in Indian organisations showed preference for personalized relationship, affective authority and need for nurturance. Organisations, on the other hand, conveyed contrary values resulting in feeling of alienations, poor work team orientations and selfishness.

ORGANISATIONAL CULTURE AND PRODUCTIVITY

Dunn and Stephens (1972) point out that there are three categories of specific factors in productivity including employee ability, employee motivation and situational factors.

**Ability Factors:** Productivity determined by ability factors including knowledge and skill. It also includes the ability to put in practice the knowledge and skill that a person has with optimum output.

**Motivational Factors:** Productivity also influenced by motivations. A motivation is defined as an internal drive that helps a person to accomplish tasks. Motivation not only ensures consistency but also is responsible for increase in output.

**Situational Factors:** Factors like working conditions, supervision and leadership, rewards, penalties etc. This characteristic includes setting high standards or goals. Enforcing these standards through rewards or punishments, influence of higher managers to get things done by subordinates, support for subordinates, consistency between actions and values and attitudes, behaviors flexibility and predictability, technical knowledge and managerial skills.
Groups apply tremendous influence on the behavioral mould of individuals in an organisations and this in turn leads to productivity. Homan’s (195) model of social system explains the potential power of working groups in controlling behaviors of their members and consequences of the same level on productivity. According to him, there are three elements in social system, namely – activities, interactions and sentiments. Activities are the tasks that people perform. Interactions are the behaviors that occur between people in performing these tasks and sentiments are the attitudes that develop between individuals and within the groups. These concepts are like a process and any change or disruptions in any of this element affects the other two. Sentiments develop with the interactions among individuals. Greater the interactions, more positive the sentiments of the people. In turn, more positive the sentiments greater the amount of interactions. This spiraling process, the groups’ members tends to have identical activities and sentiments, that is, they tend to perform similar things and feel similarly about them. This give rise to certain expectations or norms dictating as to how the group members should behave in specific situations. Whether it is motivational culture, ability factor or situational factor which determines the productivity but all these factors rely heavily on the culture of the organisations to become operative. Organisational Culture can either increase productivity of the organisations and might also become counterproductive. Organisational culture helps in building a strong value system and work ethics amongst employees, which has a direct bearing on productivity. Strong cultures emphasise on healthy working conditions, effective communication, modern concepts and technology, rationalistic remuneration and rewards, quick grievance redressal, effective leadership etc. Productivity is sensitive issues that even a small miss here of there can become fatal. Organisational culture through its process of socialization inculcates and makes them aware of the expectations and the returns that would accrue top them. This encounter itself builds the foundations for a productive employee. Indian companies stress less importance to socializations process which adversely impact on productivity.
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The Concept of Productivity and Its Importance

Few words have assumed greater significance and importance in the post-war era in the context of economic development of a country than the word “Productivity”. It is increasingly recognized that higher productivity is not an end in itself but a measure of promoting social progress and strengthening the economic foundations of human well-being. However, productivity should not be confused with production. These words have separate and distinct connotation. Production is mere volume of output. Increase of production does not necessarily mean increase of productivity, through higher productivity will lead to higher production. Production in itself does not raise the standard of living. It must be accompanied by increase of real income, purchasing power of the people. This can come about only through increase of productivity. (Bhogilwal 1974)

In a broad and fundamental sense the drive of increasing productivity implies the full, proper and efficient utilization of the available resources of men, machines, materials, money, power, land, etc. It connotes a mass attack on waste of every type and in every sphere. It implies development of an attitude of mind and a constant urge to find better, cheaper, quicker, easier and safer ways of doing a job, manufacturing a product, and providing a service. It aims at the maximum utilization of resources for yielding as many goods and services as possible, of the kinds most wanted by customers, at the lowest cost. (Bhogilwal 1974)

Formally, the word “productivity” stands for the ratio between the “output” of wealth produced, in the form of goods and services, and the ‘input’ of resources used up in the process of production. Organization of European Economic Community (1952) defines productivity as “the ratio between the productions of a given commodity measured by volume”. Understood in this sense, productivity would simply mean the ratio of output to input in general. However, in practice, productivity signifies the productivity of a certain input factor, according to the context. In other words, one may refer to ‘labor productivity’ meaning thereby the ratio between units of output and units of labor put into
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production. Similarly, 'capital productivity' may be used to mean the ratio between output and units of capital input. The choice of the factor input may depend on the context and circumstances as to (a) the usefulness of the ratio selected as a basis for decision and the possibility of measurements with the definition chosen. (Singh 1967)

However, the use of productivity ratios calculated on the basis of a single input factor may not mean what they actually show. For instance, if the productivity of labor understood in the sense of a ratio between output and inputs of labor rises, it does not imply that this entire rise has been exclusively owing to the higher contribution made by the workers. Hence, though we refer to the 'labor productivity' or 'capital productivity', the resultant figure does not precisely indicate the productivity of the single factor input in view because a number of variables combine to effect changes in productivity. Yet it is necessary that a particular yardstick of input factor be chosen that seems to be manifest in all production. (Bhogilwal 1974)

By far the most widely used concept of productivity has been mainly in relation to labor. The productivity of labor in a particular industry or undertaking may be measured by dividing the output of that industry or undertaking by the labor input in the industry or plant.

Causes of Low Productivity

For evolving specific measures for improving productivity, it will help the management to analyses on continuing basis, the causes of low productivity and at the same time to keep abreast with the latest management and productivity techniques. In Indian context, the causes of low productivity have their origin in two distinct sources. The first category consists of the exogenous or external factors like shortages of essential inputs- power, raw materials, transport facilities, etc over which the industries has little or no control. The second contains the endogenous factors or internal factors mainly in the form of system deficiencies preventing the optimum utilizations of resources. Since the
management has very little control on external factors and their adverse effect on productivity, the challenge before the Indian managers lies in overcoming the internal causes of low productivity.

**Productivity Management**

Productivity management at the organisational level is a strategic issue with long term implications. It should be institutionalized as on-going and self sustaining process for the prosperity of the organisations. A well-known organisational framework for productivity consists of the following elements:

**Goals and Objectives:**

The goals and objectives of the organisational strategically focused and well communicated can provide clarity in deciding the operating plants. They provide cost reduction measures, productivity improvement targets and improve the organisational process.

**Rewards and Recognitions**

Rewards related to productivity enhancement and recognitions of successful individuals and team encourage the employees and positively reinforced their behaviors and norms.

**Information**

Information and analysis of information helps to assess the division's progress relative to operating plans and to identify the specific areas of improvement.

**Employee involvement**

Employee involvement in small group activities and in cross-functional teams provided opportunities to bring about improvement and influence on management decisions. Management attitude towards the well being of employee, critical organisational climate as a whole are vital to success.


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Assets

The assets of an organisation include employee, material, equipment and facilities. To improve the effectiveness of the organisation's assets the typical issues includes basic educations, skill training, and cost of quality, equipment capacity utilizations and convert operating practices.

Leadership

Leadership occupies the hub of productivity wheel, since it drives the other elements of the improvement cycles.

Figure : 7 Sutermeister's Productivity Cycle  
Source : Adopted from Gill (1996)
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As a clear from the figure 7 productivity is the function of technical and employee's job performance factors. The technical factor includes technological development, raw material, job layout and methods. While employee job performance factors are ability and motivations. Ability involves knowledge and skills while motivation is influenced by individual's need physical and social conditions, knowledge involves educations, experience, training and interest while skill relates to aptitude and personality. Individuals needs includes psychological, social and egoistic needs embracing several variables. Physical conditions includes lighting, temperatures, ventilations, rest policies, safety and music whereas social conditions includes union, leader, informal group and formal organisations which in turn involve several factors.

ORGANISATIONAL CULTURE AND LEADERSHIP

Several different leadership theories have developed over the years that approach leadership from a variety of perspectives. Initially, the focus was on the traits possessed by great leaders (Bass, 1985), and the skills required to be effective as a leader (Katz, 1955 as cited in Northouse, 2004). The theories that brought the focus into culture as a byproduct of leadership centered on transformational leadership. Northouse (2004) notes that "transformational leadership is a process that changes and transforms individuals" (p.169). This process drives and defines the culture in the new organisation under the leadership of an individual who often is identified as possessing charisma (Bass, 1985; Burns, 1978).

It is the work of Bass (1985) and Burns (1978) that defined most of the initial work in the field and laid the groundwork for Edgar Schein (1985) to focus on culture as the fundamental role of the leader in bringing about and solidifying the implementation of change in an organization. Schein's theories on culture seek to dispel several common myths about organizational culture. For instance, Schein contends that common meanings for culture that include terms such as norms, dominant values, rules of the game, and
climate fall short of the true meaning of culture. In his opinion, these meanings are mere reflections of the culture, not the culture itself.

The term “culture” should be reserved for the deeper level of basic assumptions and beliefs that are shared by members of an organization, that operate unconsciously, and that define in a basic “taken-for-granted” fashion an organization’s view of itself and its environment.

The assumptions to which Schein refers must be differentiated from the commonly held meanings that may describe the surface context of the culture but not the essence. Since these are commonly held, then they must be a learned product of a group and that group’s experience. Such a set of experience come from a social unit that has reached some stability and has enough history to actually have sufficient shared events to constitute common experience.

It is the theory of transformational leadership that receives the greatest attention from researchers interested in the interplay between leadership and culture. The very name transformational leadership was originated in the seventies and was popularized by the sociologist Burns in his analysis linking the roles of leaders and followers (Burns, 1978). Burns and later Bass (1985) further developed the concept of transformational leadership by placing greater emphasis on the follower. Bass posited that transformational leader’s motivated followers to achieve results beyond expectations by sharing a clear vision for excellent performance, seeking to have followers place the goals of the organization above their own self-interest, and getting followers to address their higher-level needs. Through this process, Bass theorized, leaders could bring about fundamental and long-lasting change in an organization. The underlying premise in the transformational leadership theory was the need for organizational change. The need for change was exemplified by the realization that some critical aspect of organizational performance was below expectations, either due to shifts in the operating environment or degradation of the internal operating effectiveness. Once need for change was realized, transformational leadership was shown to be effective in bringing about positive change.
The ongoing argument that occurs throughout the discussion of transformational leadership is its relative effectiveness when compared with transactional leadership (Bass, 1985). The comparison normally describes transactional leadership in the nomenclature of management or administration. That is, the ongoing maintenance and continuous improvement of the status quo. This comparison is not necessarily meant to demean transactional leadership, in fact, most authors are quick to note that the use of transactional leadership is entirely appropriate in particular situations when the need for change has not yet been made (Bass, 1985; Sashkin, 1995; Sashkin & Rosenbaeh, 2001).

**Concept and Definition of Leadership**

Leadership is a process whereby an individual influences a group of individuals to achieve a common goal (Northouse 2004). Leadership is the ability to secure desirable actions from a group of followers. It is the art or process of influencing people so that they will strive willingly and enthusiastically towards the achievement of group goals. It is concerned with the getting things done through subordinates. The success of every industrial enterprise is dependent upon the quality of its leadership.

**Leadership theories:**

**Trait Theory:** The theory as describe by Kelly (1974) attempts to classify what personal characteristics such as physical, personality and mental, are associated with the leadership success. Trait theory relies on research that relates various traits to the success of a leader. A lengthy list of traits has been made to describe an effective leader in terms of certain characteristics. A board classification of six categories of traits is given below:

1) **Physical characteristics** of the leader, such as age, height, weight.
2) **Background characteristics** i.e. education, social status, mobility and experience.
3) **Intelligence** i.e. ability, judgment, knowledge.
4) **Personality** i.e. aggressiveness, alertness, dominance, decisiveness, enthusiasm, extroversion independence, self-confidence, authoritarianism.
5) **Task-oriented characteristics** i.e. achievement need, responsibility, initiative, persistence.

6) **Social characteristics** i.e. supervisory ability, cooperativeness, popularity, prestige, tact diplomacy.

These characteristics according to some people are considered valid indicators of successful leaders, but if one compares leaders by various physical personality and intelligence traits, one may find very little agreement on these. Some of the findings point out to the fact that leaders are intelligent individuals. But they do not provide any clue as to the whether leaders are brighter than their followers or are as close to them in intelligence.

**Group and Exchange Theories of Leadership:**

These theories as reported by **Hollandder and Julian** (1969) state that the leader provides more benefits or regards than burden or costs for the followers who help him or her achieve the goal of the organization. There must be a positive exchange between the leader and followers in the form of praise or goals to be accomplished. The leader can give reward to his or her followers in the form of praise or pay increase or promotion for accomplishment of the group goal or task. This has positive impact on attitude, satisfaction and performance of the followers. In return, they respect the leader and give due regard for his or her status and esteem and believe in his or her heightened influence. As one are already aware, a leader emphasis initiating structural change when followers do not perform very return, the perception of his or her followers of his or her being an effective leader increases. Hence, the leader and the followers mutually affect each other.

**Social Learning Theory:**

This theory by Bandura (1977) states that there is continues reciprocal interaction between person, environment and social learning theory behavior. Person and environment function with the behavior itself and reciprocally interact to determine behavior. A person through his or her actions produces the environmental conditions that
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The experience generated by behavior also partly determines what a person becomes and can do. This in turn affects subsequent behavior. The theory is called because individuals learn in an environment in the process of interacting with each other which is called as social process. One will appreciate the application of this theory on understanding the behavior of a leader and the continuous reciprocal interaction between the person (leaders cognitions) and environment (including subordinates and their needs, experiences, objectives in the organization, abilities, skills, energy performance etc. known as contingencies that regulate their behavior). The three aspects of this theory of leadership assume that the leader knows how his or her behavior is controlled by various needs, situations and experiences that one undergoes. The leader and the subordinates jointly attempt to discover ways in which they can manage their individual behavior to produce mutually satisfying as well as organizationally productive outcomes. In this approach, the leader and subordinates have a negotiable and interactive relationship. They are continuously aware of how they can modify or influence each other’s behavior by giving the rewards or holding back the performance respectively.

Managerial Grid Theory

Leaders can be oriented towards both tasks and persons. This theory by Blake and Mouton (1978) has a leader application of both task and person orientation. According to this theory leaders are most effective when they achieve a high and balanced concern for people and for tasks. Each leader can be rated somewhere along each of these axes from 1 to 9 depending on his or her orientation as shown in figure 8:
Although there can be 81 possible combinations one should try to understand the 5 types that are shown in the diagram. These will give a basic understanding of the theory.

1) The (9, 1) leader is primarily concerned about the task or production. He or she is concerned with his or her responsibility to see that the work is completed. He/she is called a Task-Management Leader.

2) The (1, 9) leader is primarily concerned for the people and only incidentally concerned with production. The leader’s major responsibility is to establish harmonious relationship among subordinates and to provide a secure and pleasant work atmosphere. He/she is called as Country Club Management Leader.
3) The (1, 1) leader is concerned with neither production nor people. He or she rises to stay out of the way and not become involved in the conflict between the necessity for production and the attainment of good working relationship. He or she is called as Impoverish Managerial Leader.

4) The (5, 5) leader reflects a middle ground position and is called as Middle of the Road Management leader. He or she seeks to compromise between high production and employee satisfaction.

5) The (9, 9) leader is extremely concerned about the task and also the people. He or she is concerned to see that work accomplishment is from committed people; interdependence through a ‘common stake’ in organization; purpose leads o relationship of trust and respect. He/she is called a Team Management Leader.

Contingency Theory of Leadership:

Regarding this theory Fielder (1967) states that a leader may become effective if the situation is favorable in three ways. These are: good leader-member relations showing acceptance of the leader by the group; details of the task spelled out to the leaders’ position; and a great deal of authority and power is formally attributed to the leader’s position. With these three favorable situations and his or her style of functioning, a leader the task-oriented leader is effective. When the situation is moderately favorable to the leader the person oriented leader is effective.

Path-goal Leadership Theory

Theory by House (1971) states that the leader smooths out the path towards goals and provides rewards for achieving them. As a leader, one should understand the needs of the people and their desire to work of behave in a way that accomplishes goals that satisfy those needs. This theory is based on the above kind. If leader knows the need of the person and his or her desire to work and he or she is able to accomplish the work, leader are motivating the members of the group by clarifying the path to personal rewards the
result from attaining personal goals. Leader must have thus 'fixed' him or her on the job and made him or her see that his or her performance can lead to positive or negative rewards. Second, leader have already made the path-goal clear to the member and also told him or her about what the job requires. Leader need not say too many things about the job him or her as this may decrease the interest in the work and deter performance. Third, leader must offer the reward to the member of the group who actually accomplishes the task. Leader rewards may be praise or increase in the pay or promotion of the member to a higher position. Leader judgment about the desirability of the members' effort and the goal helps to decide whether a reward can be given or not.

It is very important for the leader to know every member as a person in order to use a style to get the best out of the member. For example, a task-oriented leader is preferred by a highly achievement-oriented member, whereas a person-oriented leader is preferred by person who needs a good deal of affiliation with others. Similarly it does well for the leader to know each situation to adjust his or her style of functioning for better result. With a clear task on hand, members feel satisfied if the leader is supporting them. They may not show a lot of output, but they are satisfies. On the other hand with a less clear or vaguer task on hand, members show more output, if the leader directs them to work better. The member in this situation may not be very satisfied. In the most of Indian work settings, it is usually observed the members are quite dependent on the leader or the superior. They also are quite conscious of their status, but have very little commitment to work. Singh (1980) suggests that the leader who is task-oriented and nurtures the dependence of members on him is most effective in dealing with such members. He or she can get the work done in his nurturing task style from members of the group. To a great extent he knows characteristics of the members work group, which he utilizes in making the leadership style-oriented, effective and getting the work done. From the above discussion, it is clear that a leader is a person who has ability to persuade others to get the work done.
Leadership style

Leadership style is defined as "a pattern of behaviors designed to integrate organisational and personal interest in pursuit of some objectives". Leader style refers to a leader’s behavior. It is the type of behavior which leader adopts during leading his followers. The various type of leadership styles are:

I. Style based on Authority or Power retained by the leaders

   It is of three types:
   a. Autocratic leadership
   b. Participative leadership
   c. Free rein or Laissez faire leadership

a. Autocratic leadership

Autocratic leadership is also called as dictatorial leadership. Autocratic leader only directs the followers to do without asking questions. A manager with old fashioned or traditional outlook assumes positive expectations from the subordinates. Autocratic leader takes decisions on his own and imposes them on the subordinates. He has full control on his subordinates and gets the work done from them even by using force. Subordinates honor him due to fear of punishment and not because of affections for him.

b. Participative or Democratic leadership

Democratic leadership is constructive, liberal and sympathetic towards subordinates as their views are taken into consideration while taking decisions. The subordinates are allowed to express their views freely and are taken into consideration while taking decisions by the leaders. Democratic leadership is liberal and willing to consider the suggestions of subordinates with open mind. A democratic leader consults his subordinates on his proposal decisions and actions. He encourages participations of subordinates on his proposed decisions and actions. He encourages participation of subordinates in the decision-making process. Democratic leadership gets support and respect from subordinates and is treated as the best style of leadership.
c. Free Rein or Lassize – Faire leadership
A free rein leader does not lead and directs the subordinates but give them complete freedom to do their job. The leader only works as a contact person with outsiders and help subordinates in providing them necessary information and resources to perform their job.

II. Style based on Task versus People Emphasis

On the basis of leadership style is of two types: task oriented styles and people oriented styles.

a. Task oriented style: In this style leader gives more importance to task performance. He places greater emphasis on getting work done by subordinates. Task oriented leaders are interested in the completion of work and do not give importance to subordinates or their desire and interests.

b. People oriented style: This style is democratic in nature. Here, the leader gives importance to the interests, thoughts, problems and requirement of his subordinates. He tries to achieve organisational objectives with their support and cooperation’s.

ORGANISATIONAL CULTURE AND ORGANISATIONAL EFFECTIVENESS

Hackman's theory (1976) can provide us a considerably strong framework to understand how an organisation, particularly its norms as the basic blocks of organisational culture, influences individuals' work behavior and effectiveness. The framework can also help to conceptualize relationship between organisational culture and organisational effectiveness which shown in the figure 9. (Cheong 1989)

Hackman's theory, are defined as those aspects of an individual's environment which potentially can affect his / her behavior. Organisations or groups control many of the stimuli to which an individual is exposed in the course of his / her organisational behavior. This is the reason why they have a pervasive and substantial impact on the behavior and attitudes of individuals in organisations. There are two kinds of stimuli:
ambient stimuli: refers to the stimuli which potentially are available to all members; and discretionary stimuli: refers to the stimuli which can be transmitted selectively to individual members at the discretion of their peer. (Cheong 1989)

In this conception, it could propose the following assumptions for the relationship between organisational culture and organisational effectiveness:

- Organisational culture is the critical source of ambient and discretionary stimuli. Some of these stimuli can directly affect individual's behavior and attitudes and some can shape individual's values and beliefs and indirectly change his / her behavior and attitudes.
- Some stimuli may have interaction with individual's pre-existing personal characteristics in the process of affecting his / her behavior. If he / she value the stimuli more, the effect of stimuli will be stronger.
- The more the members share same assumptions and values in an organization, the stronger the behavioral norms and organisational culture. In other words, the effect of stimuli yielded from a stronger culture is more powerful.
- Organisational culture can influence individual's work behavior by affecting his / her psychological arousal, effort, performance strategies, and knowledge and skills.
- The contextual factors such as task nature, organisational structure, and other environmental constraints may affect the contribution of work behavior to effectiveness.
- Individual's effectiveness is the basic unit of organisational effectiveness. It may be assessed in terms of personal performance, achievement, satisfaction, and development.
- Since organisational culture influences all members, the increase in individual's effectiveness will result in an increase in organisational effectiveness.

The assumption of strong relationship between organizational culture and effectiveness is supported by many studies of corporate culture. (Deal and Kennedy, 1982; Brandt, 1981;
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Wilkins and Ouchi, 1983; Ouchi, 1981; Kets de Vries and Miller, 1984; Schein, 1985). When Walton (1983) reviewed work innovations in the United States, he found that between work design techniques and intended results, work culture ideals generate very great intermediate effects and dominate the success of work improvement. In general, the studies of organizational culture conducted by a functionalist approach found that culture serves the functions such as conveying a sense of identity for organization members; facilitating the generation of organizational commitment; enhancing social system stability; and serving as a sense making device that can guide and shape behavior (Simircich, 1983). To a large extent, these functions can contribute to organizational effectiveness in terms of multiple criteria. (Cheong 1989)

![Figure 9 Organisational Cultures and Organisational Effectiveness](source: Cheong (1989))
Organisations are social units with a purpose. Normally there should be a purpose for the birth of an organisation. Each organisation comes into existence with a purpose specific to its genesis. For example, we have a galaxy of organisations such as governments, government agencies, corporations, business organisations, universities, trade associations, and unions, hospitals, schools, theatres, municipal corporations, prisons, slaughterhouse, professional societies, and a host of several other bodies. Each has its own purpose to live in society. Organisational effectiveness refers to how well the purposes of an organisation are achieved. Thus, effectiveness refers to the achievement of organisational purposes.

Definition of Organisational Effectiveness

Processor (2000) contends that some writers assume that organisational culture is plastic and can be shaped, constitute a unifying force and link to organisational effectiveness. Daft (1995) "Organisational effectiveness is the degree to which an organisation realises its goals." It is a broad concept, it implicitly take into consideration a range of variables at both the organisational and departmental levels. Effectiveness evaluates the extent to which multiple goals whether official or operative is attained.

Robbins (1994) stated that an organisation is said to be effective if it is able to achieve its goals. Jackson (1986) defines that effectiveness is commonly referred to as the degree to which goal-oriented operations are carried out something of an input/output ratio.

Perspective of Organisational Effectiveness

Individual make a group and various groups make an organisation. The group function is synergy and achieves harmony with various organisational systems and process. Effectiveness of an organisation depends on individual and group contributions. The greater is the cohesiveness among group members, the greater would be organisational effectiveness. This concept explained in the figure 10. Organisational effectiveness is the complex phenomenon. It largely depends on the strategies the organisation adopts for the individual development. This is related to the personal growth of an employee who
Introduction displays high level of work motivation and emotional balance. A number of individuals form a group. It is said to be effective when its contribution is larger than the sum total of individual contribution (worth). This will largely depend on the level of cohesiveness a group has been able to achieve. An organisation should be able to achieve synergy between groups and various environmental factors that have been listed in figure 10. It should be able to achieve satisfaction of stakeholders, and fulfill societal and government obligations. The organisations should be vibrant and aim at long term perspective.

**Figure 10 Perspectives on Organisational Effectiveness**

*Source: Kondalkar (2009)*
Approaches of Organisational Effectiveness

The various approaches to measuring organisational effectiveness were based on either the output (goal approach), the inputs (system resource approach) or the organisation’s transformation process (internal process approach). Each of these approaches has strengths and weaknesses, and as their shortcomings became more obvious, more integrative approaches were developed and have now gained wide acceptance. These approaches are the stakeholder and competing values methods. (Daft 1998)

Goal Approach

In practice, the goal approach has been the most common monitoring method; it focuses on the products or services output of the organisation. Daft provided an excellent summary of this approach when he wrote the goal approach to effectiveness consists of identifying an organisation’s output goals and assessing how well the organisation has
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attained these goals. This is a logical approach because organisations do try to attain certain levels of output, profit, or client satisfaction. The goal approach measures progress toward attainment of those goals. As Daft (1998) reported, this approach was and is still used extensively in the business world. Mostly financial indicators define effectiveness in that context. The most common indicators are profit margin, rate of growth, return on investment and market share. The major advantages of these types of indicators are that they are fairly simple to calculate, well understood, and can be tracked with regularity.

System-Resource Approach

The system-resource approach looks at the input side of the transformation process. It assumes organizations must be successful in obtaining resource inputs and in maintaining the organisational system to be effective. Organisations must obtain scarce and valued resources from other organizations. From a system’s view, organisational effectiveness is defined as the ability of the organisation, in either absolute or relative terms, to exploit its environment in the acquisition of scarce resources. Thus, in an environment where it is difficult to attract scarce resources, the success of an organisation in acquiring resources is used to gauge its effectiveness. For instance, this approach may be used when the relatively more simple measures of goal attainment are not available, inconclusive or when the output goals always exceed the capability of the organisation. The goal approach is more revealing, but the system-resource approach remains a very viable model for indicating effectiveness. (Daft, 1998)

Internal Process Approach

The last traditional method called the internal process approach is probably the most familiar to intermediate level managers since it focuses on observing the internal activities of the organisation. In the internal process approach, effectiveness is measured as internal organisational health and efficiency. An effective organisation has a smooth, well-oiled internal process. Employees are happy and satisfied. Departmental activities mesh with one another to ensure high productivity. This approach does not consider the
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The important element in effectiveness is what the organisation does with the resources it has, as reflected in internal health and efficiency.

As pointed out by Daft, (1998) the major criticism against the traditional approaches described above is that while each method has something interesting and valuable to offer, it only presents one part of the bigger picture. Thus, excessive reliance on only one method fails to provide a satisfactory overall assessment of the effectiveness of the organisation. Recognizing the shortfalls of the traditional methods, both academics and managers have worked on implementing more integrative approaches. The more recent methods better recognize the multifaceted aspects of an organization and have attempted to find more accurate ways of reflecting this reality. The best-known methods include the "stakeholder" and the "competing-values" approaches.

Stakeholder Approach

In the stakeholder (also referred to as the constituency) approach, the focus is on the organizational stakeholders, where stakeholders are defined as any group inside or outside of the organisations that has a stake in its performance. Typical stakeholders include the owners, employees, customers and suppliers; less visible stakeholders would include special-interest groups, local communities, and governments and their regulatory agencies.) Given that stakeholders have different interests, they would define effectiveness according to their own needs and priorities. Thus while owners would like to optimize profits, employees would like their wages to be optimized, and the customers would be looking for affordable, reliable and high quality products. By taking a broad view, both for the short and long term, of all the competing interests and of the internal and external factors affecting the organisation, Stakeholder information can help management balance the resources, sort out the priorities and minimize the conflicts within the organisation. The major premise of the stakeholder approach is that the greater numbers of stakeholders that can be satisfied, the greater the effectiveness of the organization. It must be remembered that frequently satisfying one stakeholder may upset or offend one or more of the other stakeholders. Thus, increasing profits for the shareholders at the expense of cutting back the wages of the employee's while effective
in the short term could backfire when the most productive employees leave the organisation for more generous competitors. In addition, one might have to consider that some stakeholders are truly never satisfied, only that they are not dissatisfied such is the case with a number of regulatory agencies. Note also that measuring the level of satisfaction of a cross-section of the stakeholders on a regular basis can be a large undertaking and that significant Furthermore, it is important to ensure that the indicators in question are indeed valid and interpreted appropriately. (Daft & Sharifman, 1995)

Competing-Values Approach

The Competing Values Framework of Robert Quinn and Rohrbaugh is a theory that was developed initially from research done on the major indicators of effective organisations. Based on statistical analyses of a comprehensive list of effectiveness indicators, Quinn and Rohrbaugh (1983) discovered two major dimensions underlying conceptions of effectiveness. The first dimension is related to organizational focus, from an internal emphasis on the well-being and development of people in the organisation towards an external focus on the well-being and development of the organisation itself. The second dimension differentiates the organisational preference for structure and represents the contrast between stability and control and flexibility and change. Together the two dimensions form four quadrants. Each quadrant highlights dominant values that define the characteristics of that organisation. The quadrants are the Human Relations, Open System, Rational Goal, and Internal Systems Models. (Quinn 1988):

**Human Relations Model.** Places a lot of emphasis on flexibility and internal focus. It stresses cohesion, morale, and human resources development as criteria for effectiveness.

**Open Systems Model.** Emphasizes flexibility and external focus, and stresses readiness, growth, resource acquisition and external support.

**Rational Goal Model.** Emphasizes control and an external focus. It regards planning, goal setting, productivity and efficiency as being effective.

**Internal Process Model.** Emphasizes control and an internal focus, and stresses the role of information management, communication, stability and control.
Figure 12 Competing Value Framework

Source: Quinn, (1988)

This approach allows the integration of diverse concepts of effectiveness into a single model showing the continuum between the difference approaches. It also illustrates that these approaches may coexist within the same organization, although they might not all receive the same emphasis. The model could be particularly useful for analysis when different values and cultures exist within large segments of the organization.
The competing-values approach seeks performance indicators from all four organizational models. Typically, it will look at the goals of human resource development from the human relations model; growth and resource acquisition from the open system model; stability and equilibrium from the internal model; and productivity and efficiency from the rational goal model. As such, this approach can be all-inclusive by capturing as many indicators as possible and mapping them accordingly; however, its main value lies in identifying the primary values which drive an organisation and assists in choosing the criteria required for measuring performance in that organisation. (Quinn 1988). Summary it can be say that the competing values framework can be used in organisational context. It can also be used as a strategic tool to develop supervision and management programs. It can also be used to help organizations to diagnose their existing and desired cultures.

Over here in this chapter Researcher would like to conclude this discussions by endorsing several views regarding organisational culture, productivity, leadership and organisational effectiveness with reference to the concepts, definitions, models, perspectives, theories and approached. Researcher also narrated various authors’ views on it. In nutshell, it can be say that in the era of liberalizations and globalizations as well as in context of merger and acquisitions organisational culture played a dominant role in any organisations. An employee behavior of any organisations is highly influenced by organisational culture.

Next chapter related to methodology being carried to conduct present study. Methodology gives viewer about the researcher scientific notions used in present study.