INTRODUCTION, ORGANIZATION THE STAGE FOR LEADERSHIP

Leadership & Team management:

Today's effective leaders must have the capability and confidence to build and develop focused and motivated teams that deliver outstanding operational performance in line with the strategic goals of the organization. This course highlights the processes and techniques leaders have at their disposal to develop their effectiveness and maintain top team performance.

'**Leadership**' and '**Team Management'** are two commonly used words in today's organizations. The course derives its roots from the basics of organizational management. In order to build a strong footing for learning of the concepts of leadership and team management, we need to understand the concepts of organization.

What is an Organization?
An **organization** is a deliberate arrangement of people to accomplish some specific purpose, goals e.g. hospital, profit or non-profit organization, hotels etc.

A. Organizations share three common characteristics: (1) each has a distinct purpose; (2) each is composed of people; and (3) each develops some deliberate structure so members can do their work. Another way to look into this is …..
B. Although these characteristics are important in defining *what* an organization is, the concept of an organization is changing. These differences include: flexible work arrangements, employee work teams, open communication systems, and supplier alliances. Organizations are becoming more open, flexible, and responsive to changes.
C. Organizations are changing because the world around them has changed and is continuing to change. These societal, economic, global, and technological changes have created an environment in which successful organizations must embrace new ways of getting their work done.
D. Organizations are working in a dynamic environment and are responsible to different stake holders which can be employees, customers, suppliers, Competitors, Government etc.

Challenges:

Organizations are subject to different challenges. These challenges may be in the form of new trends in the business, changing in the working environment, or technology etc.
Every organization has some social entities, has some goals for achieving desired outcomes, and for achieving these goals, organization has specific structures and most important is to link with the external environment. They are not operating in isolation but in a dynamic environment. The most important entity in any organization is the people, the employees of the organization, who make the organization different from the other organizations. The people of the organization are very important and they work in the organization as different groups/teams e.g. admin, finance, marketing, Human resources, technical etc.

Change in the organization:

Change is the true reality of today's organization. With out change no organization can survive in this competitive environment.

Organizational change is defined as any alteration of people, structure, or technology in an organization. Instead of trying to eliminate change, managers/leaders must realize that change is always present and that they should seek ways to manage change successfully.

Forces for Change:

Both external and internal forces create the need for change.

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A. External forces creating the need for change come from various sources:
   1. The marketplace
   2. Government laws and regulations
   3. Technology
   4. Labor markets
   5. The economy

B. Internal forces creating change usually originate from the internal operations of the organization or from the impact of external changes. These internal forces include:
   1. Changes in strategy
   2. Changes in the workforce
   3. New equipment
   4. Changes in employee attitudes

Following are the difference between the traditional and new organizations.

The Changing Organization

Traditional

- Stable
- Inflexible
- Job-focused
- Work is defined by job positions
- Individual-oriented
- Permanent jobs
- Command-oriented
- Managers always make decisions
- Rule-oriented
- Relatively homogeneous workforce
- Workdays defined
- Hierarchical relationships
- Work at organizational facility during specific hours

New Organization

- Dynamic
- Flexible
- Skills-focused
- Work is defined in terms of tasks to be done
- Team-oriented
- Temporary jobs
- Involvement-oriented
- Employees participate in decision making
- Customer-oriented
- Diverse workforce
- Workdays have no time boundaries
- Lateral and networked relationships
- Work anywhere, anytime

Note: Most of the characteristics of the new organization are the right requisites for the managers to emerge as organizational leaders.

Organizational Performance:

The organizational performance is judge by their profit, effectiveness and efficiency.

- **Productivity**
  - An overall measure of the quantity and quality of work performance with resource utilization taken into account.

- **Performance effectiveness**
  - An output measure of task or goal accomplishment**.**

- **Performance efficiency**
  - An input measure of the resource costs associated with goal accomplishment.

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Value creation:

Today, value creation is very important notion of an organization by adding some values. What is value added? It is the relationship between the input & output by using people and get maximum out put. Value is created when an organizational operation add a value to the organization output.

Critical Skills for Success in the New Work Place:

Excellence: You need to be excellent in any way what ever you are doing and excellent work is done through excellent team of people.

Networking: Today's success is the networking of organization, networking with the peoples and especially with the stakeholders and people who matter.

Entrepreneurship: For Managers/Leaders to be successful skills of entrepreneurship are very critical. In this competitive world, an organization can only survive with good ideas, creativity, innovation and risk taking.

Technology: Technology is the back bone of any organization. Each operation depends now on technology. For this purpose organizations are paying a huge cost. Keeping yourself up-to-date with technology is also very important. Decisions of managers/leaders to chose relevant technology for different operations is very critical.

Changing Technology

a. Competitive factors or new innovations often require introduction of new equipment, tools, or operating methods.
b. *Automation* is a technological change that replaces certain tasks done by people with machines.
c. *Computerization* has probably been the most visible technological change in recent years.

Marketing: For surviving in this competitive environment one should have wonderful ideas. Marketing is also becoming the critical factor in the success of organizations.

Marketing is "**getting the right** products **to the right** people **at the right** price **and at the right** time place **with the right** promotion."

Workplace Changes:

- Belief in human capital
- Demise of "command-and-control"
- Emphasis on teamwork
- Preeminence of technology
- Embrace of networking
- New workforce expectations
- Concern for work-life balance
- Focus on speed

New workplace:

In this era, a highly competitive global economy has created unparalleled opportunities and unprecedented uncertainties and smart people and smart organizations create their own futures by applying new ideas, innovation and adopting continuous change. Companies with a future are committed to people because people are the assets. Also Companies with a future have high performance expectations and provide supportive work environments. High performing companies gain extraordinary results from people. So in this situation smart people and smart organizations

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create their own futures and companies are more committed to people as they are the key to successes and also providing the supportive & congenial working environment to them.

What is the Role of Management?

Management is more concern about building working relationship with others, help the team members to develop the skills for better performance, providing help to develop team work among them and providing them with a conducive/quality environment for performance and satisfaction. In this connection, management should know that each individual is a value-added worker and if they are satisfied and motivated, organization can achieve their goals efficiently and effectively.

Competence for Managerial Success:

For a manager/leader to be successful; following competencies are required.

- He must be good communicator
- He should understand Teamwork and foster it among his team members
- Understand the concepts of Self-management
- Quality of a good leader is very essential
- Critical thinking
- Professionalism
- Crises management
- Global management skills

High performing managers …

- Build working relationships with others.
- Help others develop their skills and performance competencies.
- Foster teamwork.
- Create a work environment that is performance-driven and provides satisfaction for workers.

Importance for Innovation & Change:

In today's dynamic workplace, managers can be sure that one thing will remain very important—**change**. In order to compete successfully, managers must encourage creativity and innovation among all of the employees in their organization.

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Lesson 02

FOCUSING ON PEOPLE: THE KEY TO SUCCESS

It is a common saying in today's organizations that the success depends on *people*. The 'people' of course are the organizational team members and stake holders. Focusing on the right individuals and stakeholders is important for the success of any organization.

Today our main focus will be on the people; an actor in organization, the key resources for the success of any organization. Every organization has some objectives, goals, mission& vision. For achieving these goals & mission, they use different inputs to get desire outputs. The people in different department/position in the organization are the key actors to meet the organizational goals. Only these people can make difference when you compare your organization with the other organization. In today's environment, getting the latest technology is not a big deal. Even arranging finance is not a problem, if you have a good idea/project. The biggest problem will be to attract/find and retain right people. Any organization can make a difference provided they have right people and organization is managing them well. But it is nor so simple. People and organizations are so complex and remember that every person is different from one and other. So managers/leaders must understand the people, their behavior & situation.

One should have target to engage good team to achieve the organizational goals. And keep in mind that good team are only build with a good leadership. Leader is one who motivates the employee and aligns them towards achieving the goals in a better way. Research tells us that success comes from putting leadership, people, value, goals, relationship, culture and community first.

People in the Process

People are the most important asset of an organization. The basic task of a manager is to be people oriented. Poor people management is an important contributor to any failure of organization.

It is need of today's organization to convert the organization from machine based and economically driven paradigm to more people driven, community-based and values-driven. And it will be only done through people working in the organization as a cohesive team.

Importance of HR and Managers

Some organizations treat the employees as cost. Basically these organizations are dying organization. We know that employees are the asset and high performing organizations treat people as valuable strategic assets. So managers/leaders must ensure that people are treated as strategic assets.

Human Capital

Organizations trade in product, knowledge, service, innovation, and relationships. All these things are carried out by people. All organizations use different resources like land, machines, technology, finance, people etc. But the important resources any organization can depend is the human Resource and they is the typical **human capital** organization can be prod off.

Why a Human Capital Environment?

People are the capital of an organization and create difference with knowledge, creativity and relationship. All this is done by the people. So what does it means? It means "people" must be managed/treated as asset, invest on them and protect them, and not to treat tem as cost. Because human are the unique form of capital.

What is Important?

The direction of the employees is also important and set the state of mind towards work. It is also the responsibility of manager/leaders to set the focus of employee in work and engage them with some

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creative work and motivate them to achieve organization goals. Also create the sense of importance to adopt change.

Developing and Sustaining A World-class Workforce

- **Increasingly Diverse Workforce**
  - Diversity will allow us to compete and win locally and globally. Diversity in workplace is very important and brings synergy in the organization. Team members with different backgrounds, with different skill sets and different exposures are very critical and have positive impact.

- **The Changing Nature of Work**
  - Economy base has moved from manufacturing to services. Keeping in view the changing landscape of the world business, organizations have started thinking and shifting from manufacturing to services orientation.
  - Job flexibility for employees. With the changing work environment, flexibility in the job is increasing. Organizations are more concerned about out put and delivery rather than time spent by the workers and more flex scheduling is becoming common.
  - Growth of outsourcing is yet another trend. Organizations are going for outsourcing most of the secondary tasks rather than doing themselves to improve effectiveness and efficiency.

- **The New Employer-Employee Partnership**
  - Employees can not expect long-term employment
  - Employers thus can not expect corresponding loyalty
  - Employers trying to build a new kind of relationship: an employer-employee partnership

About the course

The course is designed to develop the understanding & knowledge of "the Leadership and Team Management" concepts and the skill sets necessary for performing the team leader functions in today's dynamic and competitive organizations. The course will be divided into two main components, the Leadership and Team dynamics. In the first part the main focus will be on Leader, Followers and situation to understand the concept of leadership and in the second half of the course we will try to understand the team dynamics.

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LEADERSHIP

Concept of Leadership is very important in organizations because leaders are the ones who make things happen. Without leaders, an organization would find it difficult to get things done. Leaders mostly help others to learn – just as a coach would help players play instead of playing himself. This lecture introduces students to the concept of leadership and leadership effectiveness by providing working definitions and by emphasizing the cultural limitations of the concepts. It presents several cultural models that are used throughout the text to explain cross-cultural difference in leadership. There is no universally agreeable definition of leadership. Just go and type "leadership" on Google and you can find more than 186,000,000 different pages of reference on web. It involves influencing attitudes, behaviors, beliefs and feelings of people and believes to be an important topic.

Peter Drucker the guru of Management defines Leadership as "The only definition of a leader is someone who has followers." While John C Maxwell defines "leadership is influence - nothing more, nothing less." According to John W. Gardner Leadership is "the process of persuasion and example by which an individual (or leadership team) induces a group to take action that is in accord with the leader's purpose, or the shared purposes of all."

Remember Leadership is a process and not a position. This important process has three important components/ingredients. 1) Leader, 2) Followers and 3) Situation. These three components play very important role on the process of leadership.

Leaders are those persons who are able to influence others and who possess managerial authority.

Leadership, then, is the ability to influence a group toward the achievement of goals. *Trust* is the foundation of leadership. Leaders develop an environment of trust where the organizational members tend to establish a follower-ship with the leader.

Who is a leader? A leader is defined as any person who influences individuals and groups/teams within an organization, helps them in the establishment of goals, and guides them toward achievement of those goals, thereby allowing them to be effective.

Characteristics of Successful Leaders Effective and successful leaders have certain characteristics. They are good communicators, they motivate others (team members), they are good team builders, solve problems of others and of organizations, they are good listeners and resolve conflicts, anticipate change and mange it within team and organizations, they encourage risk taking by their team members and also to promote the creativities.

If you study the life of successful leaders, you can find them a challenger of the process, they inspire a shared vision, enable others to act, they model the way by showing the path, encourage the followers, act as change agent and take followers to the destination.

Similarly, we also discussed leaders of corporate sector who created impression in this world.

1. **Bill Gates,** co-founder of Microsoft
2. **Sam Walton,** former CEO of Wal-Mart
3. **Jack Welch,** former CEO of General Electric
4. **Lee Iacocca**, former CEO of Chrysler
5. **Steve Jobs**, CEO of Apple
6. **Walter E. Disney** Walt Disney
7. **Henry Ford** Ford Motor
8. **William C. Procter** Procter & Gamble
9. **Asa G. Candler** Coca-Cola
10. **Michael Dell**, founder of Dell Computer
11. **Andy Grove**, former CEO of Intel
12. **Ted Turner,** founder of CNN
13. **Jeff Bezos,** founder of Amazon.com
14. **Phil Knight,** CEO of Nike
15. **Lou Gerstner,** former CEO of IBM
16. **Robert W. Johnson Jr.** Johnson & Johnson

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Think of someone in your life whom you would consider as "Leader". What are the qualities of character that this person has? I try to enlist few important characters that person "leader" may have..

- **Honest, trustworthy**
- **Good role model**
- **Caring**
- **Committed**
- **Good listener**
- **Treats people with respect**
- **Positive, enthusiastic**
- **Risk taker**
- **Planner**
- **Decision Maker**
- **Consistent**
- **Open**
- **Accountable**
- **Transparent**
- **Responsible**
- **Sensitive**
- **Connected to the Community**
- **Knowledge**
- **Wisdom**
- **Social Skills**

Are we born with these qualities or are they learned behaviors? To some degree we have all of them -- some more so than others. We must choose and work to strengthen these qualities in ourselves if we are to be effective leaders.

Do we really need leaders? Consider how life would be different without leadership in e.g. Families, Education, Businesses, Service Associations, Teams, Countries and World.

Why Study Leadership?

- **Understanding leadership helps organizations:**
  - To select the right people for leadership positions
  - To train people in leadership positions to improve to improve their performance
- **Who benefits?**

  Leaders, followers, organizations and society as a whole.

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LEADERSHIP (CONTD.)

We will continue discussing the concepts of leadership. If you check dictionary for definition of Lead, Leader and Leadership you will find the following answers.

Dictionary Definitions:-

- **Lead:**
  "To guide, steer, pilot, point, or show the way"
  "To cause someone to do something"

- **Leader:**
  "One who leads"
  "Person in control"

- **Leadership:**
  "The quality notable in leaders"
  "Set of characteristics that make a good leader"

Leaders are Effective When?

Leaders' effectiveness depends on the achievements of group/team goals, when internal processes are smooth and group/team is working as a cohesive team. Effectiveness can also be seen when team/group adapt to external forces. An organization achieves its goals when the leaders of an organization will be more effective. A leader is effective when team/group is effective and vice versa. Leader and followers are both important and depend on each other for effectiveness.
Can a leader fail? Yes, some time we see leaders who are not effective or not-good do fail in achieving their goals.

Characteristics of Leaders Who Fail

- **Rude and unapproachable:** if the leader will act rudely and is unapproachable to employee. He will fail to achieve organizational goals because due to his/her this behavior participative environment can not created within organization.
- **Cold and arrogant:** if the leader will be proud of himself, no one wants to work with him. And also if he or she has no feeling about others, nobody will be agreeing to work with this type of arrogant person.
- **Untrustworthy:** without trust, leaders can not perform well in the organization. Teams/Groups/Organizations always grow when they have trust on each others and a trustworthy leader is very essential for the success of a team. If leader is untrustworthy, the probability of his/her failure will be high.
- **Self-centered and political:** if the leader will create or involve in political environment in the organization, he/she will lose the ground because politics can not work in the organization especially if leader is involved in political activities. Especially when a leader is self centered and interested only in personal benefits the result will be a mess and failure and out put will be zero.
- **Poor performers:** Team always depends on its leader. Leader is mentor, role model, coach and sets the example for others. So if the leader of team will be poor performer, team can not achieve the goals.
- **Unable to delegate:** In this competitive environment of participations, the leader must delegate the power and authority to downwards for achieving the organizational goals in more efficient and effective manner. So if the leader will not delegate the power and authority to others or his subordinates, he will lose and that will be the failure of leader.

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Why Leaders Fail?

- Insensitive, abrasive, bullying style
- Cold, aloof, arrogant
- Betrayal of personal trust
- Overly ambitious
- Specific performance problems
- Micro-managing—does not build a team
- Unable to select good subordinates

So are they "bad" or "in-effective" Leader?

Bad leadership defined …

"Bad leadership falls into two categories: bad as in ineffective and bad as in unethical. Ineffective leadership fails to produce the desired change while unethical leadership fails to distinguish between right and wrong."

- Barbara Kellerman -

What do we mean by "bad" … if a person (leader) is Corrupt, Evil, Brutal, Disrespectful, Incompetent, Irresponsible, Destructive Unethical, Mean, Dangerous, Immoral or Ineffective than one can say he/she is a bad leader.

Bad leadership defined …

"Ineffective leadership is the inability to build and maintain a group that performs well relative to its competition." - Robert Hogan –

Causes of bad leadership

There are two key sources which are Traits and character.

"Leaders behave badly because of who they are and what they want."

– Barbara Kellerman -

Leadership is not automatic it must be earned through trust, confidence, competence, consistency, integrity, and vision

Leadership Managerial Roles

In this competitive environment the style of management has also changed. Now the organizations are working in more competitive environment, more flat structures, depends on more functional teams lead by a leader.

Managerial Roles

Leaders are managers too but not necessary that all managers are leaders. Leaders need to play managerial role too. Management roles refer to specific categories of managerial behavior.

a. **Interpersonal roles** included figurehead, leadership, and liaison activities.

- **Figurehead**

  When they represent the organization, signing official document, informally talking to people and attending out side meetings, presiding the meetings and ceremonial events etc they are playing the role of figurehead.

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- **Leader**
  Leader is responsible for giving instruction, coaching, hiring, training, motivating, and evaluating performance etc and these are responsibility of a leader.
- **Liaison**
  When interacting with people outside their organization, attending professional meetings, serving on committees, visiting and meeting people to keep in touch, all these role are kind of liaison on behalf of his/her team or organization.

b. **Informational roles** included monitoring, disseminating, and spokesperson activities.

- **Monitor**
  Gather information, reading reports, publication etc, talking to others in meeting inside or outside the organization, observing etc
- **Disseminator**
  They send information, instruction, orally or written and play the role of disseminator.
- **Spokesperson**
  Provide information outside the organization, answering queries, letters, reporting information to govt. etc.

c. **Decisional roles** included those of entrepreneur, disturbance handler, resource allocator and negotiator.

- **Entrepreneur**
  Good leaders are always famous for innovation and creativity. When innovate and initiate improvement (through monitor), developing new ideas, new product & service, procedures, tools etc
- **Disturbance handler**
  Taking Corrective action during crises, uncertainty, breakdown, labor issues, strike, material crises, or any others
- **Resource allocator**
  Allocating and distribution of resources (financial, space, equipment, material, HR etc)
- **Negotiators**
  They represent organization at different levels, with competitors, customers, clients, employees, Govt etc

Leadership and management are closely related but with distinguishable functions. As discussed earlier, leaders are managers but not necessary that all managers are leaders. There are distinct differences among them if we compare a leader from a manager.

Leaders Vs Managers

Leaders	Managers
– Innovate – Develop – Inspire – Take the long-term view – Ask what and why – Originate – Challenge the status quo. – Do the right things	➔ Administer ➔ Maintain ➔ Control ➔ Have a short-term view ➔ Ask how and when ➔ Imitate ➔ Accept the status quo ➔ Do things right

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MANAGERS VS LEADERS

Continuing from previous lecture, we will continue focus on the important difference between mangers and Leaders. As said earlier, leaders are manger too but not necessary that all managers may be leaders.

Difference between Leaders and Managers

Arguments about the difference between leadership and management are presented. Leaders are considered to be visionary and future-oriented, whereas managers focus on day-to-day routine activities. The section concludes that effective managers often perform many of the duties and activities ascribed to leaders thereby making the distinction between the two concepts somewhat unnecessary

Leaders	Managers
Vision oriented: the leaders are vision oriented and think about future.	**Process oriented:** managers always think about process that how the organization works in efficient manner.
Protects staff: leaders always protect their staff and motivate them towards achievement of organizational goals.	**Protects self:** Managers always protect himself.
Approaches decisions actively: the leaders are decision makers and do not hesitate to take decisions in any respect.	**Approaches decisions cautiously:** Managers always depends on his superiors and others to take decisions.
Staff oriented: leaders are staff oriented.	**Career oriented:** managers always think about his career that how he/she moves up or develop his/her career.
Listens actively: leaders always involve his staff in decision making and listen every body and get the suggestions from employees seriously.	**Listens selectively:** managers always listen and involve selective staff/employees during decision making.
Deals with conflict: leader always deal with conflict as they are critical analyst in the positive way.	**Avoids conflict:** Managers always avoids being involved in conflicts.
Trusted: leaders always trust on his employees/staff and vice versa.	**Unclear regarding trust:** he is unclear regarding trust.

These obvious differences between leaders and managers also affect the processes in the organizations.

Difference between leadership and management:

Leadership	Management
Set overall & future direction: they set the overall organization direction and give the vision.	**Set day-day direction:** Mangers sets day by day direction to organization as per circumstances.
Focuses on results: A leader always focuses on out put.	**Focuses on processes:** Managers always focuses on processes that how to gets the maximum out put by utilization of minimum resources through reducing in processes of the organization.
Mostly external: leaders mostly keep the close eyes on external environment.	**Mostly internal:** Managers always keep the close eyes on internal environment.

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Concern=effectiveness: his concern on effectiveness	**Concern=efficiency:** his concern on efficiency
Stakeholder focused: Leaders focused on stake holder's interest and strive for the satisfactions of stakeholders.	**Personnel focused:** Here the focus is personal and not on the stakeholders.
Customer needs/capacities: thinks about customers demand	**Worker needs/capacities:** thinks about organization capacity for customers demand
Embodies mission/vision: sets the mission and vision	**Embodies goals/objectives:** sets the goals and objectives to achieve the mission.
Gets more resources: gets more recourse to accomplish the mission. They always try to look for other opportunities.	**Manages resources:** a manager always manages the resources.
Secures technologies: they protect the technologies. Always keep their eyes open and try to secure new technologies essential to create competitive advantages.	**Applies technologies:** managers always apply technologies available to them and will not strive for change.
Seeks to create needed change: they always seek to create the needed change and believe on "Change as the environment change".	**Seek stability/Manage change:** management will try to manage the change and prefer to maintain the stability in the organization.
Create teams' esp. top teams: Leadership is always focused on creating a team especially top performing team. Leader role is act as a coach and convert individual working into teams.	**Manage teamwork:** Management focus is to get things done from people/team and they will try for this.

So, after the detail discussion on difference between leadership and management, we can conclude that in Management we have an authority relationship while leadership is a multidirectional influence relationship.

"Jack Welch (Former CEO of GE) says; "…dangerous to call someone a manager" because..

"A manager…" Controls rather than facilitates, Complicates rather than simplifies, Acts more like a governor than an accelerator

Characteristics:

1. **Personal Characteristics:**

A managerial culture emphasizes rationality and control, whether his or her energies are directed towards goals, resources, organization structure. The manager ask, "What problems need to be solved, and what are the best ways to achieve results, so people will continue to contribute to this organization. Management is keeping themselves away from emotions and focus mainly on organization, compliances. They seem to know the procedure and policies required to accomplish the organization routine tasks. From this prospective leadership is more practical and emotionally connected with employees and also with environment. Leadership is more open minded and listen different ideas, ready for change and not only focusing present objectives of the organization but also keep their focus on future too. They are honest with themselves, with followers and with others too. With this honesty and concern with the welfare of others they build trust and that is very essential for leadership process.

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2. Relationships:

Leadership always focuses on people, inspire them and develop them to achieve the organizational mission. They use personality powers to influence others and act as coach and facilitators for followers. With their charismatic personality leaders create a dynamic environment within the organization. They also encourage the creativity and focuses on the dynamic environment changes. While management focuses on objective and are mainly concern with outputs, reports and mechanics of the organizations. To influence others, management depends on the position powers and use control rather than motivation. Risk taking is not encouraged and they suppress creativity in the organization.

3. Providing Direction:

Leadership always focuses on vision. Leadership reshapes the organizational culture, motivates the employees, and believes on long term focus. Whether management depends on detailed plan/schedule, allocation of resources, improve the efficiency and focuses ob short term goals.

4. Grouping

Leadership always creates the culture of communication and listen each others, help others and facilitate others. They also reduce the boundaries and create the teamwork in organization. Whereas management believe in line and staff management, believe on organization, staff and structure, creates boundaries and focuses on direct and control. Provide solution and guidelines in the organization.

5. Outcomes

Leadership creates the culture of change and tries to implement change in response to the changing environment for greatest outcome. Leadership challenges the status quo and adopts the change. Believe on effectiveness and efficiency. While management are concern about stability, are more predictable and focus on short term expectations. Believe on day to day outcome and not taking any risk.

What "Followers" Expect

Traits desired in a leader are like Integrity, Consistency, Listen and discern needs, Open-minded, Honest w/themselves; Inspire trust, Calm, Stays focused while handling a volatile situation etc.

Effective Leadership:

Trust

Trust among leader and followers is the key to success of this leadership process. A trust between the leader and followers is very essential. When trust exists, individuals are more likely to enter into the relationships necessary for goal attainment.

Trust: The Foundation of Leadership

Leader's integrity, competency, consistency, loyalty and openness are the key ingredients to build trust.

A Nurturing Climate

All members of the organization must be able to work in a climate that is free of fear, one that fosters creativity and rewarding the achievements. This nurturing climate is also essential for proper leadership process and for the success of a team/group or organization and for the effectiveness of a leader..

Freedom of Expression

All employees must be able to talk with one another, share ideas, critique proposals, view issues critically, and obtain information that assists them in being effective and creative. This will only be achieved through creation of participative culture in the organization and freedom to express on procedures, policies etc. Leader needs to create culture that allows freedom of expression.

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Respect for Diversity

In this competitive environment of business, organization are dealing with diversify culture. Organizations are trying to capitalize this diversity in the organization. Diversity of workforce has huge benefit and yes some cost too. In order to make a commitment to the attainment of a particular goal by capitalizing diversity in the organization/team, they need to respect the diversity and let all people coming from different background to feel valued, respected, and appreciated.

Free and Open for Creativity

A leader must create an environment where every one can share his/her ideas and create the awareness that individuals must feel free to seek new approaches, take independent decision and take risks. This will be only done through a congenial environment in the organization, where every one feels free to share his/her idea and are open for creativity.

Change Agent

The leader may act as a change agent, which is an individual who acts as a catalyst and leads the change process. Change is the true reality of the organization. In this competitive business environment, without responding the change no one can survive. "Change as the environment change".

What Followers Want from leader and from their colleagues?

Leaders to be	Colleagues to be
Honest	Honest
Forward-Thinking	Cooperative
Inspiring	Dependable
Competent	Dependable

For proper leadership process, all three components of this process, the leader, followers and the situation are very important.

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FOLLOWER-SHIP

We will still discuss the topic of leader vs. mangers in the start of this lecture and than shift to next topic the followers.

Leadership is important in organizations because leaders are the ones who make things happen. Organizations are shifting from conventional management to leadership. In this competitive environment now with simple routine management and simple manager, survival of organization is becoming difficult. Unless you have a vision, know the people and human behavior aspects, understand team dynamics and motivation, understand the trust and responding change, challenging the status quo and believe on sharing the power and participative management, survival of a manger or leader will be difficult. All these characteristics are mostly present in leaders but not in mangers. So today's organization needs more leaders rather than managers. But both are important. We need leaders who are good mangers too.
Without leaders, an organization would find it difficult to get things done. Bottom line is organization needs to focus on people and try to identify and separate leaders from followers and accordingly train and develop both important resources an organization can have i.e. "the People". A very famous Chinese saying is;

> "If you want one year of prosperity, grow grain.
>
> If you want 10 years of prosperity, grow trees.
>
> If you want 100 years of prosperity, grow people.
>
> — *Chinese proverb*

MANAGERS VERSUS LEADERS: We are still in the same discussion of manager vs leader to give more emphasizes on leaders and explain why this is becoming more and more important. Let me put these distinctions between managers and leaders in a different way.

Mangers use authority to get things from his people and drive them while leader prepare them and act as a coach for the job done. Manger influence other though the legitimate authority vested on him/her due to position and other obeys him/her due to that position. While leaders influence through their goodwill and personality. It doesn't mean they have no legitimate power. They do have that power but they believe on the power of team, synergy and participative management.

Mangers inspire fear and use coercive power while leaders inspire enthusiasm and create excitement among team members.

- The Manager knows how it is done and they get others to fallow the set procedures for the accomplishment of any job.
- The Leader shows how it is done. They always try to create a different. They will challenge the process for business process re-engineering to improve the system and for efficiency.
- The Manager says "Go". The give orders and sit back to see others deliver.
- The Leader says "Let's Go". They take other along and set example. This approach increases the moral of all team members and together they achieve more and deliver more.
- The Manager says "I". Managers are mostly self centred and mainly concern about themselves.
- The Leader says "We". Leaders believe on team work and mainly concerned about others and always take team as a whole.
- The Manager fixes the blame for the breakdown. If some thing went wrong, managers try to find out the culprit and fix the responsibility.
- The Leader fixes the breakdown. In case of leadership, if this situation arrives, leaders will try to figure out the causes of any breakdown and also try to fix this breakdown rather than just fixing responsibility.

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Similarly we can also discuss other distinctions between leaders and managers. But important thing is we need good leaders with proper management capabilities. As said earlier" all leaders are managers but not all managers are leaders"

So, we need both Leader and Manager and in a way for the success of any organization leading and managing both required. In the given figure, it is clearly shown that both leader and manger are needed Leading & Managing processes results satisfied stakeholders.

Follower-ship

Let's shift to second important component of leadership process, the Followers. We know that leadership is a function of three elements.

Importance of Followers: Leaders always depend on their followers. Followers' actions/attitudes influence their leader and the process of leadership also. Performance of leaders & followers are depended upon one another.

Follower Traits That Influence the Leadership Process: As leaders and followers are depending each others for performance and out come, it is very important to understand followers and their traits that influence this leadership process.

- Values
- Norms
- Cohesiveness,
- Expectations
- Personality
- Maturity
- Competency levels
- Motivation
- Number of followers
- Trust and confidence

Qualities of effective followers are same ones we want in leaders because both are important for the output/performance of teams/organizations.

Follower-ship Style: There are four follower-ship styles;

1. **Pragmatic follower:** Positive role of these types of followers are realistic and play their role according to rules and regulation or as per legitimate powers. In negative side, they also play political games in the organization and carries out assignments with middling enthusiasm. They believe that staying in the rules is important also avoid the uncertainties and instability.

2. **Alienated follower:** These types of followers always think about themselves, but some time play a very important role as critics within the team. Because this will help to improve the decisions. We can say that these types of people are the whistle blowers. They can also create problem for team. They do not work as team member and believes that their leader does not fully recognize or utilize their talents

3. **Conventional follower:** These types of followers easily accept the assignment and play as a team member and try to minimize conflict. They have lack of creativity; they don't take bold decisions and not taking risk. They also avoid the conflict and believe that the established system of the organization is better than outcomes.

4. **Passive follower:** These types of followers always rely on the leader and seldom challenge the process and avoid any resistance. They are just spending/passing time and also require an excessive amount of supervision. They believe that the organization doesn't want their ideas so the leader is going to do what he/she wants anyway.

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5. **Exemplary follower:** These types of followers contribute above and beyond the expectation. They always try to add value in organization in any form. They are creative and risk takers. They are highly idealistic and can suffer disappointed and even go in stress and ultimately reach to burnout if not given importance and challenging environment. They believe that their contribution for the organization is always essential. So they always work for organization with commitments and devotion.

How Exemplary Followers Add Value: the exemplary followers are always focus on the goal, contribute to the growth of other team members, always help to keep the team on track and always take the initiative to increase their value to the organization.

- **Think of someone you know in your life who is a good leader and write down why you think they are a good leader...**

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LEADERSHIP PROCESS

As you are aware, leadership is a process and not a position. Basic components of leadership include leader, followers and situation. A leader is different from other leaders due to his/her personality, skill set, exposures, characteristics, expertise, etc. Followers also vary on similar personal trait basis, while situation compromise of particular environment, kind of task, pressure and other situational factors. These all components play very important role in leadership process. Same leader with different followers and situation can have different effect.

Responsibilities of Exemplary Followers: When all components of this leadership process are in line with each others and working in collaboration, the results are effectiveness of outcome. Especially the leader and followers are dynamic inputs and play very important role is the outcome. There are some basic responsibilities from exemplary followers.

- **Support the leader's decisions**: Followers need to support leader's decisions. This is true when leader and followers work like a team and decisions are taken by participative process. Need for dialogue before important decisions are very important. Once a decision is taken by leader than it becomes every body's decision. Every body needs to own and support these decisions.

- **Challenge the leader:** For a group to be effective and dynamic, team member also challenge the process, procedures and decisions. They do differ on policies, procedures etc but not on personalities. This is good sign for dynamic groups/teams. The follower's also challenge the leader on different issues with in the group/team. They challenge the leader on decisions and make sure that all the work is going in the right direction and towards achievement of goals. This challenging is for the improvement of decision making and avoiding the group think.

- **Encourage the leader:** The followers always encourage the leaders. Provide full support for his/her creative ideas. They also support him/her when he/she is under some pressure/stress. Also support the leader in bad times and encourage him/her to make better decisions.

- **Defend the leader:** The followers also defend their leader in any situation or at the time of needs. They also defend his/her action, decisions and policies for the achievements of organizational goals.

  Exemplary Followers Expect from Leaders: Followers also have certain expectations from leaders. To be followers, people expect certain characteristics in their leaders. They must be;

  - **Honest:** Followers expect leader's to be an honest person so that he or she can build trusts. Honesty provide basis for trust building.
  - **Forward-looking:** Leader must be a visionary so that he/she can predict the future of the organization. Anticipate changes and be proactive rather than reactive. Vision then is based on two components that leaders also need: creativity and intellectual drive.
  - **Inspiring:** A leader should have an inspiring personality. Inspiring for development, inspiring for better and better.
  - **Competent:** A leader should be a competent enough to perform his/her duties and provide the directions to the team members. They need to be their when others are stuck and need answers.
  - **Fair-minded:** A leader with fair mind and unbiased personality is always known as a better leader. For good leader, every member of the team is equal for him/her. The difference, if any, is due to performance and commitment with team mission.

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Strategies for Cultivating Exemplary Followers

- Work to increase the variety and complexity of assignments they receive
- Seek to enhance their skill sets
- Share the credit
- Never undermine their authority
- Mentor followers who hope to assume larger leadership roles
- Encourage and enhance dialogue
- Keep their confidences
- Empower them
- Acknowledge their value, both publicly and privately
- Reward them in ways they find meaningful
- Trust your followers

Let us discuss these strategies one by one;

- **Work to increase the variety and complexity of assignments they receive:** As leader you have to assign the some critical task so that he or she will be able to generate some creative or productive output. Diverse work experience is always good and more expose leader is with different and complex environments/assignment the more mature will merge in personality. Same is true for followers. Followers can be given chances through job rotation and giving them complex and challenging tasks.

- **Seek to enhance their skill sets:** Leader provides the chance to enhance their skills through training. Training and development is a continue process and leaders always try to enhance skill sets of their employees.
- **Share the credit:** Good leaders always share the credit of achievement. They share with the followers and give credit to their team members. This approach not only creates trust but also boosts moral of team members and also act as motivational factor.
- **Never undermine their authority:** As leader you should not demoralize them or challenge their authority. Followers are also very important as leaders themselves.
- **Mentor followers who hope to assume larger leadership roles:** The followers are always looking for the role model within the group and try to copy him in different manner. Leader's need to act as mentor for followers and build them as leaders for the future.
- **Encourage and enhance dialogue:** A leader should encourage the followers to keep the communication channels open and enhance the dialogue for batter group decision and better working environment.
- **Keep their confidences:** Leader should take the followers in confidence for taking any decision so that they feel themselves more confident. They should be encouraged to take risks.
- **Empower them:** a leader should empower his/her followers so that they will feel more open and do not hesitate to take any decision. By taking risk, they will learn and bring creativity. Empowerment is required for quick decisions by those people who are most knowledgeable about the issues. The reality that organizational downsizing has left managers with larger spans of control and in order to cope, managers are turning to employee empowerment.
- **Acknowledge their value, both publicly and privately:** A leader should always recognize the work done by the follower's part openly. This will create a motivational culture for other and ultimately a long run benefit for the organization.
- **Reward them in ways they find meaningful:** there should be a reward system within the group after achieving the goals. It will also create the motivation in the employees. Nothing is free in the world and we need to understand this while deciding rewards. These rewards should be meaningful and must be linked with performance.

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- **Trust your followers:** Trust is the belief in the integrity, character, and ability of a leader. We have already explained concept of trust. Without trust of followers, leaders can not perform well in the organization. Leader must have trust on his/her followers.

Empowering Followers:
In today's dynamic environment, empowering followers/team member is important to boost their moral and for better decisions. This is also very important for creativity.

A leader must give people (followers/team members) discretion and autonomy and important. Give people visibility and provide recognition for their efforts. It is the responsibility of leader to build relationships with team members, connecting them with powerful people for learning and their professional development.

What Followers Want:

Leaders to be	Colleagues to be
Honest	Honest
Forward-Thinking	Cooperative
Inspiring	Dependable
Competent	Competent

Leader Traits That Influence the Leadership Process:

- **Personality** is defined as a combination of psychological traits that describes a person. Personality of leader play important role.
- **Position** is defined that one can influence on the group member or in the organization
- **Experience** is defied as an exposure that he or she have in his field of expertise.

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Important Traits of Leaders

Physical or Background Traits	Personality or Ability Traits	Task or Social Traits
Activity or energy	Assertiveness	Motivation to achieve
Education	Dominance	Responsibility
Social status	Self-confidence	Initiative
	Administrative ability	Persistence
	Communication abilities	Task orientation
	Social perceptiveness	Cooperativeness
	Adaptability	Sociability

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LEADERSHIP PROCESS (CONTD.)

Dear students in lecture number eight our focus is still on leadership process. Let's start with the qualities of Leaders.

Qualities of Leaders:
Real leaders have certain qualities which make them different from rest of the team members/followers. Few of those qualities are given in the following slide.

Qualities of Leaders

- Vision
- Ability
- Enthusiasm
- Stability
- Concern for Others
- Self-Confidence
- Persistence
- Vitality
- Charisma
- Integrity

I will try to explain all these qualities one by one.

Vision: A leader has to have some ideas about his/her organization, about how the future could be different. A leader requires strong sense of purpose and should be clear in concept of collective Vision (Organization) and recognizes what must be done and how to makes strategies for the accomplishment of their vision. Clear concepts about vision can make a leader more focused and effective. Vision about what is happening, what needs to be done and what is coming in future.

Ability: Leaders must know about his or her Job and keep knowledge updated and have ability to understand information, formulate strategies, and make the decisions. If leader fails to do all these, employees do not respect him/her, and ultimately leader loses faith and trust. That will be failure of a leader. Followers always look toward leaders when making decision, when they are in problem, or stuck or when things are not working. They will look toward leaders. Even for technical issues, they will look toward leaders for solution. So a leader must have the ability to handle all such issues.

Enthusiasm: This is also an important trait of leaders. Leaders always create excitements, which causes others to become interested and willing to accept the challenges. Leaders always generate enthusiasm in followers so that this excitement can trigger the goal oriented actions and ultimately followers get motivated and involved in the achievement of the organizational goals.

Stability: Stability is another important quality of leaders. Leaders need to be emotionally stable in handling challenges, in decision making and during the time of pressures. During the process of leadership plus and minuses do come and leaders need to face them with courage and unless they have stability in their personality, this will become very difficult. Leaders should possess objectivity, should not bring personal problems to work and be emotionally stable.

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Concern for Others: Leaders must be concerned always for their followers, with their welfares and don't treat them as machines. It is always the responsibility of the leaders to think about the welfare of the employees. A leader must have a humble and caring attitude towards employee/followers. So that if he/she always puts the interest of others first, the loyalty will be built, and ultimately the employees will work with more devotion and commitment.

Self-Confidence: Self confidence is very important quality one should have. For leaders this will become even more important. All we discussed different leaders qualities above, these are all linked with the self concept. With self confidence, leaders can mange and handle even difficult situations. That is the trait/quality which is appreciated by all concerns. Successful leaders stay calm and confident and show confidence in their actions.

Persistence: Determination of a leader is also very important for business success. So, a leader should have the devotion and commitment for business and continuously motivate the employees for achieving the organizational goals. The outgoing approach and persistence approach is always paying and pushing the followers for the accomplishment of goals.

Vitality: Leaders need strength/energy and stamina. Effective leaders are electric, vigorous, active, and full of life, regardless of age or disability. These qualities energize followers too. To achieve goals, leaders need stamina, energy, health, and vigor. Same is true for followers.

Charisma: A Personality Trait. A quality that generates others' interest and creates followers. To influence others, charisma plays very important role.

Integrity: The most important quality of leader is honesty, strength of character, and courage. Leaders need to have strong integrity. So leader must have loyal, honest with his/her work and also with his/her team too. It will also lead to trust and respect. Honesty, strength of character, and courage will always lead to trust building, creating loyalty.

What Leaders Can Influence?

Leaders influence others' behavior, attitude and actions. They influence mostly the work related attitudes and behaviors of followers. The Importance of a great leader is the development and growth of followers. Same way Importance of a great follower is the growth of leaders.

The Situation

The element of "the situation " may be the most ambiguous aspect of the leadership framework because it can refer to anything form the specific task a group is engaged in all the way to broad situation contexts.

- Task
- Environment
- Stress

A Brief History of Leadership

Before the 20th century leadership was the exclusive domain of royals or military people. Following were the focus of leadership during different time frames.

1901-1914:

- Prosperity
- Key role of government
- Leadership emphasis on public officials

1914-1945:

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- Two world wars and great depression
- Greater emphasis on coordination, consistency, strength and stability
- Use of statutory authorities
- New talent
- Promotion by efficiency
- Relationship with politicians is servant-oriented
- Organizational context dominates follower relationships

1945-1970s:

- More statutory authorities and greater international focus and role
- Indigenous and environment policy
- Equal opportunity
- Concerted emphasis on training
- Educated work force
- Rotation and exchange began
- Shift in gender in the Service

1975-2000:

- Economic transition to cope with economic globalization
- Privatization, efficiency and microeconomic reform
- Multiculturalism/Globalization

The Purpose of Leadership in the 21st Century is more economic empowerment and empowerments of followers. More freedoms to make decision and focus on creativity. Globalization, merging of businesses for sharing of resources, responsive to change and stake holders etc are the purposes of today's leadership.

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LEADERSHIP THEORIES/ APPROACHES

Theoretical based: Theories always provided basis for the understanding of different concepts. In this lecture main focus ill be to understand theoretical concepts of Leadership. These theories will also help us to understand the behaviors and their relationship with the work environment.

Let's discuss first the basic approaches/theories which will help us to understand the other approaches and theories directly related to leaderships.

Theory X and Theory-Y:

1. **Theory X** According to this theory, employees dislike work, are lazy, seek to avoid responsibility, and must be coerced to perform.

2. **Theory Y** the assumption is that employees are creative, seek responsibility, and can exercise self-direction.

Theory X assumed that lower-order needs (Maslow's) dominated individuals, and Theory Y assumed that higher-order needs dominated the individual behaviors.

Hawthorne experiments: The **Hawthorne Studies** were, without question, the most important contribution to the developing organizational behavior. These were series of experiments conducted from 1924 to the early 1930s at Western Electric Company's Hawthorne Works in Cicero, Illinois. The studies were initially devised as a scientific management experiment to assess the impact of changes in various physical environment variables on employee productivity. Other experiments looked at redesigning jobs, making changes in workday and workweek length, introducing rest periods, and introducing individual versus group wage plans.

The researchers concluded that social norms or group standards were the key determinants of individual work behavior. Although not without critics (of procedures, analyses of findings, and the conclusions), the Hawthorne studies did stimulate an interest in human behavior in organizations.

Leadership Theories/ Approaches
The above theoretical backgrounds and other similar studies provided basis to develop leadership approaches/theories.
Early studies were based on two theories:

1. **Trait Theories** (focuses on leader qualities/traits)
2. **Behavior Theories** (focuses on leader actions/behavior)

1. **Trait Theory/Approach:** the basic focus was on the traits of leaders. Leaders are born with certain traits which make them leaders. Common believes were that "Leaders are born, not made." and Leaders possess certain traits that make them leaders

   Theories that attempt to isolate characteristics that differentiate leaders from non-leaders.
   Attempts to identify traits consistently associated with leadership have been more successful. Might be used as a basis for selecting the "right" people to assume formal leadership positions

Some facts/basis about this trait theory is given bellow.

1. Qualities such as intelligence, charisma, decisiveness, enthusiasm, strength, bravery, integrity, and self-confidence.
2. These responses represent, in essence, trait theories of leadership.
3. If the concept of traits were to prove valid, all leaders would have to possess specific characteristics.
4. Research efforts at isolating these traits resulted in a number of dead ends.

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5. Attempts failed to identify a set of traits that would always differentiate leaders.
6. However, attempts to identify traits consistently associated with leadership have been more successful.
7. Six traits on which leaders are seen to differ from non-leaders include drive, the desire to lead, honesty and integrity, self-confidence, intelligence, and job-relevant knowledge.
8. Explanations based solely on traits ignore situational factors.
9. Possessing the appropriate traits only makes it more likely that an individual will be an effective leader.
10. He or she still has to take the right actions.
11. A major movement away from trait theories began as early as the 1940s.

Sir Francis Galton: One of the earliest leadership theorists Wrote "Hereditary Genius" pub. 1869. He believes "leadership qualities were *genetic"*. This theory assumes physical and psychological characteristics like basic intelligence, clear and strong values and high personal energy that matters for effective leadership.

Edwin identified six traits for effective leadership:

1. Need for achievement
2. Intelligence
3. Decisiveness
4. Self-confidence
5. Initiative
6. Supervisory ability

TRAIT APPROACH - People have special qualities that cause them to assume leadership positions in any situation.

Personal Characteristics of Leaders

Personal Characteristics
- Energy
- Physical stamina

Intelligence and Ability
- Intelligence, cognitive ability
- Knowledge
- Judgment, decisiveness

Personality
- Self-confidence
- Honesty and integrity
- Enthusiasm
- Desire to lead
- Independence

Social Characteristics
- Sociability, interpersonal skills
- Cooperativeness
- Tact, diplomacy

Work-Related Characteristics
- Drive, desire to excel
- Responsibility in pursuit of goals
- Persistence against obstacles, tenacity

Social background
- Education
- Mobility

We can also observe following common traits in the leaders which are very essential for the process of leadership.

- Intelligence
- Dominance
- Self-confidence
- High energy level
- Task relevant knowledge

Behavioral Theories of Leadership:
According to this theory, there are behavioral determinants of leadership which can be learned. People can be trained to be effective leaders.

Some facts/basis about this behavior theory is given bellow.

1. It was hoped that the behavioral theories would provide more definitive answers.

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a) If behavioral studies were correct, we could train people to be leaders.
2. We shall briefly reviewed during our lecture three of the most popular studies:

a) Kurt Lewin's studies at the University of Iowa.

Explored three leadership styles

- ***autocratic*** - leader dictated work methods
- ***democratic*** - involved employees in decision making
  - used feedback to coach employees
- ***laissez-faire*** - gave the group complete freedom

– satisfaction higher with democratic leader

b) The Ohio State group.

- identified two dimensions of leadership
  - ***Initiating structure***
  - ***Consideration***

c) The University of Michigan studies.

– Studied leaders' behaviors related to worker motivation and group performance

– Identified two dimensions of behavior:
- **Job centered** (Initiating Structure)
- **Employee centered** (Showing Consideration)

Are There Identifiable Leadership Behaviors?

1. One of the first studies; Kurt Lewin and his associates at the University of Iowa. Three leadership behaviors or styles: autocratic, democratic, and laissez-faire.
2. An autocratic style tends to centralize authority, dictate work methods, etc.
3. The democratic style tends to involve employees in decision making, delegates authority, encourages participation in deciding work methods, and uses feedback to coach employees.
   a) Further classified: consultative and participative.
   b) A democratic-consultative leader seeks input but makes the final decision.
   c) A democratic-participative leader often allows employees to have a "say."
4. The laissez-faire leader generally gives employees complete freedom.
5. Which one of the three leadership styles was most effective?
   a) The laissez-faire style was ineffective on every performance criterion.
   b) Democratic leadership style could contribute to both quantity and high quality of work.
   c) Later studies of autocratic and democratic styles of leadership showed mixed results.
   d) Group members' satisfaction levels were generally higher under a democratic leader.
6. Tannenbaum and Schmidt developed a continuum of leader behaviors.
7. Tannenbaum and Schmidt proposed that managers look at forces within themselves, forces within the employees, and forces within the situation when choosing their style.
8. Suggested that managers should move toward more employee-centered styles in the long run.
   a) Such behaviors would increase employees' motivation, decision quality, teamwork, morale, and development.

Why Were the Ohio State Studies Important?

1. The most comprehensive and replicated of the behavioral theories.
2. These studies sought to identify independent dimensions of leader behavior.
3. Beginning with over 1,000 dimensions, they eventually narrowed the list down to two categories: initiating structure and consideration.
   a) Initiating structure refers to the extent to which a leader is likely to define and structure his or her role and those of employees in the search for goal attainment.

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b) Consideration is defined as the extent to which a leader has job relationships characterized by mutual trust and respect for employees' ideas and feelings.

4. Research found that a leader high in initiating structure and consideration achieved high employee performance and satisfaction more frequently than one who rated low on consideration, initiating structure, or both.

5. However, leader behavior characterized as high on initiating structure led to greater rates of grievances, absenteeism, and turnover etc., for workers performing routine tasks.

Other studies found that high consideration was negatively related to performance ratings of the leader by his or her manager.

Leadership Dimensions of the University of Michigan Studies:

1. Two dimensions of leadership behavior, employee oriented and production oriented.
   a) Employee-oriented leaders emphasized interpersonal relations, took a personal interest in employees' needs, and accepted individual differences among members.
   b) The production-oriented leaders emphasized the technical aspects of the job, focused on accomplishing their group's tasks, and regarded group members as a means to that end.
2. The Michigan researchers strongly favored leaders who were employee oriented.

What Did the Behavioral Theories Teach Us about Leadership?

1. Behavioral researchers have had very little success in identifying consistent relationships between patterns of leadership behavior and successful performance.
2. What was missing, consideration of the situational factors that influence success or failure?

Robert Blake and Jane Mouton

- Developed a managerial grid reflecting Ohio and Michigan dimensions
- The ideal leader has high concern for both production and people

Managerial Grid:

1. A two-dimensional view of leadership style developed by Robert Blake and Jane Mouton.
   a) Based on the styles of "concern for people" and "concern for production."
   b) Essentially represent the Ohio State dimensions of consideration and initiating structure and the Michigan dimensions of employee orientation and production orientation.
2. The grid depicted has nine possible positions along each axis, creating 81 different positions into which a leader's style may fall.
3. The grid shows the dominating factors in a leader's thinking in regard to getting results.
   a) The five key positions are focused on the four corners of the grid and a middle-ground area.
4. Blake and Mouton concluded that managers perform best using a 9,9 style.
5. The grid offers only a framework for conceptualizing leadership style—it offers no answers to the question of what makes an effective leader.

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CONTINGENCY THEORIES OF LEADERSHIP

Both trait and behavioral theories tried to identify the one best leader or style for all situations. By the late 1960s, it became apparent that there is no such universal answer. Predicting leadership success involved something more complex than isolating a few traits or preferable behaviors. It was one thing to say that leadership effectiveness depended on the situation and another to be able to isolate situational conditions.

Leadership effectiveness depends on a *combination* of the:

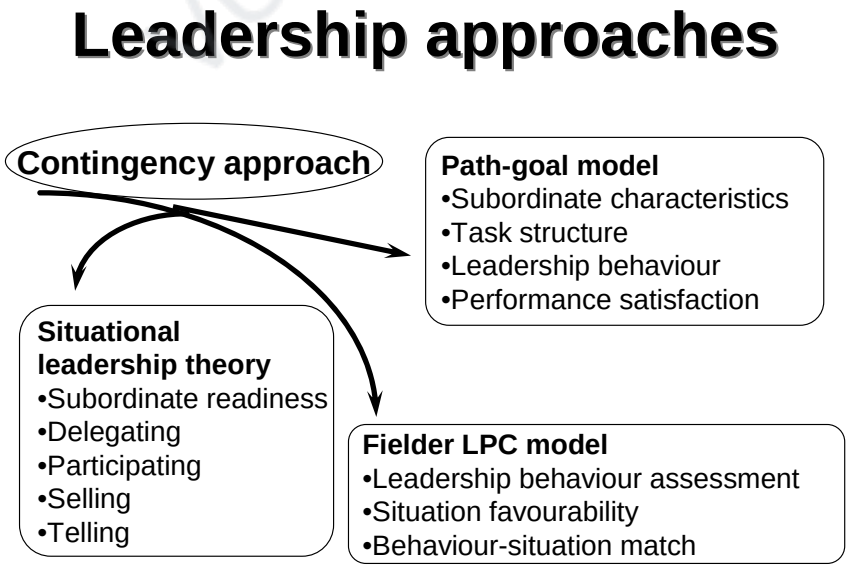
- Leader
- Followers
- Situational factors

During Last 5-6 decades, more than 65 leadership classification systems have been developed. Most agree that leadership effectiveness depends on the leader, the followers, and situation variables. Leaders in different situations need different interests, values, and skills. A leader in a bank differs from one in a factory. Situational factors include the job performed, the workplace culture, and the overall environment

Leadership results when… the ideas and deeds of the leader match the needs and expectations of the follower in a particular situation e.g. Quaid-e-Azam, Nelson Mandela, Adolf Hitler, Sir Syed Ahmad Khan. For leadership to take place, the leader, followers, and situation must match.

The Contingency Approach is based on four assumptions:

- The appropriate leadership style depends on the requirements of the situation.
- Leadership can be learned.
- Successful leadership involves understanding situational contingencies.
- The match between the leader's style, personality or behavior, and the situation leads to effectiveness.



The Fiedler Model

- This is the first comprehensive contingency model for leadership.
- Effective group performance depends on the proper match between the leader's style of interaction and the degree to which the situation gives control and influence to the leader.

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- Fiedler developed an instrument, the **Least-Preferred Co-worker** (LPC) questionnaire that measures the leader's behavioral orientation— either task oriented or relationship oriented.
  - He isolated three situational criteria—leader-member relations, task structure, and position power—that can be manipulated to create the proper match with the behavioral orientation of the leader.
  - This contingency leadership model is an outgrowth of trait theory.
  - Fiedler, however, attempted to isolate situations, relating his personality measure to his situational classification, and then predicting leadership effectiveness.
- Fiedler believed that an individual's basic leadership style is a key factor.
  - The LPC questionnaire contains 16 contrasting adjectives, asks the respondent to think of all the co-workers he or she has ever had, and rates that person on a scale of 1 to 8 for each set of contrasting adjectives.
- What you say about others tells more about you than it tells about the other person.

- If the least-preferred co-worker was described in positive terms (a high LPC score), then the respondent was primarily interested in good personal relations with co-workers.
  - If the least-preferred co-worker is seen in relatively unfavorable terms, the respondent is primarily interested in productivity and thus would be labeled task oriented.
- Fiedler argued that leadership style is innate to a person—you can't change your style.
- It is necessary to match the leader with the situation based on three criteria.

  - **Leader-member relations**—The degree of confidence, trust, and respect subordinates have in their leader.

  - **Task structure**—The degree to which the job assignments of subordinates are structured or unstructured.

  - **Position power**—The degree of influence a leader has over power variables such as hiring, firing, discipline, promotions, and salary increases.

- The next step is to evaluate the situation in terms of these three contingency variables.

  - The better the leader-member relations, the more highly structured the job, and the stronger the position power, the more control or influence the leader has.
  - Fiedler concluded that task-oriented leaders perform best in situations that are very favorable or very unfavorable to them.
  - A moderately favorable situation, however, is best handled through relationship-oriented leadership.

Situational Leadership Theory:

- Paul Hersey and Kenneth Blanchard developed the leadership model.
  - Which is Called situational leadership; it shows how a leader should adjust leadership style to reflect what followers need.
- A contingency theory that focuses on the followers.
  - Successful leadership is contingent on the follower's level of readiness.
- Why focus on the followers? And what do they mean by the term readiness?
  - This emphasis reflects the reality that it is the followers who accept or reject the leader.
  - Regardless of what the leader does, effectiveness depends on the actions of his or her followers.

- The term "readiness" refers to the extent that people have the ability and the willingness to accomplish a specific task.
- Hersey and Blanchard identify four specific behaviors.

  - **Follower: unable and unwilling**

    - Leader: needs to give clear and specific directions (Selling).

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- **Follower: unable but willing**
  - Leader: needs to display high task orientation and high relationship orientation. (Telling)
- **Follower: able but unwilling**
  - Leader: needs to use a supportive and participative style. (participating)
- **Follower: both able and willing**
  - Leader: a lenient approach will work (Delegating)

The most effective behavior depends on a follower's ability and motivations.

- If a follower is unable and unwilling, the leader needs to display high task orientation.
- At the other end of the readiness spectrum, if followers are able and willing, the leader doesn't need to do much.

- Situational leadership has an intuitive appeal—it acknowledges the importance of followers and builds on the idea that leaders can compensate for the lack of ability and motivation of their followers.
- Research efforts to test and support the theory have generally been mixed.

Path-Goal Theory:

1. One of the most respected approaches to leadership is path-goal theory.
2. Developed by Robert House, a contingency model of leadership that extracts key elements from the Ohio State leadership research and the expectancy theory of motivation.
3. The essence of the theory: the leader's job is to assist followers in attaining their goals and to ensure that their goals are compatible with the overall objectives of the group or organization.
4. A leader's behavior is acceptable to employees to the degree that they view it as an immediate source of satisfaction or as a means of future satisfaction.
5. A leader's behavior is motivational to the degree that it
   a) Makes employee need-satisfaction contingent on effective performance.
   b) Provides the coaching, guidance, support, and reward necessary for effective performance.
6. House identified four leadership behaviors;
   a) **The directive leader** tells employees what is expected of them, schedules work, and gives specific guidance as to how to accomplish tasks. It parallels initiating structure.
   b) **The supportive leader** is friendly and shows concern for the needs of employees. It is essentially synonymous with the dimension of consideration.
   c) **The participative leader** consults with employees and uses their suggestions before making a decision.
   d) **The achievement-oriented leader** sets challenging goals and expects employees to perform at their highest levels.
7. In contrast to Fiedler, House assumes that leaders are flexible.
   a) Path-goal theory implies that the same leader can display any or all leadership styles, depending on the situation.
8. path-goal theory proposes two classes of contingency variables:;
   a) **Those in the environment** that are outside the control of the employee (task structure, the formal authority system, and the work group).
      1) Environmental factors determine leader behavior required if employee outcomes are to be maximized.
   b) **Those that are part** of the personal characteristics of the employee (locus of control, experience, and perceived ability).
      1) Personal characteristics determine how the environment and leader behavior are interpreted.

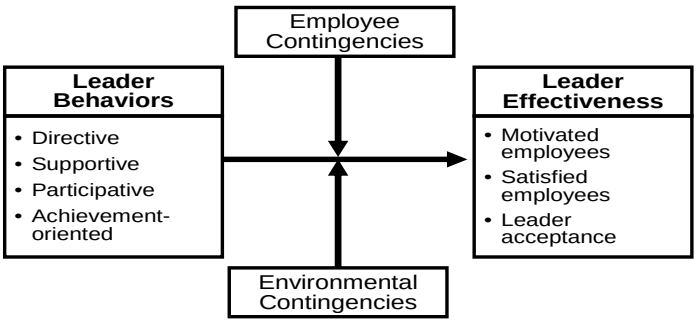
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c) The theory proposes that leader behavior will be ineffective when it is redundant to sources of environmental structure or incongruent with subordinate characteristics.

9. Research to validate path-goal predictions is encouraging, although not all is found positive.

The majority of the evidence supports the logic underlying the theory.

Path-Goal Leadership Model



A Brief History of Leadership Theory:

I. A Trait Approach (1900-1950s): Leaders are born, not made.

- The focus of early leadership research was to find personal traits that distinguished leaders from followers.
- The search was not successful--100s of studies lead to the conclusion that there was no such set of personal characteristics that by themselves distinguished leaders from non-leaders. A few traits such as above average intelligence, responsibility, self confidence, and persistence were associated with leaders, but they are not sufficient explanations.
- Later studies of leadership characteristics led to the conclusion that there were a few general traits that were associated with effective leadership such as self-confidence, stress tolerance, emotional maturity, and integrity--but again no trait or set of traits *by itself* guaranteed leader effectiveness.
- Both the situation and skill also have a lot to do with leadership effectiveness.

II. A Situational Approach: Leaders are made, not born.

- For a short time in the 1950s sociologists tried to demonstrate that the situation determined leadership, but they too were unsuccessful.
- Like the trait approach, the situational approach was doomed to failure because it was too narrow in its view.
- Most contemporary leadership theories now subscribe to the position that traits, behaviors, and situation interact to determine the effectiveness of a leader.

III. A Contingency Approach

Contemporary approaches to leadership acknowledge the importance of matching the traits and leadership behavior to situations to maximize effectiveness.

But the thorny questions are what traits or styles with what situations.

What are the basic situations?
What are the basic styles?
What are the matches that lead to effectiveness?

The Struggle to Explain Leadership

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TRANSACTIONAL, CHARISMATIC AND TRANSFORMATIONAL LEADERSHIP

Effective leaders don't use a single style; they use many different styles and make adjustments based on the situation. An important but often overlooked contingency variables is national culture

New Approaches of Leadership: following are the new approaches of leadership;

1. Transactional
2. Charismatic
3. Transformational

First of all we need to understand the difference between Transactional and Transformational leadership. After this, we will be discussing the Charismatic leadership.

1. Transactional Leadership:

These types of leaders focus on rewards in exchange for motivation, productivity and effective task accomplishment.

2. Transformational:

These types of leaders focus on influencing attitudes and assumptions of staff. Building commitment to the mission and always try to achieve the objective of the organisation.

Transactional leaders differ from transformational leaders

- Most of the leadership theories presented in this chapter address the issue of transactional leaders.
  - These leaders guide or motivate their followers in the direction of established goals by clarifying role and task requirements.
- Transformational leaders inspire followers to transcend their own self-interests for the good of the organization and are capable of having a profound and extraordinary effect on his or her followers.
  - Transformational leaders pay attention to the concerns and developmental needs of individual followers; they change followers' awareness of issues by helping those followers to look at old problems in new ways; and they are able to excite, arouse, and inspire followers to put out extra effort to achieve group goals.
- Transactional and transformational leadership are not opposing approaches.
- Transformational leadership is built on transactional leadership.
  - Transformational leadership produces higher levels of employee effort and performance.
  - It is more than charisma.
  - The transformational leader will attempt to instill in followers the ability to question not only established views but eventually those established by the leader.
- The evidence supporting the superiority of transformational leadership over the transactional variety is overwhelmingly impressive.
- In summary, the overall evidence indicates that transformational leadership is more strongly correlated with lower turnover rates, higher productivity, and higher employee satisfaction.

Differences:

Categories	Transactional	Transformational
Leader's source of power	Rank, position	Character, competence
Follower reaction	Compliance	Commitment
Time frame	Short term	Long term
Rewards	Pay, promotion, etc.	Pride, self-esteem, etc.
Supervision	Important	Less important
Counseling focus	Evaluation	Development

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Charismatic Leadership:

Charismatic leaders have a combination of charm and personal magnetism that contribute to a remarkable ability to get other people to endorse to their vision and promote it passionately.

Charisma Defined: Charisma has been defined various ways. Charisma is a Greek word meaning "divinely inspired gift". In leadership, charisma is a special quality of leaders whose purposes, powers, and extraordinary determination differentiate them from others.

Charisma: A Relationship: Key to charismatic leadership is the interaction between leader and group members. Charismatic qualities must be attributed to the leader by group members and Charismatic leaders use impression management to cultivate their relationships with group members.

- Charismatic leadership theory is an extension of attribution theory.
  - It says that followers make attributions of heroic or extraordinary leadership abilities when they observe certain behaviors.
- Several authors have attempted to identify personal characteristics of the charismatic leader.
  - Robert House has identified three: extremely high confidence, dominance, and strong convictions.
  - Warren Bennis found that they had four common competencies: they had a compelling vision or sense of purpose; they could communicate that vision in clear terms that their followers could readily identify with; they demonstrated consistency and focus in the pursuit of their vision; and they knew their own strengths and capitalized on them.
  - Jay Conger and Rabindra Kanungo at McGill University—charismatic leaders have an idealized goal that they want to achieve and a strong personal commitment to that goal; they are perceived as unconventional; they are assertive and self-confident; and they are perceived as agents of radical change rather than as managers of the status quo.
- There is an increasing body of research that shows impressive correlations between charismatic leadership and high performance and satisfaction among followers.
  - Charismatic leadership may be most appropriate when the follower's task has an ideological component.
  - Second, charismatic leaders may be ideal for pulling an organization through a crisis but become a liability to an organization once the crisis and the need for dramatic change subside.

Trait of a Charismatic Leader:

- Self-confidence
- A vision
- Strong conviction in that vision
- Out of the ordinary behavior
- The image of a change agent

Followers feelings towards Charismatic Leaders

- High Trust
- Obedience
- Emotional involvement
- Satisfaction
- Self-esteem
- Motivation
- Belief in likeliness of success

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Two Types of Charismatic Leaders:

Visionary Leadership:

- Visionary leadership goes beyond charisma. Visionary leadership is the ability to create and articulate a realistic, credible, attractive vision of the future for an organization or organizational unit that grows out of and improves upon the present.
- A vision differs from other forms of direction setting in several ways:
  - "A vision has clear and compelling imagery that offers an innovative way to improve, which recognizes and draws on traditions, and connects to actions that people can take to realize change."
  - Vision taps people's emotions and energy.
- The key properties of a vision seem to be inspirational possibilities that are value centered, realizable, with superior imagery and articulation.
  - Visions should be able to create possibilities that are inspirational, unique, and offer a new order that can produce organizational distinction.
  - Desirable visions fit the times and circumstances and reflect the uniqueness of the organization.
  - People in the organization must also believe that the vision is attainable.

Crisis-Based Charismatic Leaders:

The crisis-produced charismatic leader communicates clearly what actions need to be taken and what their consequences will be in the crisis.

Transformational v. Charismatic Leaders: Some experts say yes, transformation and charismatic are same but emerging view is that:

- Charisma is distinct from transformational leadership
- A personal trait that might help transform, or might just help the leader
- Charismatic leadership might have opposite effect -- creates dependence, not empowerment

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THE LEADER AS AN INDIVIDUAL

We tried to explain during last couple of sessions the theoretically background and approaches to understand this process of leadership. In this lecture we will shift our focus to leader as an individual and try to understand the personality and person part of that individual known as "a leader". To understand this let's try to start from basic personality part.

Personality:
Personality is the pattern of relatively enduring ways in which a person feels, thinks, and behaves. Personality is determined by nature (biological heritage) and nurture (situational factors). Organizational outcomes that have been shown to be predicted by personality include job satisfaction, work stress, and leadership effectiveness. Personality is not a useful predictor of organizational outcomes when there are strong situational constraints. Because personality tends to be stable over time, managers should not expect to change personality in the short run. Leaders should accept employees' personalities as they are and develop effective ways to deal with people. To understand leader we need to understand him/her as individual. For this understanding personality indicator is very important.

The Nature of Personality: People's personalities can be described in a variety of ways: 1). Personality is the pattern of relatively enduring ways in which a person feels, thinks, and behaves. 2). Personality is an important factor in accounting for why employees act the way they do in organizations and why they have favorable or unfavorable attitudes toward their jobs and organizations.

Some Major Forces Influencing Personality:

Personality Determinants: An early argument centered on whether or not personality was the result of heredity or of environment. Personality appears to be a result of both influences. Today, we recognize a third factor—the situation.

Situation

- Influences the effects of heredity and environment on personality
- The different demands of different situations call forth different aspects of one's personality.
- There is no classification scheme that tells the impact of various types of situations.
- Situations seem to differ substantially in the constraints they impose on behavior.

Heredity

Heredity refers to those factors that were determined at conception.

- The heredity approach argues that the ultimate explanation of an individual's personality is the molecular structure of the genes, located in the chromosomes.

- Three different streams of research lend some credibility to the heredity argument:
  - The genetic underpinnings of human behavior and temperament among young children. Evidence demonstrates that traits such as shyness, fear, and distress are most likely caused by inherited genetic characteristics.
  - One hundred sets of identical twins that were separated at birth were studied. Genetics accounts for about 50 percent of the variation in personality differences and over 30 percent of occupational and leisure interest variation.
  - Individual job satisfaction is remarkably stable over time. This indicates that satisfaction is determined by something inherent in the person rather than by external environmental factors.
  - Personality characteristics are not completely dictated by heredity. If they were, they would be fixed at birth and no amount of experience could alter them.

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Environment

- Factors that exert pressures on our personality formation:
  - The culture in which we are raised
  - Early conditioning
  - Norms among our family
  - Friends and social groups
- The environment we are exposed to plays a substantial role in shaping our personalities.
- Culture establishes the norms, attitudes, and values passed from one generation to the next and create consistencies over time.
- The arguments for heredity or environment as the primary determinant of personality are both important.
- Heredity sets the parameters or outer limits, but an individual's full potential will be determined by how well he or she adjusts to the demands and requirements of the environment.

Variables Influencing Individual Behavior
Personality is the function of "The Person" and "The Environment. In other words it is a Person-Situation Interaction.

Relationship of different components in behaviour is show in the following slide.

Types of work-related behaviour:

Values: Values Represent Basic Convictions

- A specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence.
- They have both content and intensity attributes.
- An individual's set of values ranked in terms of intensity is considered the person's value system.
- Values have the tendency to be stable.
- Many of our values were established in our early years from parents, teachers, friends, and others.

Importance of Values

- Values lay the foundation for the understanding of attitudes and motivation.
- Values generally influence attitudes and behaviors. We can predict reaction based on understanding values.

Attitudes: Attitudes are evaluative statements that are either favorable or unfavorable concerning objects, people, or events. Attitudes are not the same as values, but the two are interrelated.

Main Components of Attitudes: There are three components of an attitude

- **Cognitive component**
  - The employee thought he deserved the promotion (cognitive)
- **Affective component**
  - The employee strongly dislikes his supervisor (affective)
- **Behavioral component**
  - The employee is looking for another job (behavioral). In organizations, attitudes are important because of the behavioral component

How Consistent Are Attitudes?

- People sometimes change what they say so it does not contradict what they do.

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- Research has generally concluded that people seek consistency among their attitudes and between their attitudes and their behavior.
- Individuals seek to reconcile divergent attitudes and align their attitudes and behavior so they appear rational and consistent.
- When there is an inconsistency, forces are initiated to return the individual to an equilibrium state where attitudes and behavior are again consistent, by altering either the attitudes or the behavior, or by developing a rationalization for the discrepancy.
- **Cognitive Dissonance Theory**
  Leon Festinger, in the late 1950s, proposed the theory of cognitive dissonance, seeking to explain the linkage between attitudes and behavior. He argued that any form of inconsistency is uncomfortable and that individuals will attempt to reduce the dissonance. Dissonance means "an inconsistency."
  - *Cognitive dissonance* refers to "any incompatibility that an individual might perceive between two or more of his/her attitudes, or between his/her behavior and attitudes. "
  - No individual can completely avoid dissonance.
  - The desire to reduce dissonance would be determined by:
  - The importance of the elements creating the dissonance. Importance: If the elements creating the dissonance are relatively unimportant, the pressure to correct this imbalance will be low.
  - The degree of influence the individual believes he/she has over the elements. Influence: If the dissonance is perceived as an uncontrollable result, they are less likely to be receptive to attitude change. While dissonance exists, it can be rationalized and justified.
  - The rewards that may be involved in dissonance. Rewards: The inherent tension in high dissonance tends to be reduced with high rewards.
  - Moderating factors suggest that individuals will not necessarily move to reduce dissonance.

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Lesson 13

ATTITUDE-PERSONALITY

In lecture 12, we started understanding leader as individual. Continuing from previous lecture, to understand individual knowing the basis of behavior of individuals is very important.

Why is it important to know an individual's values? Although Values strongly influence a person's perception, attitudes and ultimately the behavior; Knowledge of an individual's value system can provide insight into his/her attitudes.

Leaders should be interested in their employees' attitudes because attitudes give warnings of potential problems and because they influence behavior. Satisfied and committed employees, for instance, have lower rates of turnover and absenteeism.

Work attitudes are collections of feelings, beliefs, and thoughts about how to behave that people currently hold about their jobs and organizations.

a. Work attitudes are more specific than values, and not as long lasting.

b. Two work attitudes that have important implications for organizational behavior are "job satisfaction" and "organizational commitment".

Job Satisfaction: It refers to a collection of feelings that an individual holds toward his or her job. A high level of job satisfaction brings positive attitudes toward the job and vice versa. Employee attitudes and job satisfaction are frequently used interchangeably. Often when people speak of "employee attitudes" they mean "employee job satisfaction. Other definition, a pleasurable or positive emotional state resulting from the appraisal of one's job or job experience

Jobs require interaction with coworkers and bosses, following organizational rules and policies, meeting performance standards, living with working conditions that are often less than ideal. This means that an employee's assessment of how satisfied or dissatisfied he or she is with his/her job is a complex summation of a number of discrete job elements.

Four factors affect the level of job satisfaction a person experiences: personality, values, the work situation, and social influence.

Personality: Personality, the enduring ways a person has of feeling, thinking, and behaving, is the first determinant of how people think and feel about their jobs or job satisfaction.

a. Researchers have found that genetic factors accounted for about 30 percent of the differences in levels of job satisfaction across respondents in a study of twins.
b. The study suggested that people seek out jobs that are suited to their genetic make up.
c. Implications for managers include the suggestion that part of job satisfaction is determined by employees' personalities, which an organization or manager cannot change in the short run.
d. However, since 70 percent (as indicated in the twins study) of the variation in job satisfaction remains on other factors, managers/leaders should focus on change or influence in this area.

Values: Values have an impact on levels of job satisfaction because they reflect employees' convictions about the outcomes that work should lead to and how one should behave at work.

Work Situation: Perhaps the most important source of job satisfaction is the work situation itself, the tasks a person performs (for example, how interesting or boring they are), the people, a jobholder interacts with (customers, subordinates, supervisors), the surroundings in which a person works (noise level, crowdedness, temperature), and the way the organization treats the jobholder (working hours, job security, the extent to which pay and benefits are generous or fair).

Organizational Citizenship Behavior: When one think of organization beyond their official responsibility. People start owning the organization and start caring about it beyond the legal or job requirements.

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It seems logical to assume that job satisfaction should be a major determinant of an employee's organizational citizenship behavior. More recent evidence, however, suggests that satisfaction influences organizational citizenship behavior, but through perceptions of fairness.
There is a modest overall relationship between job satisfaction and organizational citizenship behavior. Basically, job satisfaction comes down to conceptions of fair outcomes, treatment, and procedures. When you trust your employer, you are more likely to engage in behaviors that go beyond your formal job requirements.

Organizational Commitment: A state in which an employee identifies with a particular organization and its goals.

Affective Commitment: Emotional attachment to the organization and belief in its values.
Continuance Commitment: Value of remaining with an organization compared to alternatives. Can't afford to leave the organization.

Normative Commitment: Obligation to remain with the organization for moral or ethical reasons.

- **Conditions that enhance:**
  - Job satisfaction (strong, positive relationship)
  - Participation
  - Job security
  - Job characteristics (autonomy, responsibility, interesting work)
- **Advantages:**
  - Lower absenteeism, lower turnover, higher quality, higher productivity, higher performance

An individual's level of organizational commitment is a better indicator of turnover than the far more frequently used job satisfaction predictor because it is a more global and enduring response to the organization as a whole than is job satisfaction.

Job Satisfaction and Absenteeism: We find a consistent negative relationship between satisfaction and absenteeism. The more satisfied you are, the less likely you are to miss work. It makes sense that dissatisfied employees are more likely to miss work, but other factors have an impact on the relationship and reduce the correlation coefficient. For example, you might be a satisfied worker, yet still take a "mental health" to head for the beach now and again.

Job Satisfaction and Turnover: Satisfaction is also negatively related to turnover, but the correlation is stronger than what we found for absenteeism. Other factors such as labor market conditions, expectations about alternative job opportunities, and length of tenure with the organization are important constraints on the actual decision to leave one's current job.

Job Satisfaction and Job Performance: Leader's interest in job satisfaction tends to center on its effect on employee performance. Much research has been done on the impact of job satisfaction on employee job performance, absenteeism, and turnover. Happy workers are not necessarily productive workers—the evidence suggests that productivity is likely to lead to satisfaction. At the organization level, there is renewed support for the original satisfaction-performance relationship. It seems organizations with more satisfied workers as a whole are more productive organizations.

Individual Behavior-Perception: Perception is the process by which individuals select, organize, and interpret the input from their senses (vision, hearing, touch, smell, and taste) to give meaning and order to the world around them. Interpretation of a situation is known as perception. Through perception, people try to make sense of their environment and the objects, events, and other people in it. Play major role on the behaviors of the people.

- Perception has three components:
  - **The perceiver** is the person trying to interpret some observation that he or she has just made, or the input from his or her senses.

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- **The target** of perception is whatever the perceiver is trying to make sense of. In organizational behavior, we are often concerned with person perception, or another person as the target of perception.
- **The situation** is the context in which perception takes place.

Characteristics of all three components influence what is actually perceived

Impression Management: Self-presentation---is the process by which people attempt to manage or control the perceptions other form of them. Impression management is an attempt to control the perceptions or impressions of others.

a. Just as a perceiver actively constructs reality through his or her perceptions, target of perception can also play an active role in managing the perceptions that others have of him or her.

b. People in organizations use several impression management tactics to affect how others perceive them.

c. Five common impression management tactics are:
   1. Behavior matching.
   2. Self-promotion.
   3. Conforming to situational norms.
   4. Appreciating or flattering others.
   5. Being consistent.

Conforming to situational norms—the informal rules of behavior that most members of an organizational follow is a particularly important Impression Management tactic.
People differ in the extent to which they conform to situational norms and engage in other forms of impression management.
Conforming to situational norms can often be difficult for people operating in the international arena. Common courtesies and gestures that are taken for granted in one culture or country may be frowned on or downright insulting in another.
People are likely to engage in impression management when they are likely to benefit from it.

Self-presentation: Is the process by which people attempt to manage or control the perceptions other form of them.

Employee Impression Management Strategies

- Demotion-preventative strategies
  - Accounts
  - Apologies
  - Disassociation
- Promotion-enhancing strategies
  - Entitlement
  - Enhancement
  - Obstacles disclosures
  - Association

Individual as the Independent and Interdependent

Relationship of Culture and the Self is also very important to understand the behavior of individuals. Collectivism and individualism are the two examples.

Collectivism:

Giving priority to the goals of one's group and defining one's identity accordingly. The emphasis is on harmony and blending in.

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Individualism:
Giving priority to personal goals and defining one's identity accordingly. The emphasis is on uniqueness and standing out.

Personality Traits
Locus of Control defines whether a person places the primary responsibility for what happens to him or her within himself/herself or on outside forces. People differ in how much control they believe they have over the situation they are in and over what happens to them. The locus of control trait captures the difference between individuals who seem in control and those who are not.

- ***Externals,*** individuals with an **external locus of control**, tend to believe that outside forces are largely responsible for their fate, and they see little connection between their own actions and what happens to them.
- ***Internals***, individuals with an **internal locus of control**, think that their own actions and behaviors have an impact in determining what happens to them.

In organizations, internals are more easily motivated than externals and do not need as much direct supervision because they are more likely to believe that their work behaviors influence important outcomes such as how well they perform their jobs, and the pay increases, praise, job security, and promotions they receive.

Authoritarianism: The degree to which leaders believe in authoritarianism will influence how they use their power and how they expect subordinates to behave in response. People who are high in authoritarianism would show respect for titles, formal authority, status and rank.

Dogmatism: receptiveness to others' ideas and opinions. Highly dogmatic people are close minded and not receptive to others' ideas.

Self-Esteem: Self-esteem is the extent to which people have pride in themselves and their capabilities. Individuals with high self-esteem think they are generally capable and worthy people who can deal with most situations. Individuals with low self-esteem question their self-worth, doubt their capabilities, and are apprehensive about their ability to succeed in different endeavors. Self-esteem influences people's choices of activities and jobs. In self esteem, challenges and goals are impacted. Positive self-esteem is credited with:

- Enhancing performance.
- Increasing the likelihood of success.
- Fueling motivation.

Type A and Type B Personalities: Individuals who are **Type A** have an intense desire to achieve, are extremely competitive, have a sense of urgency, are impatient, and can be hostile. Because these individuals are so driven, they can be difficult to get along with. These individuals, though they have the drive to accomplish, do not do well in situations that require a lot of interaction with others. These individuals are more likely to have more conflicts.. **Type B** individuals are more relaxed and easygoing. Type B characterized as easy-going, relaxed, and able to listen carefully and communicate more precisely than Type-A individual.

Positive Affect - an individual's tendency to highlight the *positive* aspects of oneself, other people, and the world in general

Negative Affect - an individual's tendency to highlight the *negative* aspects of oneself, other people, and the world in general

Myers-Briggs Type Indicator (MBTI): A series of questions that ask people to indicate their preferred way of acting, thinking, or feeling in different situations. This is a One of the most widely used personality frameworks. It is a 100-question personality test that asks people how they usually feel or act in particular situations.

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Individuals are classified as

- Introversion/Extroversion (E or I)
- Sensing/Intuitive (S or N)
- Feeling/Thinking (F or T)
- Perceiving/Judging (P or J)

These classifications are then combined into sixteen personality types. For example:
INTJs are visionaries. They usually have original minds and great drive for their own ideas and purposes. They are characterized as skeptical, critical, independent, determined, and often stubborn.

- **ESTJs** are organizers. They are realistic, logical, analytical, decisive, and have a natural head for business or mechanics.

- The **ENTP** type is a conceptualizer. He or she is innovative, individualistic, versatile, and attracted to entrepreneurial ideas. This person tends to be resourceful in solving challenging problems but may neglect routine assignments.

- We will discuss in detail about MBTI during our next lecture.

Self-Monitoring: Self-monitoring (SM): is the extent to which people try to control the way they present themselves to others.

High SM: High self monitors want their behavior to be socially acceptable and so are attuned to any social cues that signal appropriate behavior in a situation. The opposite is true for low self-monitors. High self-monitors tend to perform well in sales positions or consulting.

Low SM: low self monitors are not as vigilant to situational cues and act from internal states rather than paying attention to the situation and are useful when open, honest feedback is needed.

Self - Monitoring

- **High Self Monitors**
  - flexible: adjust behavior according to the situation and the behavior of others
  - can appear unpredictable & inconsistent
  - Good in teams
  - Accept feedback well
- **Low Self Monitors**
  - act from internal states rather than from situational cues
  - Consistent, but may also be resistant to change
  - less likely to respond to work group norms or supervisory feedback

Organizational Citizenship Behavior: Behavior that is above and beyond the call of duty. Things that affect OCB may be:

- Job Satisfaction
- Procedural justice

It helps to explain why individual level job satisfaction is related to organizational performance.

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BIG FIVE MODEL, MYERS BRIGGS TYPE INDICATOR (MBTI)

Continuing from previous lectures, we are still at personality part of individuals. One can ask question **is Personality Stable?** Behavior is a function of the situation and the person in the situation

People's personalities can be described in a variety of ways.1). **Personality** is the pattern of relatively enduring ways in which a person feels, thinks, and behaves. 2). Personality is an important factor in accounting for why employees act the way they do in organizations and why they have favorable or unfavorable attitudes toward their jobs and organizations.

Behavioral and social-cognitive theories: Reciprocal determinism: the person, the person's behavior, and the environment all influence one another. Organizational Culture, Values, beliefs, attitudes and assumptions put into *Action* through behavior. To understand it better, we need discuss other models on this subject.

The Big Five Model of Personality: An impressive body of research supports that five basic dimensions underlie all other personality dimensions. The five basic dimensions are:

Extraversion: Comfort level with relationships. Extroverts tend to be gregarious, assertive, and sociable. Interesting in getting ahead, Leading through influencing, Individuals are outgoing; Likes to meet new people and willing to confront others. Introverts tend to be reserved, timid, and quiet.

Agreeableness: Individual's propensity to defer to others. High agreeableness people—cooperative, warm, and trusting. Traits related to getting along with others. Characteristics include warm, easygoing, compassionate, friendly, and sociable. Individuals typically are sociable and have lots of friends. Low agreeableness people—cold, disagreeable, and antagonistic.

Conscientiousness: A measure of reliability. A high conscientious person is responsible, organized, dependable, and persistent. Includes traits related to achievement. Traits include high credibility, conformity, and organization. Individuals typically work hard and put in extra time and effort to meet goals. Those who score low on this dimension are easily distracted, disorganized, and unreliable.

Emotional stability: A person's ability to withstand stress. People with positive emotional stability tend to be calm, self-confident, and secure. The fine line between stable and unstable. Stable is being calm, good under pressure, relaxed, and secure. Unstable is nervous, poor under pressure, insecure. Those with high negative scores tend to be nervous, anxious, depressed, and insecure.

Openness to experience: The range of interests and fascination with novelty. Extremely open people are creative, curious, and artistically sensitive. Trait related to being willing to change and try new things. Individuals typically are willing to take calculated risks. Those at the other end of the openness category are conventional and find comfort in the familiar.

What the MBTI? MBTI is an inventory of preferences for behavior and not a diagnostic psychological test for identifying dysfunction or abilities. It tells you about your preferences for orienting yourself in the world, and for gathering information and making decisions.

Katharine Briggs & **Isabel Myers,** *mother-daughter* team developed Jung's types into the Myers Briggs Type Indicator (MBTI). There are four categories, each with two sub-categories are as follows;

The 4 dimensions: Personality type dependent on 4 dimensions: It is a 100-question personality test that asks people how they usually feel or act in particular situations. Individuals are classified as:

1. Extroverted or introverted (E or I).
2. Sensing or intuitive (S or N).
3. Thinking or feeling (T or F).
4. Perceiving or judging (P or J).

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These classifications are then combined into sixteen personality types. For example:

- **INTJs** are visionaries. They usually have original minds and great drive for their own ideas and purposes. They are characterized as skeptical, critical, independent, determined, and often stubborn.

- **ESTJs** are organizers. They are realistic, logical, analytical, decisive, and have a natural head for business or mechanics.

- The **ENTP** type is a conceptualizer. He or she is innovative, individualistic, versatile, and attracted to entrepreneurial ideas. This person tends to be resourceful in solving challenging problems but may neglect routine assignments.

But also keep in your mind that each pair is of preferences for behavior. They are **not** measures of ability.

History:

- **1920's** – Carl Jung posits that there are underlying personality types
- **1940's** – Katharine Briggs and Isabel Briggs Myers build on Jung's work and create the MBTI test
- **1970's** – Serious work to link MBTI types to careers, love matches, etc.
- **Today** – MBTI widely used in educational, corporate settings

Jung's Core Idea in Psychological Types: When your mind is active, one of two mental activities is occurring:

- **Perceiving** - taking in information
- **Judging** - organizing that information & reaching conclusions

The MBTI Sub-Categories:

- Extraversion ---------- Introversion
- Sensing ---------- iNtuition
- Thinking ---------- Feeling
- Judging ---------- Perceiving

Sub-Categories Defined

- **Focus Attention**:
  - *Extraversion - direct & receive energy from outer world*
  - *Introversion - direct & receive energy from inner world*
- **Take in Data**:
  - *Sensing - data from the five senses*
  - *iNtuition - data from perception of meaning; gut-feeling*
- **Make Decisions**:
  - *Thinking - logical, objective, analytical approach*
  - *Feeling - value-centered, subjective (likes & dislikes)*
- **Orientation to Outer World**:
  - *Judging - live ordered, structured, planned lives*
  - *Perceiving - flexible, spontaneous orientation*

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MBTI Applications in Organizations:

- Management/career development
- Interpersonal communications skills
- Decision making/problem solving styles
- Management/leadership styles
- Organizational change
- Teambuilding
- Handling Diversity
- Conflict management

Energy

Extraversion	**Introversion**
The Extraverted person directs and receives energy from the outside world.	The Introverted person directs and receives energy from the inner world.
prefers action over reflection	prefers reflection over action
prefers oral communication	prefers written communication
shares thoughts freely	guards thoughts until they are (almost) perfect
acts and responds quickly	reflects and thinks deeply
enjoys working in groups	enjoys working alone or with only one or two others

Energy Source:

Extravert	**Introvert**
Talkative	Meditative
Open	Reserved
External	Internal
With a group	Alone
Talks first	Thinks first

Information Gathering:

Sensing	**iNtuition**
The *Sensing* person prefers to gather information in a precise and exact manner.	The *iNtuitive* person prefers to gather information in an inspired or novel manner.
Likes specific examples	Likes general concepts
Prefers following an agenda	Departs from the agenda if necessary
Emphasizes the practical	Emphasizes the theoretical
Seeks predictability	Desires change
Sees difficulties as problems that need specific solutions	Sees difficulties as opportunities for further exploration
Focuses on immediate applications of a situation	Focuses on future possibilities of a situation
Wants to know what *is*	Wants to know what *could be*

Information Gathering

Sensors	**Intuitors**
Facts	Possibilities
Present	Future
Tangible	Abstract
Practical	Imaginative
5 Senses	"6th Sense"

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Decision Making:

Thinking	Feeling
A *Thinking* person seeks general truths and objectivity when making decisions.	A *Feeling* person seeks individual and interpersonal harmony when making decisions.
questions first	accepts first
knows when reason is needed	knows when support is needed
wants things to be logical	Wants things to be pleasant
remains detached when making decisions	remains personally involved when making decisions
controls the expression of feelings	expresses feeling with enthusiasm
overlooks people in favor of tasks	overlooks tasks in favor of people

Decision Making

Thinkers	**Feelers**
Objective	Subjective
Impersonal	Interpersonal
Justice	Mercy
Why	Who
Head	Heart

Lifestyle:

Judging	Perceiving..
The *Judging* person likes to come to closure and act on a decision.	The Perceiving person prefers to remain open and adapt to new information.
Likes things to be settled and ordered	Likes things to be flexible and open
Finishes tasks *before* the deadline	Finishes tasks *at* the deadline
Focuses on goals, results, and achievements	Focuses on processes, options, and openings
Establishes deadlines	Dislikes deadlines
Prefers *no* surprises	Enjoys surprises
Quickly commits to plans or decisions	Reserves the right to change plans or decisions

Life Style:

Judgers	**Spontaneous /Perceiver**
Decisive	Curious
Definite	Optional
Deadline	Guideline
Closure	Open-ended
Now	Later

The MBTI Sub-Categories:

- Extraversion ---------- Introversion
  E **I**
- Sensing ---------- iNtuition
  S **N**
- Thinking ---------- Feeling
  T **F**
- Judging ---------- Perceiving
  J **P**

There are no "good" or "bad" type's only *different* types. Each preference type has a contribution to make to effective teamwork. Each needs the opportunity to make a contribution based upon strengths.

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Lesson 15

SITUATIONAL FACTORS

We understand that leadership is a process and not a position. Three components playing important role in this process are leader, followers and situation. In this lecture, we tried to explain this important component/part of leadership process.

Situation is the environment or circumstances in which an individual performs. Following are the factors that can influence the situation;

- **Task Type:** the nature of the work or assignment can also effect the employees
- **Structure of organization:** The organization structure always depend on the size of the organization. If the structure will be more rigid, more complexities faced by the employees
- **Stress:** Stress in the environment and intensity under which team, organization, or leaders are working also play important role in leadership process and also situation itself.
- **Environment:** The environment itself effect on the situation prevails in the organization. The micro (internal factors) and the macro (external factors) always keep on changing, so that this is big challenge for the leaders to keep the close eyes on changing environment and make decisions accordingly..

Situational factors influence the leadership process:

- **Size of the organization**
- **Organizational life cycle stage**
- **Social and psychological climate**
- **Patterns of employment**
- **Type, place, and purpose of work performed**
- **Culture of the organization**
- **Over all environment**
- **Leader-follower interaction**
- **Leader-follower compatibility**
- **Compatibilities within the followers**

Size of the organization:
Size of the organization varies organization to organization and its operations and activities in which organization involve. An organization's size demands certain types of leadership skills which help to provide right direction. Following two type of leadership, we can see in the organization;

Leaders of small organizations: can be in the form of salespeople, marketing manager and production managers. These leaders organize the system, assign the task, coach the team and evaluate the system. The small organizations have a flexible system and flatter structure. The approach of the small organization is more entrepreneurs.

Leaders of large organizations: In the large organization, the main focus will be on to create public image and future investment plans. The system of the large organization will be more procedural and structure of the large organization will also be more rigid and more complex because of its operations and activities.

Differences between Large and Small Organizations

LARGE	SMALL
Economies of scale	Flexible
Global reach	Regional reach
Complex	Simple
	Flat structure
	Entrepreneurs

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Changes with size

- Formalization increases
- Centralization decreases
- Complexity increases
  - Vertical
  - Horizontal
- Personnel Ratios
  - Top administration Decreases
  - Clerical Ratio Increases
  - Professional Staff Ratio Increases

Growth Rates

- When organizations are growing
  - Administration grows faster
- When organizations are shrinking
  - Administration shrinks more slowly

Organizational life cycle stage:

Every organization has its own life cycle. Which always start from its birth and end with its decline. To save from decline, most of the organization introduces new products and new paths etc.

Birth	Growth	Shakeout	Maturity
Non-bureaucratic	Pre-bureaucratic	Bureaucratic	Very bureaucratic

Social and psychological climate:

Every organization has its own climate of working and environment in which the employees works together. Different factors that influence the organizations climate;

- Confusion
- Anxiety
- Conflicts
- Mistrust
- Stress
- Politics

These factors also play their role on the formulation of situation and ultimately the leadership process.

Patterns of employment:

In today's organization the pattern of the employees also varies from organization to organization. We can now see the permanent or temporary and Short-term or Long-term employees. So it also effects the situation of the organization. Today's people need more job security and befits instead of their services. And organizations are facing more challenges in shape of changing the external environment. So it is another challenge for leadership to create a congenial working environment for satisfaction of employees.

Type, place, and purpose of work performed:

The type of work is an important factor. The Work duties should be clear–cut. The routine or monotonous work could create hostile working environment. Many researcher claims that in today's organization work duties loosely defined which always cause de-motivation and stress.

Culture of the organization:

The system of shared values and beliefs held by organizational members or the system of the shared values norms and behavior that held by the top management is called organizational culture. All organizations have their own cultures;

- **Culture by default:** means the culture already exists from the birth of organization.

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- **Culture by design:** means the culture exists according to its operations and structure.

The Observable Evidence of the organizational culture is;

- Symbols
- Ceremonies
- Stories
- Behaviors
- Language
- Dress

The bottom line is Culture permeates org. behavior BUT Very hard to observe or quantify

Types of Organizational Cultures

- Control cultures
- Collaboration cultures
- Competence cultures
- Cultivation cultures

Culture's Effects on Behavior

Culture effects on behaviors during Communication, Cooperation, Commitment, Decision Making, Implementation, and Leadership style etc.

Organizational Climate:

Organizational Climate is an important dimension that clearly determines organizational climate and environment. An organization should have a reward system to motivate its employee and linked with the performance. A transparent unbiased system in which employees feel satisfied. The standard of the performance should clearly define to the employee and same for each category and related with job description. A congenial and supportive working environment should prevails in the organization for the increasing the productivity of the organization.

Over all environment: The organizational environment is the set of forces surrounding an organization that have the potential to affect the way it operates and its access to scarce resources. Basically organization environment has two dimensions internal and external. This can also be known as Macro and Micro factors or even General Environment and Task Environment. All these factors/forces do affect the leadership process.

Leader-follower interaction:

For running an organization successfully there is need of leader-followers interaction. There should be Leader-follower compatibility for working together in the organization. Proper communication and confidence on each other is very essential for trust and performance.

Similarly, **Leader-follower compatibility** and **Compatibilities within the followers** is also very important for particular situation. All above factor affecting directly or indirectly the situation and ultimately the leadership process.

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BECOMING A LEADER! WHAT DOES IT MEAN & HOW DO YOU GET IT?

Leadership is the exercise of influence by one member of a group or organization over other members to help the group or organization achieve its goals. Formal leaders have formal authority to influence others by virtue of their job/position responsibilities. Informal leaders lack formal authority but influence others by virtue of their special skills or talents.

Becoming a Leader:

The **leaders** of a group, team or organization are the individuals who influence others behavior. Leader effectiveness is the extent to which a leader actually does help a group, team or organization to achieve its goals. Leaders are either appointed by someone external to the group and they are elected by group members themselves. Some people take up role of leader by using their influences. With the passage of time, you can see that leadership will emerge over time. The group members will assess with in the group that who is leader worthy. In this situation, communication style will play a dynamic role. A group member can become a leader if he or she has following qualities/skills;

▪ **Think like a leader** ▪ **Develop your judgment** ▪ **Build leadership traits** ▪ **Build your power base**	▪ **Share your vision** ▪ **Adapt your style** ▪ **Pick the right followers** ▪ **Organize tasks properly**

Foundations of Leadership:

Vision:
Leaders must have, and be able to communicate a vision. Leaders must make the followers see what the organization can become and the success that can be achieved. A Leader must be effective that actually does help a group, team or organization to achieve its goals. An effective leader helps achieve goals. An ineffective leader does not.

Mission Statement:

Every organization needs a mission statement, which is a statement of the purpose of an organization. The mission statement addresses the question: What is the organization's reason for being in business? It broadly outlines the organization's future course and communicates "who we are, what we do, and where we are headed. Mission Statement describes purpose of the organization;

- WHAT – is expected to be achieved
- WHY – is it worthwhile
- HOW – it can be done
- Defines Core Values

Objectives:
Objectives are desired outcomes for individuals, groups, team or entire organizations. The leaders have to provide objectives--specific results that he or she wants the group to achieve. Planning is the first management function, but by providing direction, a manager becomes a leader.

Direction:
A leader must provide a direction for achievement of the objectives to his or her followers that can work toward. A vision is especially important in today's volatile business environment.

Steps to Leadership: The following are the key steps to leadership:

- Identify what is happening (identifying areas requiring leadership)
- Account for what is happening using behavior science theories and concepts

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- Formulate leader actions based on your knowledge of how to motivate employees and how to resolve and manage inter-group conflicts

Leading: Leaders must choose a style to suit the situation in organization to achieve the goals;

- **Employee oriented:** a leader may have an employee oriented style for its effective working with in the group and team.
- **Participative:** a leader may have participative style to motivate other group members to involve in other organizational activities or to motivate employees to support each other in the achievement of organizational goals.
- **Job centered:** a leader may have job centered style to play a hub role in the organization.
- **Autocratic:** a leader may have autocratic style according to the organizational environment exits.

The other factors also play a dynamic role to achieve the organizational role. A leader must;

Influence organization culture: as we know that the culture is the set of values, norms and beliefs define by the organization environment or management, a leader must influence on the organizational culture for making a congenial working environment.

Motivate: Motivation is a frequently used but poorly understood in term dynamics. There are over 140 definitions of the term motivation that have been used in various capacities. Motivation is important because it explains why employees behave as they do. Leaders need to understand this so that they must motivate the employees towards the organizational goals.

Influence communication: Communication is one of the most important processes that take place in organizations. Effective communication allows individuals, groups, teams and organizations to achieve their goals and perform at a high level, and it affects virtually every aspect of organizational behavior. Communication is good or effective when members of organization share information with each other and all parties involved are relatively clear about what information means. So leader must focus on the organizational communication. Good communication prevents many problems from occurring and serves the following functions in an organization.

Influence the group: A leader must have influence on the group or team to achieve the organizational goals. If the leader loses the influence on group or team he or she me lose the game.

Have leadership traits and power: There are so many traits of leader ship which can not be explained and varies from person to person and style to style? But each leader must make sure the achievement of organizational goals in a best way.

Three competency of a Leader: there are three competency of leader;

Leading the Organization:
Leading the organization and put the organization on right path through setting vision, direction and strategy. They also involve in problem solving and decision making. They keenly observe the prevailing politics in the organization and influence other team members. Leaders always try to create a change culture in the organization. For this purpose they take the risks and innovates the new things in the organization by enhancing business skills and knowledge.

Leading others:
One of the leader's competencies is leading and managing others. In the organization, a leader manages the effective teams and groups for achievement of organizational objectives by building and maintaining a working relationship between them. They motivate other and build the trust on team members. One of the major tasks of leader is to develop other, which is more important factor. They set a reward system in the organization and mostly link it with the performance or achievement of goals.

Leading oneself:
This is also very important to leading one self. It is the responsibility of the leader to adopt the changes prevails in the environment. They also increase the self awareness for himself that what is going on in

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the surroundings of the organization. They always try to lean as more as they can. They also develop the culture of ethics and integrity with in the organization.

Developing adaptability, increasing self-awareness, managing yourself, increasing capacity to learn, exhibiting leadership stature, displaying drive and purpose, developing ethics and integrity.
Leaders always know about their strengths, weakness, opportunities, challenges and know who they are as an individual. They also know that "Positions do not possess leadership characteristics, only people possess leadership characteristics."

"Leadership is not a matter of luck. The harder you work, the luckier you are."

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Lesson 17

BECOMING A LEADER

We started this topic in lecture number 16. Becoming a leader! What Does It Mean & How Do You Get It? Three competency of a Leader were discussed. Leading the organization, Leading others and Leading oneself.

Leaders do know their strengths, know their weakness, know their opportunities, know their challenges, know who they are as an individual and do know yourself?
"Leadership is not a matter of luck. The harder you work, the luckier you are."

Career Paths and Leadership:
Every leader has some career path in his professional life. Through career path, a leader moves upwards gradually in the organization and influences other employees through his/her behavior, personality, and attitude. John Maxwell defines Leadership as Influence.
Let's discuss the contribution/work of different people on leadership.

HOWARD HYDEN Leadership Core Competencies:
Howard Hyden explains the leadership core competencies in five categories;

Creating more leaders: Leaders always create more leaders within the groups or team by influencing his/her behavior and trained them for future leadership.
Empowerment (letting go): Leader also believe on the empowerment and delegation of powers to his/her followers. This will encourage them to make independent decisions and also take risks.

- **Communication:** One of the core competencies of leader is a good communicator. Leader always communicates in a well manner. He/she can communicate vision, direction and decisions etc in proper way. Proper communication system in a team/organization cab be key to success.
- **Vision:** Leader are visionary and they keenly observers the dynamics of organization and its environment. Make pro-active decisions and strategy accordingly.
- **Patience:** They are the patience. Take times to understand situation and make logical decisions.
- **Strategic thinking:** They are the strategic thinkers and develop strategies in the changing environments..

TOM PETERS: 10 Traits of Leaders:

Tom peters presents ten traits of leaders which are;

Leaders Create Opportunities: leaders always create the opportunities for his/her followers to move forward and for group, team or organization.
- **Leaders Do!:** leaders always do the right thing right.
- **Leaders re-do:** leaders have the habit of re-do the wrong work or task to correct them. They learn from their mistakes.
- **Leaders Convey a Grand Design:** leader always convey/show a bigger picture of the organization/team to the other employee/followers.
- **Leaders Make Mistakes:** leader may also make mistake and learn lessons from these mistakes.
- **Leaders Nurture Other Leaders:** they also take care for the other members. Provide them opportunities to learn and grow. They develop and train more leaders within their team/organization for future.
- **Leaders are Great Performers:** they are the great performers. They make examples for others to follow.
- **Leaders Accept Responsibility:** they always accept the responsibility for his/her deeds and also for their followers.
- **Leaders Take Breaks:** they also take some break time for relaxation to re-cope energy and strength.
- **Leaders do Stuff That Matters:** they always do important task which are important for team, groups and themselves.

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KEN SHELTON: Seven Traits of Great Leaders:

Leaders identify, cultivate, and inspire enthusiastic followers for achievement of organizational goals. Their Focus in always on their efforts that what they are doing and what they want to do.

- They face and overcome great difficulties occur in the organization.
- They expect more from themselves than they do from others team members.
- They are not afraid to make tough decisions.
- They have a vision and utmost faith in themselves to fulfill that vision.
- They are ambitious for themselves, their companies, and their people.

WARREN BENNIS: Four Competencies of Great Leaders:

Warren Bennis presents the four competencies of great leader.

Management of Attention: leaders are the committed about work and pay full attention to complete the task as per requirement by putting attention on work and other team members.

Management of Meaning: they are innovators as they always make the new ideas, thoughts and provide the guide line that how this can be fulfilled.

Management of Trust: Not only building their own trust but also build trust in others.

Management of Self: they also put attention on self management that how they can improve himself, what new skill they should have learn.

WARREN BENNIS:

Five Common Ingredients of Great Leaders:
- **Vision:** they are visionary.
- **Passion:** they have a great passion of work.
- **Integrity:** they are the honest
- **Trust:** they are the trust worthy.
- **Curiosity and daring:** they are curiosity and bold.

SHEILA MURRAY BETHEL:
Qualities of Leadership: Sheila Murray Bethhel presents the qualities of leadership;

- They have a mission that matters.
- They are big thinkers
- Be ethical
- They are change master
- They are sensitive
- They area risk taker
- They are decision maker
- They use power wisely
- They are a good communicator
- They are team builder
- They are courageous
- They are committed

So we can see that the ideas of mostly the writers are similar and they discuss almost similar trait/ characteristics of a leader. For leadership to occur, someone must provide the spark for action, energy and purpose

Motives for leadership: there are three motives of leadership;
1. **Power**: is the desire to influence, give orders, and carry them out.
2. **Achievement**: is the need to create/ achieve and build something of value

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3. **Affiliation**: is an interest in knowing and helping others.

Power-Oriented Leader: they strive for leadership because of the formal authority it brings. They are the bold and have a dominance role in the organization.

Achievement-Oriented Leader: they want to discover, create, and build some thing. They are the creative and innovators and always try to achieve some thing new. They are competent, skillful and productive.

Affiliation Leader: they have high concern for human welfare and care about others and has a desire to serve. They are helpful, unselfish and considerate of the well being of others.

Points to Remember:

- An individual will prefer one or two social motives over the others. Preference depends on cultural values, personal traits, and experiences.
- Leadership is exerted to satisfy one or a combination of the three motives. Motivated by power, achievement, or affiliation
- Leaders and followers are happiest in situations that allow expression of personal social motives.

We will shift now to another important topic "Power". Does having power make a leader? To answer this question we need to understand basic concepts of power and its relationship with the process of leadership.

Elements of Leadership:

- **Power**: is the possession of control, authority, or influence over others. (Webster's). Leadership power comes from the followers' willingness to be influenced, induced, control and guide.

Sources of Leadership Power:

- The following are the sources of a leader's power;
  1. A leader's authority most commonly stems from the position to which he or she is appointed and the power to reward or punish individuals.
  2. An authority in his or her field has expert power, and others do what is asked of them out of respect. Referent power is based on personal magnetism and charisma.
  3. Formal leaders get some of their authority through their position.
  4. Informal leaders get their authority through charisma.

How Do Some People Become Leaders?

- They are the center of an activity and every one is focusing on him.
- Their personality is so impressive.
- Have a good team of followers
- Persuasion
- Status in the organization formally given by the top management.
- Power/influence

Understanding Power: before understanding power we need to ask some questions by our self;

1. What is power?
2. How do leaders acquire the power needed for leadership?
3. What are organizational politics?
4. How do organizational politics affect the Leadership?

CONCEPT OF POWER:

Power: is the ability of one person or group to cause another person or group to do something they otherwise might not have done is the principal means of directing and controlling organizational goals and activities.

Influence: is the process of affecting the thoughts, behavior, & feelings of another person.

Authority: is the right to influence another person formally given by the organization. A legitimate power is known as authority.

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Principles of Power:

- Power is perceived
- Power is relative
- Power bases must be coordinated
- Power is a double-edged sword (used and abused)

Historian Lord Acton once said, "Power corrupts, and absolute power corrupts absolutely."

Dependency: The Key To Power: If you want to get things done in a group or organization, it helps to have power. As a leader if you want to maximize your power, you will need to increase others' dependence on you. You can, for instance, increase your power in relation to your boss by developing knowledge or a skill that he/she needs and for which he/she perceives no one ready to substitute. You will not be alone in attempting to build your power bases. Others, particularly employees and peers, will be seeking to make you dependent on them. The result is a continual battle. While you seek to maximize others' dependence on you, you will be seeking to minimize your dependence on others, and, of course, others will be trying to do the same.

The General Dependency Postulate

- **The greater B's dependency on A, the greater the power A has over B.**

When you possess anything that others require but that you alone control, you make them dependent upon you and, therefore, you gain power over them.

- **Dependency, then, is inversely proportional to the alternative sources of supply.**

This is why most organizations develop multiple suppliers rather than using just one.

What Creates Dependency?

- **Importance.**
  - To create dependency, the thing(s) you control must be perceived as being important.
  - Organizations actively seek to avoid uncertainty.
  - Therefore, those individuals or groups who can absorb an organization's uncertainty will be perceived as controlling an important resource.
- **Scarcity.**
  - A resource needs to be perceived as scarce to create dependency.
  - Low-ranking members in an organization who have important knowledge not available to high-ranking members gain power over the high-ranking members.
  - The scarcity-dependency relationship can further be seen in the power of occupational categories.
  - Individuals in occupations in which the supply of personnel is low relative to demand can negotiate compensation and benefit packages, which are far more attractive than can those in occupations where there is an abundance of candidates.
  - **Non-substitutability.**
    - The more a resource has no viable substitutes, the more power that control over other resource.

Two Faces of Power:

Personal Power: used for personal gain. It is too dangerous when a person use the power for its own interest. It may destroy the organization.
Social Power: this is used to create motivation and to accomplish group goals.

Forms of Power:

- **Personal power**
  - Use of personal influence of events.
  - not arrogance.
- **Professional power**
  - use of professional expertise and competence, embedded within an organization, to make change or make a contribution.
- **Positional power**
  - Granted by the organization.

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UNDERSTANDING POWER

We started discussing concept of power and try to differentiate power, influence and authority.

Power - the ability to influence another person
Influence - the process of affecting the thoughts, behavior, & feelings of another person
Authority - the right to influence another person. Legitimate power is known as authority.

Sources of Power:
Organizations are composed of people who come together to achieve their common goals. When resources are scarce, people and groups have to compete for them, and some achieve their goals while others do not. In an organization, leaders have the primary responsibility to ensure that competition for resources is free and fair and that people who obtain power over resources do so because they possess skills and abilities that will, in the long run, benefit all members of the organization. Similarly leaders also use different sources of power to influence followers and get things from them.

Sources of Power

1. **Reward power**
   - giving something of value.
2. **Coercive power (Punishment)**
   - force against the will (threat of firing).
3. **Expert power**
   - use of knowledge, competence, expertise.
4. **Referent power**
   - use of charisma to influence others (inspiration)
5. **Legitimate power**
   - position power.
6. **Numbers power**
7. **Others-** legal, public, money

Other Sources of Power

- Connection power
- Information power
- Group decision making power
- Organization power
- Coalition power

1. Reward power: When someone has power to give some thing of value or withhold this. Reward power is the power to give pay raises, promotions, praise, interesting projects, and other rewards to subordinates. As long as subordinates value the rewards, a manager/leader can use reward power to influence and control their behavior.

2. Coercive power (Punishment): Coercive power is the power to give or withhold punishment. Punishments range from suspension to demotion, termination, unpleasant job assignments, or even the withholding of praise and goodwill. The ability to reward or punish subordinates gives supervisors great power, which is sometimes abused. It is for this reason that most organizations have clearly defined rules concerning when and how employees are to be rewarded or punished. Review boards and promotion committees may be used to assist management in this respect.
Coercive power and reward power are actually counterparts of each other. If you can remove something of positive value from another or inflict something of negative value upon him/her, you have coercive power over that person. If you can give someone something of positive value or remove something of negative value, you have reward power over that person.

3. Expert power: Expert power is "influence wielded as a result of expertise, special skill, or knowledge." Expertise has become a powerful source of influence as the world has become more technological. As jobs become more specialized, we become increasingly dependent on experts to achieve goals. Generally, people who possess expert power are promoted up the hierarchy of authority so that their informal power eventually becomes formal.

4. Referent power: Its base is identification with a person who has desirable resources or personal traits. If I admire and identify with you, you can exercise power over me because I want to please you.

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Referent power develops out of admiration of another and a desire to be like that person; it is a lot like charisma. These individuals are often noted for their agreeableness, extroversion, or conscientiousness. Fame is one sign that a person has acquired referent power.

5. **Legitimate power:** In formal groups and organizations, the most frequent access power is one's structural position. It represents the power a person receives as a result of his/her position in the formal hierarchy. Positions of authority include coercive and reward powers. Legitimate power, however, is broader than the power to coerce and reward. It includes acceptance of the authority of a position by members of an organization. Legitimate power confers on an individual the legitimate authority to control and use organizational resources to accomplish organizational goals. Legitimate power is the ultimate source of an individual's power in an organization.

6. **Numbers power:** The formal and informal power using by an individual same time. Especially when number maters. More people are on your side, you can use this to influence.

7. **Others:** other powers are the legal power uses according to the law, public power given by the public to an individual as leader and money power based on financial resources and influences others with the power of money.

Other Sources of Power:

- **Connection power**: connection power is the power based on good connection inside and out side the organization. And by using this power a leader can have achieve the organizational goals.

- **Information power**: Information power is power stemming from access to and control over information. The more information a manager possesses, the better able he or she is to solve problems facing subordinates. Lack of information power forces subordinates to be dependant on superiors for their information needs. Many managers are unwilling to share information power. The most effective organizations do not do this.

- **Group decision making power:** is a power in which leaders make decision in the group and influence the group members.

- **Organization power:** Leaders in particular functions or divisions can take advantage of other sources of power to enhance their individual power. A division or function becomes powerful when the tasks that it performs give it the ability to control the behavior of other divisions or functions, to make them depend on it, and thereby increase its share of organizational resources. The power of a function or division also stems from its importance, or centrality, to the organization. (a. How central it is to the organization's operations and the degree to which it lies at the center of information flows. (b. These functions or divisions have access to a lot of information, which gives them power.

- **Coalition power**: Those "out of power" and seeking to be "in" will first try to increase their power individually. If ineffective, the alternative is to form a coalition—an informal group bound together by the active pursuit of a single issue. Predictions about Coalition Formation. First, coalitions in organizations often seek to maximize their size. Another prediction relates to the degree of interdependence within the organization. Finally, coalition formation will be influenced by the actual tasks that workers do.

Responses to the Use of Power

Responses of the use of power can be divided into three different behaviors. If positional power is used appropriately the response of followers will be compliance. While excessive power use can create resistance behavior. In case some one is using personal power the response is always commitment of followers. Same can be understood from the following figure.

The more you will move toward excessive or coercive power the more you can experience resistance.

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Using Power:

- Knowing the persons who matter in your sphere of influence
- Knowing who holds power
- Using power appropriately to build consensus
- Using Power Appropriately
- Avoidance of power plays

Using Power Ethically: There are some questions that a leader should be asking to him

- Does the behavior produce a good outcome for people both inside and outside the organization?
- Does the behavior respect the rights of all parties?
- Does the behavior treat all parties equitably and fairly?

Three ethical decision criteria are utilitarianism, rights, and justice. The first question you need to answer addresses self-interest versus organizational goals. Ethical actions are consistent with the organization's goals.

The second question concerns the rights of other parties. The final question that needs to be addressed relates to whether or not the political activity conforms to standards of equity and justice. Unfortunately, the answers to these questions are often argued in ways to make unethical practices seem ethical. Powerful people can become very good at explaining self-serving behaviors. They can persuasively argue that unfair actions are really fair and just.

Negative Consequences and Power

Abraham Lincoln once said: "Nearly everyone can stand adversity, but if you want to test a person's true character, give him power". Historian Lord Acton once said, "Power corrupts, and absolute power corrupts absolutely."

How do you get power?

Key words:- Management, People, Motivation, Organization, Team, Culture, Influence, Politics etc.

Influencing: The process of affecting other's attitudes and behavior to achieve an objective. Leadership focuses on the downward influence on their followers. Power does not minimize the importance of lateral and upward influence patterns.

Types of Influence Tactics:

- Rational persuasion
- Consultation
- Personal appeals
- Coalition tactics
- Legitimizing tactics
- Pressure tactics
- Inspirational appeals

Outcomes of Influence

Same way as in case of power, the more you will move toward excessive or coercive influencing tactics or use of power the more you can experience resistance.

Politics: Activities to acquire, develop, and use power and other resources to obtain desired future outcomes when there is uncertainty or disagreement about choices. **Or** "Those activities that are not required as part of one's formal role in the organization, but that influence, or attempt to influence, the distribution of advantages and disadvantages within the organization." This definition encompasses key elements.

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- Political behavior is outside one's specified job requirements.
- It encompasses efforts to influence the goals, criteria, or processes used for decision making.
- It includes such varied political behaviors as withholding key information from decision makers, whistle blowing, spreading rumors, leaking confidential information, etc.

We can also say that Politics is the art of Influencing the Allocation of Scarce Resources. Politics;

- Is an interpersonal endeavor
- Is a collective activity
- Requires analysis and planning
- Involves image

The Reality of Politics: Politics is a fact of life in organizations. Organizations are made up of individuals and groups with different values, goals, and interests. This sets up the potential for conflict over resources. Resources in organizations are also limited, which often turns potential conflict into real conflict. Because resources are limited, not everyone's interests can be provided for causing the conflict.

- Gains by one individual or group are often perceived as being at the expense of others.
- These forces create a competition.
- The most important factor leading to politics within organizations is the realization that most of the "facts" that are used to allocate the limited resources are open to interpretation.
- What is good performance?
- What's an adequate improvement?
- Most managerial decisions take place in the large and ambiguous middle ground of organizational life.
- Because most decisions have to be made in a climate of ambiguity, people within organizations will use whatever influence they can to taint the facts to support their goals and interests. These are activities we call politicking.
- It is possible for an organization to be politics free, if all members of that organization hold the same goals and interests, however, that is not the organization most people work in.

Political Tactics:

- Attacking or blaming others
- Using information as a political tool
- Creating a favorable image (impression management)
- Developing a base of support
- Praising others (ingratiation)
- Forming political coalitions with strong allies
- Associating with influential people
- Creating obligations (reciprocity)

Organizational Factors Which Contribute to Political Behavior

■ Low trust ■ Democratic decision making ■ High performance pressures ■ Scarcity of resources	■ Role ambiguity ■ Self-serving senior managers ■ Unclear evaluation systems ■ Zero-sum allocations

Factors Contributing to Political Behavior

- **Organizational Factors**
  - Political activity is probably more a function of the organization's characteristics than of individual difference variables.
  - When an organization's resources are declining, when the existing pattern of resources is changing, and when there is opportunity for promotions, politics is more likely to surface.

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- Cultures characterized by low trust, role ambiguity, unclear performance evaluation systems, zero-sum reward allocation practices, democratic decision making, high pressures for performance, and self-serving senior managers will create breeding grounds for politicking.
- When organizations downsize to improve efficiency, people may engage in political actions to safeguard what they have.
- Promotion decisions have consistently been found to be one of the most political in organizations.
- The less trust there is within the organization, the higher the level of political behavior and the more likely it will be illegitimate.
- Role ambiguity means that the prescribed behaviors of the employee are not clear.
- There are fewer limits to the scope and functions of the employee's political actions.
- The greater the role ambiguity, the more one can engage in political activity with little chance of it being visible.
- Subjective criteria in the appraisal process
- Subjective performance criteria create ambiguity.
- Single outcome measures encourage doing whatever is necessary to "look good."
- The more time that elapses between an action and its appraisal, the more unlikely that the employee will be held accountable for his/her political behaviors.
- The zero-sum approach treats the reward "pie" as fixed so that any gain one person or group achieves has to come at the expense of another person or group. If I win, you must lose!
- This encourages making others look bad and increasing the visibility of what you do.
- Making organizations less autocratic by asking managers to behave more democratically is not necessarily embraced by all individual managers.
- Sharing their power with others runs directly against some managers' desires.
- The more pressure that employees feel to perform well, the more likely they are to engage in politicking.
- If a person perceives that his or her entire career is riding on the next "whatever," there is motivation to do whatever is necessary to make sure the outcome is favorable.
- When employees see top management successfully engaging in political behavior, a climate is created that supports politicking.

Managing Organizational Politics

- Reduce System Uncertainty
- Reduce Competition
- Break Existing Political Fiefdoms

The exercise of power is an essential ingredient of organizational life, so it is important for an organization to manage organizational politics and harness it to support organizational interests. The management of organizational politics falls primarily on the CEO/leader. If the CEO/leader is perceived of as being weak, other top managers will lobby for their own interests and compete among themselves for control of resources. To avoid power struggles, an organization must have a strong CEO who can balance and manipulate the power structure. When there is a balance of power, the decisions that result from the political process are more likely to favor the long-term interests of the organization.

Managing Political Behavior:

- Maintain open communication
- Clarify performance expectations
- Use participative management
- Encourage cooperation among work groups
- Manage scarce resources well
- Provide a supportive organizational climate

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LEADERSHIP POWER & INFLUENCE

Leaders use power as a means of influencing followers and attaining group goals. Getting things done through others. Leaders achieve goals, and power is a means of facilitating their achievement. Power is the capacity of a leader to influence work actions or decisions.

Sources of Leadership Power:

- There are two sources of the power used by leaders:
  - The power of the position
  - The leader's personal qualities

Position powers:	Person powers:
Reward	Expert
Coercive	Referent
Legitimate	Rational
Information	Charisma

Positional Power:
Coercive Power

- The coercive power base is being dependent on fear.
- It rests on the application, or the threat of application, of physical sanctions such as the infliction of pain, the generation of frustration through restriction of movement, or the controlling by force of basic physiological or safety needs.
- At the organizational level, A has coercive power over B if A can dismiss, suspend, or demote B, assuming that B values his or her job.
- Similarly, if A can assign B work activities that B finds unpleasant or treat B in a manner that B finds embarrassing, A possesses coercive power over B.

Reward Power

- The opposite of coercive power is reward power.
- People comply because doing so produces positive benefits; therefore, one who can distribute rewards that others view as valuable will have power over those others.
- These rewards can be anything that another person values.
- Coercive power and reward power are actually counterparts of each other.

  If you can remove something of positive value from another or inflict something of negative value upon him/her, you have coercive power over that person.

  If you can give someone something of positive value or remove something of negative value, you have reward power over that person.

Legitimate Power

- In formal groups and organizations, the most frequent access power is one's structural position. It represents the power a person receives as a result of his/her position in the formal hierarchy.
- Positions of authority include coercive and reward powers.
- Legitimate power, however, is broader than the power to coerce and reward. It includes acceptance of the authority of a position by members of an organization.

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Person Power:

Expert Power

- Expert power is "influence wielded as a result of expertise, special skill, or knowledge."
- Expertise has become a powerful source of influence as the world has become more technological. As jobs become more specialized, we become increasingly dependent on experts to achieve goals.

Referent Power

- Its base is identification with a person who has desirable resources or personal traits. If I admire and identify with you, you can exercise power over me because I want to please you.
- Referent power develops out of admiration of another and a desire to be like that person; it is a lot like charisma.
- Referent power explains why celebrities are paid millions of dollars to endorse products in commercials.

Charismatic Power

- Charismatic power is an intense form of referent power stemming from an individual's personality, physical, or other abilities that induces others to believe in and follow that person.
- When charismatic power exists, other forms of power lose their significance because followers give the charismatic leader the right to hold the reins of power and make the decisions that define the vision and goals of an organization and its members.
- Many charismatic leaders can excite a whole organization and propel it to new heights.
- Charismatic power can have a dark side; charismatic power can be abused.
- Some argue that charismatic power is an advantage only when a formal hierarchy of authority places some checks on the power of this person.

The Leadership Position

Leadership is needed in all areas of society and at all levels of responsibility

- Power and responsibility come with the office of leadership
- Titles of leadership include:
  - President
  - Chief
  - Captain
  - Manager
  - Director
  - Supervisor

Power is important to get things done and lead the way to get the job done.

Bases of Power: following are the bases of powers;

- **Legitimate power** – based on formal position of the leader
- **Reward Power** – leader's ability to deliver rewards a worker values
- **Coercive Power** – deliver punishment for wrong behavior
- **Expert Power** – belief in superior task knowledge of leader
- **Referent Power** – Personal attractiveness of the leader

Sources of Leader Power:

- Furniture and office arrangements
- Prominently displayed symbols
- Appearances of title and authority
- Choice of clothing
- Presence or absence of crisis

Power Cues:

- Commanding Large Personal Space

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- Maximizing Body Size
- Touching
- Breaking Eye Contact
- No Excessive Smiling
- Avoiding Submissive Language

Being an Effective Leader:

- **First Competency-** an effective leader has people waiting to join the team
- **Second Competency** - a leader of commitment and focus with meaning
- **Third Competency** – the management of trust
- **Fourth Competency** – management of self
- **Fifth Competency**: Focus on providing appropriate delegation.
- **Sixth Competency**: Monitoring or update meetings
- **Seventh Competency**: Develop the skill of letting others "RUN WITH THE BALL"

Asserting Leader Influence:

- Use Rational Persuasion
- Make People Like you
- Develop Allies
- Ask for What You Want
- Extend Formal Authority with Expertise and Credibility

Using Power and Politics for Leader's Future:

- Use Persuasion over Coercion
- Use Patience over Impatience
- Be Open-Minded Rather Than Close-Minded
- Use Compassion over Confrontation
- Use Integrity over Dishonesty

Contrasting Leadership and Power:

Leadership	Power
1. Focuses on goal achievement. 2. Requires goal compatibility with followers. 3. Focuses influence downward.	1. Used as a means for achieving goals. 2. Requires follower dependency. 3. Used to gain lateral and upward influence.

How do Leaders Acquire the Power Needed for Leadership?
Acquiring and using power and influence: There are three dimensions of managerial power and influence.

- Downward.
- Upward.
- Lateral.

Effective Leaders /Managers build and maintain position power and personal power to exercise downward, upward, and lateral influence.

Leadership Authority:

- **Views on leadership authority:**
  - Top-down
  - Bottom-up
  - Lateral

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The top-down theory holds"

Leadership authority is based on position in a social hierarchy. Power flows from the highest level to the lowest
In an organizational pyramid: Workers support managers, Managers support executives. The pyramid serves as the basis of most classical organizational structures

- The top-down concept is the traditional view of leadership.
- The right of authority is derived from the right of private property.

Transfer of authority:

- The Board appoints executives to manage the organization.
- Executives give authority to managers and employees.

Bottom-Up View:

- The bottom-up theory holds that Power flows from below because people can reject a directive by saying no. Saying yes or no affirms or denies the authority of others. This theory was first described by Chester Barnard of AT&T

According to Barnard, an order will be accepted if four conditions are met:

1. The person understands the order what a superior gave.
2. The order is consistent with the organization's goals.
3. The person believes that the order is compatible with his/her interests and he can do what the superior says.
4. The person is mentally and physically able to comply with order.

Leaders must make sure that:

a. Directives fall within their subordinates' zones of acceptance.
b. If not, orders may be met with resistance and even hostility.

Top-Down vs. Bottom-Up

Both views have merit that by accepting employment, employees should acknowledge, the authority of Leaders is to make decisions and give orders, the employee's duty is to comply and obey the orders.

How do Leaders Acquire the Power Needed for Leadership?

Building personal power by:

- **Building expertise**.

Leader can build expertise by getting advanced training and education, participation in professional associations, and project involvement.

- **Learning political know-how**.

Leader may learn the ways to negotiate, persuade, and understand goals and means that others accept.

- **Enhancing likeability.**

Through Pleasant personality characteristics, agreeable behavior patterns, and attractive personal appearance, he may acquire the power.

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Leaders increase the visibility of their job performance by:

a. Expanding contacts with senior people and making a strong network of strong/professional people with in and out side the organization.
b. Making oral presentations of written work.
c. Participating in problem-solving task forces and involve in decision making.
d. Sending out notices of accomplishment to the top management.
e. Seeking opportunities to increase name recognition.

Servant Leadership:

Servant leadership is a calling to serve and is an approach to leadership development.It begins with caring for and wanting to help others. All great leaders are servants first.

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LEADERSHIP AND EMPOWERMENT

During last two lectures we tried to understand the concept of power and its relationship with the process of leadership. In this lecture we will try to understand the concepts of empowerment and its relationship with leadership.

What is Empowerment?

Empowerments is the process of enabling or authorizing an individual to think, behave, take action, and control work and decision making in autonomous ways. It is the state of feeling self-empowered to take control of one's own destiny. OR Empowerment is a social action process that promotes participation of people, organizations, and communities towards the goals of increase individual and community control, political efficacy, improved quality of community life and social justice." (Wallerstein, 1992)

Some other definitions/facts about empowerment are:

- It is a management approach designed to give frontline employees the authority they need to do what needs to be done without having to ask/check with management.
- In spite of the entire favorable buzz, there is little hard evidence that it has really made much difference in routine organizational life.
- The concepts of encouraging and authorizing workers to take the initiative to improve operations, reduce costs, and improve product quality and customer service.
- Some empowerment does exist and, when accompanied by accountability and appropriate guidance, it can lead to increased employee and customer satisfaction.
- Significant employee empowerment is rare, and it is not easy to initiate or maintain.

What are some of the Common Myths about Empowerment?

- Everybody's doing it.
- It's easy.
- Every manager wants empowered employees.
- Every employee wants to be empowered.
- All the manager needs to do is **leave the empowered employees alone**.

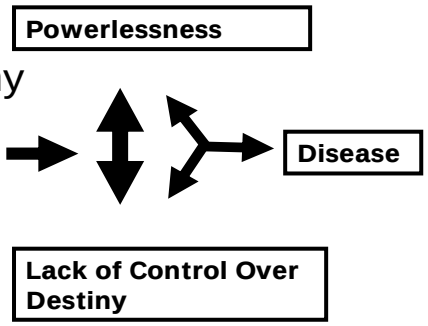
The organization has the responsibility to create a work environment which helps foster the ability and desire of employees to act in empowered ways. The work organization has the responsibility to remove barriers that limit the ability of staff to act in empowered ways. Because every body wants empowerment and every manager/leader wants empowered employees.

Always keep in your mind "Empower your employees"- The most important asset in the organizations. Empowered personnel have "responsibility, a sense of ownership, satisfaction in accomplishments, power over what and how things are done, recognition for their ideas, and the knowledge that they are important to the organization" (Turney 1993: 30). Without productive employees, the organization is nothing and can do nothing. Empowerment works the best when employees need their organization as much as the organization needs them, "and the need is much more than a paycheck and benefit package" (Johnson, 1993: 47).

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Why Important? Powerlessness

- Living in poverty
- Relatively low in hierarchy
- Chronic Stress
- Lack of Social Support
- Income Inequities
- Racial Discrimination



What is Empowerment, and How Can Empower Others?

- **The power keys to empowerment:** there are two views about power keys to empowerment;

  1. **Traditional view:** in traditional view power is relational in terms of individuals.
  2. **Empowerment view:** In empowerment view, the emphasis is on the ability to make things happen. Power is relational in terms of problems and opportunities, not individuals.

- **\Power as an expanding pie:** With empowerment, employees must be trained to expand their power and their new influence potential. Empowerment changes the dynamics between supervisors and subordinates.

- **Ways to Expand Power:** there are different ways to expand power;

  1. Clearly define roles and responsibilities to the employees.
  2. Provide opportunities for creative problem solving coupled with the discretion to act. This is the responsibility of top management.
  3. Emphasize different ways of exercising influence to make sure that every thing is going on smoothly.
  4. Provide support and help to individuals so they become comfortable with developing their power.
  5. Expand inducements for thinking and acting, not just obeying.

Empowerment Outcomes-Organizational:

- **Well-Functioning Services**
  - ✓ Publicly accountable
  - ✓ Efficient
  - ✓ Integrated
  - ✓ Culturally appropriate
  - ✓ Maintained overtime

- **Organizational Effectiveness and Capacity**
  - ✓ Sustainability
  - ✓ Produce outcomes
  - ✓ Effective leadership
  - ✓ Empowering to members
  - ✓ Bridging social capital

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Empowering Organizations:
"At the organizational level, OE [organizational empowerment] refers to organizational efforts that generate PE [personal empowerment] among members and organizational effectiveness needed for goal achievement"

- Provide opportunities for staff to be involved in organizational decision-making, program development, and evaluation.
- Reduce organization hierarchies and supervisory structure so that workers have more control over their work.
- Encourage professional development and team-building among staff.
- Provide resources that facilitate the development of political power among people.
- Regard workers as partners rather than subordinates.

What Is the Bottom line?

- Appropriate employee empowerment is essential to organizational success.
- Everyone claims to empower employees, but this is easier said than done.
- A failed organizational empowerment initiative is at best a waste of time.

Power sharing and Empowerment:

Power sharing: The delegation of power or authority to subordinates in the organization. What's wrong with this concept? Most of the times, after sharing of power or authority, people think that, employee misuse it and their influence on employee will reduce consequently.
Empowerment: being *enabled* to make independent decisions and take effective action.
Guidelines for effective employee empowerment:

• Select the right managers. • Choose the right employees. • Provide training. • Offer guidance. • Hold everyone accountable. • Build trust. • Focus on relationships. • Stress organizational values. • Transform mistakes into opportunities. • Reward and recognize.	• Share authority instead of giving it up. • Encourage dissent. • Give it time. • Accept increased turnover. • Share information. • Realize that empowerment has its limitations. • Involve employees in decision-making.

Chose the Right Managers for proper empowerment:

- Select leaders who are already empowering their colleagues routinely.
- Confront dictatorial leaders.
- Give them a fair chance to change, but make it clear that their odds of success are not good.
- Call attention to leaders who are doing it right, and encourage young leaders to select them as mentors.

Select the Right Employees:

- Identify those people already taking the initiative.
- Explain the risks and benefits of empowerment, and then wait for those who want to stretch to step forward.
- Share information openly, and then identify those with good instincts, confidence and the willingness to take risks.

Provide Adequate Training:

- Identify the most common challenges they will face.
- Demonstrate attitudes and behaviors most likely to be successful.

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- Point out that nothing works every time.
- Celebrate every incremental improvement; perfection is in short supply.
- Enlist them as trainers ASAP.

Share Information:

- Begin by asking what information is needed.
- Encourage everyone to contribute to the information pool.
- Except for personal stuff, avoid secrets.
- Demonstrate openness.
- Invite questions and challenges.
- Change your position readily when new information demands reconsideration.

Hold Everyone Accountable:

- Authority without accountability becomes self-centeredness.
- Every little bit of power is seductive.
- Find out what happened.
- Ask why it happened?
- Inquire whether, on looking back, a better option might have been employed.
- Let the emotion of the moment pass.
- View mistakes as opportunities to grow

Leadership and Empowerment: Empowerment involves sharing or giving power or influence to another. It is the process through which leaders enable and help others to gain power and achieve influence within the organization. When employees feel powerful they are more willing to make decisions and take action.

How Leaders Can Empower Others

- A leader can involve others in selecting their work assignments and tasks
- He creates an environment of cooperation, information sharing, discussions, and shared ownership of goals.
- He encourages others to take initiative, make decisions, and use their knowledge.
- He finds out what others think and let them help design solutions.
- Leader can give others the freedom to put their ideas and solutions into practice.
- He recognizes successes and encourages high performance.

Participative leadership: some characteristics of a participative leader;

- Begins with involving people
- Involvement leads to understanding, which leads to commitment
- Taps the constructive power of people
- Creates a humanistic and productive workplace
- Means understanding the views and interests of all affected

Making a Difference: Treat people as if they were what they should be, and you help them become what they are capable of becoming." Johann von Goethe. Empowerment!

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Lesson 21

MOTIVATION

In lecture number 20, we started understanding the concept of empowerment. Continuing the same concept, we will try to understand delegation before moving to new topic Motivation.

Delegation: Delegation is the handing over a task to another person, usually a subordinate. It is the assignment of authority and responsibility to another person to carry out specific activities. It allows a subordinate to make decisions, i.e. it is a shift of decision-making authority from one organizational level to a lower one.

- **Reasons for Lack of Delegation**

  - Aspects of the leader's personality
  - Fear of subordinate making a mistake
  - High need for personal achievement
  - Characteristics of the subordinate
  - Nature of the work

Guidelines for Delegating

- **What to Delegate**
  - Tasks that can be done better by a subordinate
  - Tasks that are urgent but not high priority
  - Tasks relevant to a subordinate's career
  - Tasks of appropriate difficulty
  - Both pleasant and unpleasant tasks
  - Tasks not central to the manager's role
- **How to Delegate**
  - Specify responsibilities clearly
  - Provide adequate authority and specify limits of discretion
  - Specify reporting requirements
  - Ensure subordinate acceptance of responsibilities
- **How to Manage Delegation**
  - Inform others who need to know
  - Monitor progress in appropriate ways
  - Arrange for the subordinate to receive necessary information
  - Provide support and assistance, but avoid reverse delegation
  - Make mistakes a learning experience

Let's shift to another very important topic Motivation.

Motivation: There are over 140 definitions of the term motivation that have been used in various capacities. Motivation is important because it explains why employees behave as they do. **Work Motivation** can be defined as the psychological forces within a person that determine the direction of a person's behavior in an organization, a person's level of effort, and a person's level of persistence in the face of obstacles.

- **Definition:** Motivation is the result of the interaction of the individual and the situation. Motivation is the processes that account for an individual's **intensity**, **direction**, and **persistence** of effort toward attaining a goal.

- The process that initiates, directs, and sustains behavior to satisfy physiological or psychological needs or wants; the energizing and directing of behavior, the force behind our yearning for food, our longing for sexual intimacy, and our desire to achieve.

Sources of Motivation: Intrinsic and Extrinsic Motivation;

Intrinsically Motivation: is behavior that is performed for its own sake; the source of motivation is actually performing the behavior.

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a. Employees who are intrinsically motivated often remark that their work gives them a sense of accomplishment and achievement or that they feel they are doing something worthwhile.
b. Motives are intrinsic when an independent third party cannot easily verify them.

Extrinsic Motivation: is behavior that is performed to acquire material or social rewards or to avoid punishment.

a. The behavior is not performed for its own sake but rather for its consequences.
b. This form of motivation may be linked to operant conditioning.
c. Motives are extrinsic when they can easily be verified by an independent third party.

Motivation at Work: A historical perspective

Traditional Approach:
Frederick Taylor (Scientific Management): In 1911, Frederick W. Taylor published one of the earliest approaches to job design, The Principles of Scientific Management.

- Taylor was concerned that employees were slacking off and not performing as highly as they should on their jobs.
- Scientific management, a set of principles and practices stressing job. Simplification and specialization, was developed by Taylor to increase the performance of individual employees.
- His premise was that there was one best way to perform any job, and management's responsibility was to determine what that way is.

Assumptions:

- Managers know more than workers.
- Economic gain (money) is the primary motivation for performance.
- Work is inherently unpleasant.

Human Relations Approach

- Emphasized the role of social processes in the workplace.

Assumptions:

- Employees want to feel useful and and important.
- Employees have strong social needs, more important than money.
- Maintaining the appearance of employee participation is important.

Human Resource Approach

Assumptions:

- Employee contributions are important and valuable to the employee and the organization.
- Employees want to and are able to make genuine contributions.
- Management's job is to encourage participation and create a work environment that motivates employees.

Groups of Motivational Theories:

- **Internal**
  - Suggest that variables within the individual give rise to motivation and behavior
  - Example: Maslow's hierarchy of needs theory
- **Process**
  - Emphasize the nature of the interaction between the individual and the environment
  - Example: Expectancy theory
- **External**
  - Focus on environmental elements to explain behavior
  - Example: Two-factor theory

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Why People Do What They Do?

Points about human motivation help explain the complicated relationship between *personal goals* and *work behavior.*

- **Satisfied need is not a motivator.** People are motivated by:
  - What they don't have or have done without
  - A need that is not fully satisfied
  -
- **Employee motivation and company success are related.** Seven practices successful companies share:
  - Employment security
  - Empowered teams and decentralization
  - High compensation
  - Extensive training
  - Reduced status distinctions and barriers
  - Sharing of information
- **Psychological needs and social values are not the same**
  - Psychological forces are the same, but the values are not
  - Psychological needs explain human motivation
  - Social values are the ethics concern
- **The same act can satisfy any motivation levels**
  - One person may work to survive; another may do the same job for recognition or personal satisfaction
- **All people have the same needs, but to different degrees, and accompanied by different wants**
  - What it takes and how much vary by person.
- **A person can be deficiency-motivated, bringing harm to self or others**
  - It is possible to have a fixation so strong it can lead to destructive behavior
  - A healthy person is ready to satisfy other needs
- **Unsatisfied needs can harm your health.**
  - A motivation condition can develop to satisfy the unsatisfied need.
- **Leadership is important in meeting employee needs and preventing motivation problems**
  - What a leader does will vary with the circumstances.
- **The ideal is to integrate the needs of individuals with the goals of the organization**
  - The needs of the individual can be satisfied, while advancing the goals of the organization

Let's discuss basic theories of motivation.

Theory X:
Douglas McGregor concluded that a manager's view of the nature of human beings is based on a certain grouping of assumptions and he or she tends to mold his or her behavior toward employees according to these assumptions. Theory-X Management view that assumes workers generally dislike work and must be forced to do their jobs.
Theories X assumptions are basically negative.

1. Employees inherently dislike work and, whenever possible, will attempt to avoid it.
2. Since employees dislike work, they must be coerced, controlled, or threatened with punishment.
3. Employees will avoid responsibilities and seek formal direction whenever possible.
4. Most workers place security above all other factors and will display little ambition.

Theory Y

Management view that assumes workers like to work and under proper conditions, employees will seek responsibility to satisfy social, esteem, and self-actualization needs

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Theory Y assumptions are basically positive.

1. Employees can view work as being as natural as rest or play.
2. People will exercise self-direction and self-control if they are committed to the objectives.
3. The average person can learn to accept, even seek, responsibility.
4. The ability to make innovative decisions is widely dispersed throughout the population.

What are the implications for managers? This is best explained by using Maslow's framework:

1. Theory X assumes that lower-order needs dominate individuals.
2. Theory Y assumes that higher-order needs dominate individuals.
3. McGregor himself held to the belief that Theory Y assumptions were more valid than Theory X.
4. There is no evidence to confirm that either set of assumptions is valid.
5. Either Theory X or Theory Y assumptions may be appropriate in a particular situation.

Maslow's Hierarchy of Needs: Abraham Maslow's hierarchy of needs is the most well-known theory of motivation. He hypothesized that within every human being there exists a hierarchy of five needs.

1. **Physiological:** Includes hunger, thirst, shelter, sex, and other bodily needs.
2. **Safety:** Includes security and protection from physical and emotional harm
3. **Social:** Includes affection, belongingness, acceptance, and friendship
4. **Esteem:** Includes internal esteem factors such as self-respect, autonomy, and achievement; and external esteem factors such as status, recognition, and attention.
5. **Self-actualization:** The drive to become what one is capable of becoming; includes growth, achieving one's potential, and self-fulfillment

- As a need becomes substantially satisfied, the next need becomes dominant. No need is ever fully gratified; a substantially satisfied need no longer motivates.
- **Maslow separated the five needs into higher and lower orders.**
  - Physiological and safety needs are described as lower-order.
  - Social, esteem, and self-actualization are as higher-order needs.
  - Higher-order needs are satisfied internally.
  - Lower-order needs are predominantly satisfied externally.
- Maslow's need theory has received wide recognition, particularly among practicing managers. Research does not generally validate the theory.
- Maslow provided no empirical substantiation, and several studies that sought to validate the theory found no support for it.

Alderfer's ERG Theory: Clayton Alderfer's existence-relatedness-growth (ERG) theory builds on some of the Maslow's thinking but reduces the number of universal needs from five to three and is more flexible on movement between levels. Alderfer lifts the restriction used by Maslow that lower-order needs must be addressed first.

a. Needs at more than one level can be motivators at any time.
b. Alderfer proposes that when an individual is motivated to satisfy a higher- level need but has difficulty doing so, the person's motivation to satisfy lower-level needs will increase.
   - **Existence**
     - Concerned with providing basic material existence requirements
   - **Relatedness**
     - Desire for maintaining important interpersonal relationships
   - **Growth**
     - Intrinsic desire for personal development

The Research Evidence:

- Though logical, the theories proposed by Maslow and Alderfer do not receive much support from research.
- Difficulties include:
  - It may be unreasonable to expect a relatively small set of needs ordered in a particular fashion to apply to all human beings.

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- It may be unrealistic to expect that all people become motivated by different types of needs in a set order.

Herzberg's Motivation/Hygiene Theory: The Two-Factor Theory is sometimes also called motivation-hygiene theory. Proposed by psychologist Frederick Herzberg when he investigated the question, "What do people want from their jobs?" He asked people to describe, in detail, situations in which they felt exceptionally good or bad about their jobs. These responses were then tabulated and categorized.

Motivators—account for job satisfaction and motivation

- Achievement • Recognition • Work itself
- Responsibility • Advancement

Hygiene factors—cause dissatisfaction with work

- Interpersonal relationships
- Company policy/administration
- Supervision • Salary • Working conditions

From the categorized responses, Herzberg concluded:

- Intrinsic factors, such as advancement, recognition, responsibility, and achievement seem to be related to job satisfaction.
- Dissatisfied respondents tended to cite extrinsic factors, such as supervision, pay, company policies, and working conditions.
- The opposite of satisfaction is not dissatisfaction.
- Removing dissatisfying characteristics from a job does not necessarily make the job satisfying.
- Job satisfaction factors are separate and distinct from job dissatisfaction factors. Managers who eliminate job dissatisfaction factors may not necessarily bring about motivation.
- When hygiene factors are adequate, people will not be dissatisfied; neither will they be satisfied. To motivate people, emphasize factors intrinsically rewarding that are associated with the work itself or to outcomes directly derived from it.

Criticisms of the theory:

- The procedure that Herzberg used is limited by its methodology.
- The reliability of Herzberg's methodology is questioned.
- No overall measure of satisfaction was utilized.
- Herzberg assumed a relationship between satisfaction and productivity, but the research methodology he used looked only at satisfaction, not at productivity.
- Regardless of criticisms, Herzberg's theory has been widely read, and few managers are unfamiliar with his recommendations.
- The popularity of vertically expanding jobs to allow workers greater responsibility can probably be attributed to Herzberg's findings.

This is also known as Two-Factor Theory as explained earlier.

Two-Factor Theory

Motivation factors	Hygiene factors
• Achievement • Recognition • The work itself • Responsibility • Advancement and growth	• Supervisors • Working conditions • Interpersonal relations • Pay and security • Company policies and administration

McClelland's Theory of Needs: The theory focuses on three needs: achievement, power, and affiliation.

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- **Need for achievement**: The drive to excel, to achieve in relation to a set of standards, to strive to succeed
    - Some people have a compelling drive to succeed. They are striving for personal achievement rather than the rewards of success per se. This drive is the achievement need (**nAch**).
    - McClelland found that high achievers differentiate themselves from others by their desire to do things better.
    - They seek personal responsibility for finding solutions to problems.
    - They want to receive rapid feedback on their performance so they can tell easily whether they are improving or not.
    - They can set moderately challenging goals. High achievers are not gamblers; they dislike succeeding by chance.
    - High achievers perform best when they perceive their probability of success as 50-50.
    - They like to set goals that require stretching themselves a little.

- **Need for power**: The need to make others behave in a way that they would not have behaved otherwise,
    - The need for power (**nPow**) is the desire to have impact, to be influential, and to control others.
    - Individuals high in nPow enjoy being "in charge."
    - Strive for influence over others.
    - Prefer to be placed into competitive and status-oriented situations.
    - Tend to be more concerned with prestige and gaining influence over others than with effective performance.

- **Need for affiliation**: The desire for friendly and close interpersonal relationships
    - The third need isolated by McClelland is affiliation (**nAfl**).
    - This need has received the least attention from researchers.
    - Individuals with a high affiliation motive strive for friendship.
    - Prefer cooperative situations rather than competitive ones.
    - Desire relationships involving a high degree of mutual understanding.

Relying on an extensive amount of research, some reasonably well-supported predictions can be made based on the relationship between achievement need and job performance.

Equity Theory: The equity (equity means fairness) theory of work motivation was developed in the 1960s by J. Stacy Adams.

- Equity theory is based on the premise that an employee perceives the relationship between outcomes (what an employee gets from a job and organization) and inputs (what the employee contributes to a job and organization).
- According to equity theory, it is not the objective level of outcomes and inputs that is important. Instead, what is important is the way an employee perceives his or her outcome/input ratio compared to the outcome/input ratio of another person (called a referent by Adams).
- It is the employee's perceptions of the referent's outcomes and inputs that are compared – not any objective measure of actual outcomes or inputs.
- Are the outcomes perceived as being at an appropriate level in comparison to the inputs? Managers need to ensure that different employee's outcome-input ratios are approximately equal so that employees who contribute more inputs receive more outcomes and vice versa.

Equity:

- Equity exists when an individual's outcome/input ratio equals the outcome/input ratio of the referent.
- When employees perceive that the employee's and the referent's outcome/input ratios are proportionally equal, they are motivated either to maintain the status quo or to increase their inputs to receive more outcomes.

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Inequity:

- Inequity, or lack of fairness, exists when outcome/input ratios are not proportionally equal.
- Inequity creates tension and unpleasant feelings inside an employee and a desire to restore equity.

There are two types of inequity:

- Overpayment inequity exists when an individual perceives that his or her outcome/input ratio is greater than that of a referent.
- Underpayment inequity exists when a person perceives that his or her outcome/input ratio is less than that of a referent.

Ways to Restore Equity:

- Employees can change their inputs or outcomes.
- Employees try to change their referents' inputs or outcomes.
- Employees change their perceptions of inputs and outcomes (either their own or the referents').
- Employees can change their referent.
- Employees leave the job or organization or force the referent to leave.

Expectancy Theory:

- Expectancy theory is one of the most widely accepted explanations of motivation. Victor Vroom's expectancy theory has its critics but most of the research is supportive.
- Expectancy theory argues that the strength of a tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual.
- It says that an employee will be motivated to exert a high level of effort when he/she believes that:
  - Effort will lead to a good performance appraisal.
  - That a good appraisal will lead to organizational rewards.
  - That the rewards will satisfy his/her personal goals.

Three key relationships

1. Effort-performance relationship: the probability perceived by the individual that exerting a given amount of effort will lead to performance
2. Performance-reward relationship: the degree to which the individual believes that performing at a particular level will lead to the attainment of a desired outcome
3. Rewards-personal goals relationship: the degree to which organizational rewards satisfy an individual's personal goals or needs and the attractiveness of those potential rewards for the individual

Expectancy theory helps explain why a lot of workers merely do the minimum necessary to get by. For example:

If I give a maximum effort, will it be recognized in my performance appraisal?

- No, if the organization's performance appraisal assesses nonperformance factors. The employee, rightly or wrongly, perceives that his/her boss does not like him/her.

If I get a good performance appraisal, will it lead to organizational rewards?

- Typically many employees see the performance-reward relationship in their job as weak.

If I am rewarded, are the rewards ones that I find personally attractive?

- It is important that the rewards be tailored to individual employee needs

- The key to expectancy theory is the understanding of an individual's goals and the linkage between effort and performance, between performance and rewards, and finally, between the rewards and individual goal satisfaction.
- As a contingency model, expectancy theory recognizes that there is no universal principle for

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explaining everyone's motivations.

- Attempts to validate the theory have been complicated by methodological criterion and measurement problems.
- Published studies that purport to support or negate the theory must be viewed with caution.
- Importantly, most studies have failed to replicate the methodology as it was originally proposed.
- Some critics suggest that the theory has only limited use, arguing that it tends to be more valid for predicting in situations where effort-performance and performance-reward linkages are clearly perceived by the individual.

Reinforcement Theory: In contrast to Goal-Setting theory, which is a cognitive approach, Reinforcement theory is a behaviorist approach. It argues that reinforcement conditions behavior.

Reinforcement theorists see behavior as being environmentally caused. Reinforcement theory ignores the inner state of the individual and concentrates solely on what happens to a person when he or she takes some action.

Concepts:

- Behavior is environmentally caused.
- Behavior can be modified (reinforced) by providing (controlling) consequences.
- Reinforced behavior tends to be repeated

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MOTIVATION AT WORK, MOTIVATION AND LEADERSHIP

Work motivation explains why employees behave as they do. Four prominent theories about work motivation **need theory**, **expectancy theory**, **equity theory,** and **organizational justice theory** provide complementary approaches to understanding and managing motivation in organizations. Similarly **Abraham Maslow's hierarchy of needs** also help us to understand the employees work behavior. Each theory answers different questions about the motivational process.

Work motivation can be defined as the psychological forces within a person that determine the direction of a person's behavior in an organization, a person's level of effort, and a person's level of persistence in the face of obstacles.

Three Approaches to Motivation:

Individual Differences Approach: Treats motivation as a characteristic of the individual.

Job & Organization Approach: Emphasizes the design of jobs and the general organizational environment

Managerial Approach: Focuses on behaviors of managers, in particular, their use of goals and rewards

Needs Theories of Motivation:

- **Basic idea:** Individuals have needs that, when unsatisfied, will result in motivation. Different theories already discussed in chapter number 21 can also explain this phenomenon.

  - **Maslow's Hierarchy of Needs:** Abraham Maslow's hierarchy of needs is the most well-known theory of motivation. He hypothesized that within every human being there exists a hierarchy of five needs

  - **Motivation-Hygiene theory:** hygiene theory. Proposed by psychologist Frederick Herzberg when he investigated the question, "What do people want from their jobs?" He asked people to describe, in detail, situations in which they felt exceptionally good or bad about their jobs.

  - **Alderfer's ERG theory**: Clayton Alderfer's existence-relatedness-growth (ERG) theory builds on some of Maslow's thinking but reduces the number of universal needs from five to three and is more flexible on movement between levels.

  - **McClelland's Theory of Needs:** The theory focuses on three needs: achievement, power, and affiliation. Need for achievement: The drive to excel, to achieve in relation to a set of standards, to strive to succeed

What Factors Diminish Motivation in the Workplace?

- Meaningless tasks
- Red tape
- Lack of clear goals
- Failure to set priorities
- Distractions
- Over-commitment
- Information overload
- No positive feedback
- Lack of autonomy
- Unpredictable change in direction
- Lack of recognition
- Absence of humor
- Micromanagement
- Failure to delegate
- Bureaucratic hurdles
- Interpersonal conflict
- Lack of accountability

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What are Some of the Results of Poor Motivation in the Workplace?

- Laziness
- Failure
- Poor quality
- Resistance
- Avoidance
- Tardiness
- Burnout
- Demoralization
- Frustration
- Conflict
- Lack of meaning
- Absence of pride
- Resentment
- Turnover
- Detachment
- Discouragement
- Negative organizational culture

Causes of Motivational Problems:

- Belief that effort will not result in performance.
- Belief that performance will not result in rewards.

What are Some of the Most Powerful Motivators in our Lives?

- Commitment
- Money
- Meaning
- Recognition
- Love
- Participation
- Emotion
- Appreciation
- Collegiality
- Competition
- Hate
- Religious beliefs
- Sense of accomplishment
- Cultural norms
- Chance to make a difference
- Independence
- Opportunity to serve
- Duty
- Habit
- High energy level
- Perceived need for change

How Can You Motivate Yourself?

- Stick with your passions.
- Share your enthusiasm.
- Hang out with high achievers.
- Flavor tedium with pleasure.
- Go with your strengths.
- Make lists.
- Stay focused on results.
- Just do something.

How Can You Motivate Others?

- Associate with highly motivated people.
- Set a measurable goal.
- Make a compelling case.
- Use emotional temptation.
- Set a fire and keep it going.
- Make it fun.
- Explain how.
- Keep doing something new and different.
- Celebrate

Employee Motivation:

- Good leadership is key
- Create a culture of trust
- Encourage risk taking

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- Foster ownership
- Goal-directed efforts

Applying Motivational Concepts:

- Recognize individual differences
- Match people to jobs
- Set challenging goals
- Encourage participation
- Individualize rewards
- Link rewards to performance
- Check for equity
- Don't ignore money

Conditions of Leadership Motivation:

- **Leadership generates motivation when:**
  - It increases the number and kinds of payoffs
  - Path to the goal is clear and easily traveled with coaching and direction
  - Obstacles and roadblocks are removed
  - The work itself is personally satisfying

Money as a Motivator:

- According to Maslow and Alderfer, pay should prove especially motivational to people who have strong lower-level needs.
- If pay has this capacity to fulfill a variety of needs, then it should have good potential as a motivator.

The Role of Money:

- They value their services and place high value on them
- They perceive money as symbol of their achievement
- They do not remain in low paying organization
- They are very self – confident
- Know their abilities and limitations

Methods for Motivating Employees:

- Set Goals
- Use Pay for Performance
- Improve Merit Pay
- Use Recognition
- Use Positive Reinforcement
- Use Behavior Management
- Empower Employees
- Enrich the Jobs
- Use Skill-Based Pay
- Provide Lifelong Learning
- Create motivating environment
- Be positive

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LEADERSHIP COMMUNICATION

Communication is one of the most important processes that take place in any organizations. Effective communication allows individuals, groups, teams and organizations to achieve their goals and perform at a high level, and it affects virtually every aspect of organizational behavior.
One of the defining features of communication is the sharing of information with other people.

Another defining feature is *reaching a common understanding*. In this case, **communication** is the sharing of information between two or more individuals or groups to reach a common understanding. Reaching a *common understanding* does not mean that people have to agree with each other.

Communication is good or effective when members of organization share information with each other and all parties involved are relatively clear about what information means.

Why is this important???
Effective communication is important in organizations because it affects practically every aspect of organizational behavior. Good communication prevents many problems from occurring and serves as motivation in an organization. Why it is important for leaders?

As a leader:

- You need people to understand what you are talking about.
- You must take into consideration other people's needs.
- You need to be able to hear others opinions and ideas.
- You need to organize and capitalize on the best ideas.
- You need to delegate.

A good leader spend 70% of day on communicating to share vision, motivate team members/employees, pass the information and build the relationship with other people.

How Communication Works:
Before communication can take place a purpose expressed as a message to be conveyed, is needed.

- It passes between a source (the sender) and a receiver.
- The message is encoded (converted to symbolic form) and is passed by way of some medium (channel) to the receiver, who retranslates (decodes) the message initiated by the sender.
- The result is transference of meaning from one person to another.

The communication model is made up of eight parts: the source, encoding, the message, the channel, decoding, the receiver, noise, and feedback:

- The source initiates a message by encoding a thought.
- The message is the actual physical product from the source.
- The channel is the medium through which the message travels.
- The receiver is the object to whom the message is directed.
- Decoding—the symbols in the message must be translated into a form that can be understood by the receiver.
- The receiver is limited by his/her skills, attitudes, knowledge, and social-cultural system.
- Noise represents communication barriers that distort the clarity of the message.
- Feedback is the check on how successful we have been in transferring our messages as originally intended.

Communications experts tell us that effective communication is the result of a common understanding between the communicator and the receiver. In fact the word communication is derived from the Latin "communis", meaning "common."

Communication & the Four Management Functions:

Planning:

- Gather information

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- Write memos, letters, reports
- Meet to formulate plans

Organizing:
- Gather info about state of organization
- Communicate new structure

Directing:
- Communicate plan and strategy
- Motivate employees

Controlling:
- Feedback; "How we doing?"

Communication Principles:
- Communication has purpose
- Communication is continuous
- Communication is relational
- Communication is culturally bound
- Communication has ethical implications
- Communication is learned

Downward

- Communication that flows from one level of a group organization to a lower level is a downward communication. This is typically what we think of when managers communicate with workers.
- Its purpose is to assign goals, provide instructions, communicate policies and procedures, provide feedback, etc.
- It does not have to be face-to-face or an oral communication.

Upward
- Upward communication flows to a higher level in the group or organization.
- It is used to provide feedback to higher-ups, inform them of progress, and relay current problems.
- Examples of upward communication are: performance reports prepared by lower management for review by middle and top management, suggestion boxes, employee attitude surveys, etc.

Lateral
- When communication takes place among members of the same work group, among members of work groups at the same level, among managers at the same level, or among any horizontally equivalent personnel, horizontal communications are often necessary to save time and facilitate coordination. In some cases, these lateral relationships are formally sanctioned. Often, they are informally created to short-circuit the vertical hierarchy and expedite action.
- They can create dysfunctional conflicts when the formal vertical channels are breached, when members go above or around their superiors to get things done, or when bosses find out that actions have been taken or decisions made without their knowledge.

Communication Types:

Speaking Skills
- Speeches/Lectures
- Conversation
- Counseling

Writing skills
Presentation/Briefing skills
Actions

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Interpersonal Communication:

- **Oral Communication**
  - Oral communication is the chief means of conveying messages. Speeches, formal one-on-one and group discussions, and informal rumor mill or grapevine are popular forms of oral communication.
  - Advantages are speed and feedback. A major disadvantage arises when the message must be passed through a number of people. This increases the potential for distortion.

- **Written Communication**
  - Written communications include memos, letters, electronic mail, faxes, periodicals, bulletin boards, etc.
  - Advantages include that they are tangible and verifiable. A written record is available for later use. People are more careful when communication is via written word.
  - Drawbacks include: time-consuming, lack of feedback, and no guarantee of receipt.

- **Nonverbal Communication**
  - We send a nonverbal message every time we send a verbal one. At times the nonverbal message may stand alone. They include body movements, facial expressions, and the physical distance between sender and receiver.
  - We use body language to convey a message and typically do unconsciously.
  - The two most important messages body language conveys is the extent to which an individual likes another and is interested in his or her views and the relative perceived status between sender and receiver.
  - Intonations can change the meaning of a message.
  - Facial expressions convey meaning.
  - Physical distance or the way individuals space themselves also has meaning.
  - Proper physical spacing is dependent on cultural norms.

Barriers to Effective Communication:

A. Filtering

- Filter refers to a sender's purposely manipulating information so it will be seen as more favorable by the receiver. For example, telling the boss what she wants to hear.
- The more levels in an organization's structure, the more opportunities there are for filtering. Being reluctant to give bad news, or trying to please one's boss distorts upward communications.

B. Selective Perception

- Receivers in their communication process selectively see and hear based on their needs, motivations, experience, background, and other personal characteristics.
- Receivers project their interests and expectations into communications as they decode them.

C. Information Overload

- When the information we have to work with exceeds our processing capacity, the result is information overload.
- The result is they tend to select out, ignore, pass over, or forget information. Or they may put it aside until the overload situation is over. The result is lost information and less effective communication.

D. Emotions

- How a receiver feels at the time a message is received will influence how he or she interprets it. Extreme emotions are likely to hinder effective communication.
- During those times we are most likely to disregard objective thinking and substitute emotions for judgments.

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E. Language

- Words mean different things to different people. English—our common language—is far from uniform in usage.
- Individuals interpret meanings in different ways. For example, incentives and quotas are often perceived as implying manipulation causing resentment among lower levels of the organization.

F. Communication Apprehension

- An estimated five-to-twenty percent of the population suffer from communication apprehension. They experience undue tension or anxiety in oral and/or written communication. They may find it difficult to talk with others face-to-face or on the telephone.
- Studies show those affected with communication apprehension avoid jobs where communication is a dominant requirement.

Managers need to be aware there is a group of people who severely limit their communications with others and rationalize the behavior telling themselves it is not necessary for them to do their jobs effectively.

Overcoming and Preventing Communication Barriers:

- Be sensitive to the fact that cross-cultural communication barriers exist.
- Challenge your cultural assumptions.
- Show respect for all workers.
- Use straightforward language, and speak slowly and clearly.
- Look for signs of misunderstanding when your language is not the listener's native language
- When the situation is appropriate, speak the language of the people from another culture
- Observe cross-cultural differences
- Do not be sidetracked by style, accent, grammar, or personal appearance
- Be sensitive to differences in nonverbal communication

Formal vs. Informal Communication

- **Formal Communication:** Formal reporting relationships in an organization reflect one type of organizational communication network. Formal reporting relationships emerge from the chain of command established by an organization's hierarchy. Communication flows up and down the hierarchy of the organization from superiors to subordinates and vice versa.

- **Informal Communication:** Informal communication is more spontaneous communication occurring without regard for the formal channels of communication**.**

Nonverbal Behaviors of Communication:

- Eye contact
- Facial Expressions
- Gestures
- Posture and body orientation
- Proximity
- Vocal

Nonverbal Communication:

- We send a nonverbal message every time we send a verbal one. At times the nonverbal message may stand alone. They include body movements, facial expressions, and the physical distance between sender and receiver.
- We use body language to convey a message and typically do unconsciously.
- The two most important messages body language conveys is the extent to which an individual likes another and is interested in his or her views and the relative perceived status between sender and receiver.
- Intonations can change the meaning of a message.

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- Facial expressions convey meaning.
- Physical distance or the way individuals space themselves also has meaning.
- Proper physical spacing is dependent on cultural norms.

Effective communication occurs only if the receiver understands the exact information or idea that the sender intended to transmit.

Keys to Effective Communication:

✓ Who is the audience?
  - Have you targeted them correctly?
  - Can you push the right buttons?

✓ What is your message?
✓ What is the desired affect?
✓ Clarity/Conciseness
✓ Honesty/Knowledge/Expertise

Some Dos and Don't during communication

Do	Don't
▪ Smile ▪ Look them in the eye ▪ Look them in the eye Invade their space bubble ▪ Take charge	▪ Have sad/bored face ▪ Have a creepy stare! ▪ Act bossy, as if you are above others

The Communication Planning Process:

- Before communication can take place a purpose expressed as a message to be conveyed, is needed.
  - It passes between a source (the sender) and a receiver.
  - The message is encoded (converted to symbolic form) and is passed by way of some medium (channel) to the receiver, who retranslates (decodes) the message initiated by the sender.
  - The result is transference of meaning from one person to another.

- The communication model is made up of eight parts: the source, encoding, the message, the channel, decoding, the receiver, noise, and feedback:
  - The source initiates a message by encoding a thought.
  - The message is the actual physical product from the source.
  - The channel is the medium through which the message travels.
  - The receiver is the object to whom the message is directed.
  - Decoding—the symbols in the message must be translated into a form that can be understood by the receiver.
  - The receiver is limited by his/her skills, attitudes, knowledge, and social-cultural system.
  - Noise represents communication barriers that distort the clarity of the message.
  - Feedback is the check on how successful we have been in transferring our messages as originally intended.

Models of Communication:

- **Action Model:** Sender to Receiver
- **Interaction Model:** Receiver gives feedback to Sender
- **Transactional Model:** Both Sender and Receiver are in simultaneous communication

Communication in Organization: Communication is a process that links the individual, the group, and the organization.

- There are three common small-group networks: the chain, wheel, and all-channel.

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- The chain rigidly follows the formal chain of command.
- The wheel relies on the leader to act as the central conduit for all the group's communication.
- The all-channel network permits all group members to actively communicate with each other.

The effectiveness of each network depends on the dependent variable with which you are concerned. No single network will be best for all occasions

Major Problems of Organizational Communication:

- Employees don't trust leaders
- Leaders resist hearing the truth
- Info filtered by chain of command
- Different goal/perspectives

Communication and Leadership:

- Effective leaders are also effective communicators.
- To be effective, the leader must synchronize verbal and nonverbal behavior.
- Technology has had a meaningful impact on leaders' communication and coordination

"In areas of leadership there is no talent more essential than one's ability to communicate."

Guarino (1974, p. 1)

The Leader as Communication Champion:

- Establish credibility
- Build goals on common ground
- Make your position compelling to others
- Connect emotionally

Strong relationships are built on *mutual* understanding. Leadership is a dialogue, not a monologue

- Dialogue requires listening to others and sharing of yourself
- **Personal credibility**: do what you say you will do.

Through effective communication, relationships are built, trust is established, and respect is gained.

Reducing Communication Barriers:

Leaders must have a plan that can be used to reduce barriers to effective communication through;

- Establishing effective interpersonal relations
- Managing position power
- Being an active listener
- Acquiring feedback
- Displaying empathy
- Applying ethics to the conversation

Speaking Hints:

- When speaking or trying to explain something, ask the listeners if they are following you.
- Ensure the receiver has a chance to comment or ask questions.
- Try to put yourself in the other person's shoes - Consider the feelings of the receiver.
- Be clear about what you say.
- Look at the receiver. Make sure your words match your tone and body language (Nonverbal Behaviors).
- Vary your tone and pace.
- Do not complicate what you are saying with too much detail.
- Do not ignore signs of confusion.

Leadership is about listening:

- Hearing
- Understanding

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- Remembering
- Interpreting
- Evaluating
- Responding
- Hearing

Leaders and Communications

> Leaders articulate and define what has previously been unsaid. Communications creates meaning for people. It's the only way any group, small or large, can become aligned behind the overarching goals of an organization
>
> Warren Bennis and Burt Nanus
> *Leaders*

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REVIEW-1

Lecture 24 is mainly to review what ever we covered so far during our 23 lectures. The idea was to give you opportunities to review and refresh the topics we covered so far.

Title of our course/subject MGT 623 is **"Leadership and Team Management"**

We can divide this topic into two components, the Leadership and team dynamics to understand each component separately and ultimately understanding the subject Leadership & team management and applying these concepts at workplace.

Today's effective leaders must have the capability and confidence to build and develop focused and motivated teams that deliver outstanding operational performance in line with the strategic goals of the organization. This course highlights the processes and techniques leaders have at their disposal to develop their effectiveness and maintain top team performance.

The course derives its roots from the basics of organizational management. In order to build a strong footing for learning of the concepts of leadership and team management, we need to understand the concepts of organization.

I tried to give basic information about organization. An **Organization** is a deliberate arrangement of people to accomplish some specific purpose or goals.

As we are discussing the leadership and team management the main focus reference to an organization are the people. **Focusing on People: the Key to Success.**

Organizational Performance:

The organizational performance is judge by their profit, effectiveness and efficiency.

- **Productivity**
  - An overall measure of the quantity and quality of work performance with resource utilization taken into account.
- **Performance effectiveness**
  - An output measure of task or goal accomplishment**.**
- **Performance efficiency**
  - An input measure of the resource costs associated with goal accomplishment.

That is the Role of Management?

Management is more concern about building working relationship with others, help the team members to develop the skills for better performance, providing help to develop team work among them and providing them with a conducive/quality environment for performance and satisfaction. In this connection, management should know that each individual is a value-added worker and if they are satisfied and motivated, organization can achieve their goals efficiently and effectively.

What is Leadership?

Concept of Leadership is very important in organizations because leaders are the ones who make things happen. Without leaders, an organization would find it difficult to get things done. Leaders mostly help others to learn – just as a coach would help players play instead of playing himself. This lecture introduces students to the concept of leadership and leadership effectiveness by providing working definitions and by emphasizing the cultural limitations of the concepts. It presents several cultural models that are used throughout the text to explain cross-cultural difference in leadership. There is no

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universally agreeable definition of leadership. Just go and type "leadership" on Google and you can find more than 186,000,000 different pages of reference on web. It involves influencing attitudes, behaviors, beliefs and feelings of people and believes to be an important topic.

Peter Drucker the guru of Management defines Leadership as "The only definition of a leader is someone who has followers." While John C Maxwell defines "leadership is influence - nothing more, nothing less." According to John W. Gardner Leadership is "the process of persuasion and example by which an individual (or leadership team) induces a group to take action that is in accord with the leader's purpose, or the shared purposes of all."

Leaders are those persons who are able to influence others and who possess managerial authority.

Leadership, then, is the ability to influence a group toward the achievement of goals. *Trust* is the foundation of leadership. Leaders develop an environment of trust where the organizational members tend to establish a follower-ship with the leader.

Successful leaders…..

- Communicate
- Motivate
- Build Teams
- Solve Problems
- Resolve Conflicts
- Manage Change
- Promote Creativity
- Communicate
- Motivate
- Build Teams
- Solve Problems
- Resolve Conflicts
- Manage Change
- Promote Creativity

Successful leaders-Challenge the process, Inspire a shared vision, Enable others to act, Model the way, Encourage the followers, Change agent, Take followers to the destination

Do we need leaders?

Consider how life would be different without leadership

- Families
- Education
- Businesses
- Service associations
- Teams
- Countries
- World

Why Study Leadership?

- Understanding leadership helps organizations:
  - select the right people for leadership positions
  - train people in leadership positions to improve

- Who benefits?
  - leaders
  - followers
  - organizations

Leaders are Effective When

- The group achieves its goals

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- Internal processes are smooth
- The group can adapt to external forces

Why Leaders Fail?

- Insensitive, abrasive, bullying style
- Cold, aloof, arrogant
- Betrayal of personal trust
- Overly ambitious
- Specific performance problems
- Micro-managing—does not build a team
- Unable to select good subordinates

Leaders Vs Managers

Leaders

– Innovate
– Develop
– Inspire
– Take the long-term view
– Ask what and why
– Originate
– Challenge the status quo.
– Do the right things

Managers

➔ Administer
➔ Maintain
➔ Control
➔ Have a short-term view
➔ Ask how and when
➔ Imitate
➔ Accept the status quo
➔Do things right

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What "Followers" Expect

- Traits desired in a leader:
  - Integrity
  - Consistency
  - Listen and discern needs
  - Open-minded
  - Honest w/themselves; Inspire trust
  - Calm
  - Stays focused while handling a volatile situation
  - One who brings out the best in me

Trust: The Foundation of Leadership

The foundations of trust are Integrity, Competence, Consistency, Loyalty and Openness.

Importance of Followers

- Followers' actions/attitudes influence their leader
  - For better or worse
- Qualities of effective followers are same ones we want in leaders
- Performance of leaders & followers are variables that depend upon one another

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Follower Traits That Influence the Leadership Process are like Values Norms, Cohesiveness, Expectations, Personality, Maturity, Competency levels, Motivation, Number of followers, Trust and confidence etc.

What Followers Want

- **Leaders to be** Honest**,** Forward -Thinking**,** Inspiring and Competent
- **Colleagues to be** Honest, Cooperative, Dependable and Competent

Trait Approach: "Leaders are born, not made." Leaders possess certain traits that make them leaders. **Common Traits like** Intelligence, Dominance, Self-confidence, High energy level, Task relevant knowledge etc.

Behavior Approach: There are behavioral determinants of leadership which can be learned. People can be trained to be effective leaders.

Contingency Approach/Theory: Effective leaders don't use a single style; they use many different styles and make adjustments based on the situation**.** An important but often overlooked contingency variables is national culture

Leadership approaches/New theory:

- **Transformational Leadership:** Focus on influencing attitudes and assumptions of staff. Building commitment to the mission and objective of the organisation

- **Transactional Leadership:** Focus on rewards in exchange for motivation, productivity and effective task accomplishment

- **Charismatic Leadership:** Traits of a Charismatic Leader are Self-confidence, with A vision, Strong conviction in that vision, Out of the ordinary behavior, The image of a change agent

Now we will shift our focus to leader as an individual and try to understand the personality and person part of that individual known as "a leader". To understand this let's try to start from basic personality part.

Personality:

Personality is the pattern of relatively enduring ways in which a person feels, thinks, and behaves. Personality is determined by nature (biological heritage) and nurture (situational factors). Organizational outcomes that have been shown to be predicted by personality include job satisfaction, work stress, and leadership effectiveness. Personality is not a useful predictor of organizational outcomes when there are strong situational constraints. Because personality tends to be stable over time, managers should not expect to change personality in the short run. Leaders should accept employees' personalities as they are and develop effective ways to deal with people. To understand leader we need to understand him/her as individual. For this understanding personality indicator is very important.

Some Major Forces Influencing Personality:

Personality Determinants: An early argument centered on whether or not personality was the result of heredity or of environment. Personality appears to be a result of both influences. Today, we recognize a third factor—the situation.

Personality is the function of "The Person" and "The Environment. In other words it is a Person-Situation Interaction.

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Types of work-related behaviour:

Values: Values Represent Basic Convictions

- A specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence.
- They have both content and intensity attributes.
- An individual's set of values ranked in terms of intensity is considered the person's value system.
- Values have the tendency to be stable.
- Many of our values were established in our early years from parents, teachers, friends, and others.

Importance of Values

- Values lay the foundation for the understanding of attitudes and motivation.
- Values generally influence attitudes and behaviors. We can predict reaction based on understanding values.

Attitudes: Attitudes are evaluative statements that are either favorable or unfavorable concerning objects, people, or events. Attitudes are not the same as values, but the two are interrelated.

Main Components of Attitudes: There are three components of an attitude

- **Cognitive component**
  - The employee thought he deserved the promotion (cognitive)
- **Affective component**
  - The employee strongly dislikes his supervisor (affective)
- **Behavioral component**
  - The employee is looking for another job (behavioral). In organizations, attitudes are important because of the behavioral component

Continuing from previous discussion, to understand individual knowing the basis of behavior of individuals is very important.

Why is it important to know an individual's values? Although Values strongly influence a person's perception, attitudes and ultimately the behavior. Knowledge of an individual's value system can provide insight into his/her attitudes.

Leaders should be interested in their employees' attitudes because attitudes give warnings of potential problems and because they influence behavior. Satisfied and committed employees, for instance, have lower rates of turnover and absenteeism.

Individual Behavior-Perception: Perception is the process by which individuals select, organize, and interpret the input from their senses (vision, hearing, touch, smell, and taste) to give meaning and order to the world around them. Interpretation of a situation is known as perception. Through perception, people try to make sense of their environment and the objects, events, and other people in it. Play major role on the behaviors of the people.

- Perception has three components:
  - **The perceiver** is the person trying to interpret some observation that he or she has just made, or the input from his or her senses.
  - **The target** of perception is whatever the perceiver is trying to make sense of. In organizational behavior, we are often concerned with person perception, or another person as the target of perception.

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- **The situation** is the context in which perception takes place.

Characteristics of all three components influence what is actually perceived

Type A and Type B Personalities: Individuals who are **Type A** have an intense desire to achieve, are extremely competitive, have a sense of urgency, are impatient, and can be hostile. Because these individuals are so driven, they can be difficult to get along with. These individuals, though they have the drive to accomplish, do not do well in situations that require a lot of interaction with others. These individuals are more likely to have more conflicts.. **Type B** individuals are more relaxed and easygoing. Type B characterized as easy-going, relaxed, and able to listen carefully and communicate more precisely than Type-A individual.

Positive Affect - an individual's tendency to highlight the *positive* aspects of oneself, other people, and the world in general

Negative Affect - an individual's tendency to highlight the *negative* aspects of oneself, other people, and the world in general

The Big Five Model of Personality: An impressive body of research supports that five basic dimensions underlie all other personality dimensions. The five basic dimensions are:

Extraversion. Comfort level with relationships. Extroverts tend to be gregarious, assertive, and sociable. Interesting in getting ahead, Leading through influencing, Individuals are outgoing; Likes to meet new people and willing to confront others. Introverts tend to be reserved, timid, and quiet.

Agreeableness: Individual's propensity to defer to others. High agreeableness people—cooperative, warm, and trusting. Traits related to getting along with others. Characteristics include warm, easygoing, compassionate, friendly, and sociable. Individuals typically are sociable and have lots of friends. Low agreeableness people—cold, disagreeable, and antagonistic.

Conscientiousness: A measure of reliability. A high conscientious person is responsible, organized, dependable, and persistent. Includes traits related to achievement. Traits include high credibility, conformity, and organization. Individuals typically work hard and put in extra time and effort to meet goals. Those who score low on this dimension are easily distracted, disorganized, and unreliable.

Emotional stability: A person's ability to withstand stress. People with positive emotional stability tend to be calm, self-confident, and secure. The fine line between stable and unstable. Stable is being calm, good under pressure, relaxed, and secure. Unstable is nervous, poor under pressure, insecure. Those with high negative scores tend to be nervous, anxious, depressed, and insecure.

Openness to experience: The range of interests and fascination with novelty. Extremely open people are creative, curious, and artistically sensitive. Trait related to being willing to change and try new things. Individuals typically are willing to take calculated risks. Those at the other end of the openness category are conventional and find comfort in the familiar.

What the MBTI? MBTI is an inventory of preferences for behavior and not a diagnostic psychological test for identifying dysfunction or abilities. It tells you about your preferences for orienting yourself in the world, and for gathering information and making decisions.

Katharine Briggs & **Isabel Myers,** *mother-daughter* team developed Jung's types into the Myers Briggs Type Indicator (MBTI). There are four categories, each with two sub-categories are as follows;

The 4 dimensions: Personality type dependent on 4 dimensions: It is a 100-question personality test that asks people how they usually feel or act in particular situations. Individuals are classified as:

1. Extroverted or introverted (E or I).
2. Sensing or intuitive (S or N).
3. Thinking or feeling (T or F).

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4. Perceiving or judging (P or J).

These classifications are then combined into sixteen personality types. For example:

- **INTJs** are visionaries. They usually have original minds and great drive for their own ideas and purposes. They are characterized as skeptical, critical, independent, determined, and often stubborn.
- **ESTJs** are organizers. They are realistic, logical, analytical, decisive, and have a natural head for business or mechanics.
- The **ENTP** type is a conceptualizer. He or she is innovative, individualistic, versatile, and attracted to entrepreneurial ideas. This person tends to be resourceful in solving challenging problems but may neglect routine assignments.

But also keep in your mind that each pair is of preferences for behavior. They are **not** measures of ability.

The MBTI Sub-Categories:

- Extraversion ---------- Introversion
  E **I**
- Sensing ---------- iNtuition
  S **N**
- Thinking ---------- Feeling
  T **F**
- Judging ---------- Perceiving
  J **P**

There are no "good" or "bad" type's only *different* types. Each preference type has a contribution to make to effective teamwork. Each needs the opportunity to make a contribution based upon strengths.

We understand that leadership is a process and not a position. Three components playing important role in this process are leader, followers and situation. In this lecture, we tried to explain this important component/part of leadership process.

Situation is the environment or circumstances in which an individual performs. Following are the factors that can influence the situation;

Situational factors influence the leadership process:

- Size of the organization
- Organizational life cycle stage
- Social and psychological climate
- Patterns of employment
- Type, place, and purpose of work performed
- Culture of the organization
- Over all environment
- Leader-follower interaction
- Leader-follower compatibility
- Compatibilities within the followers

The organizational environment is the set of forces surrounding an organization that have the potential to affect the way it operates and its access to scarce resources. Basically organization environment has two dimensions internal and external. This can also be known as Macro and Micro factors or even General Environment and Task Environment. All these factors/forces do affect the leadership process.

Becoming a Leader:

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The **leaders** of a group, team or organization are the individuals who influence others behavior. Leader effectiveness is the extent to which a leader actually does help a group, team or organization to achieve its goals. Leaders are either appointed by someone external to the group and they are elected by group members themselves. Some people take up role of leader by using their influences. With the passage of time, you can see that leadership will emerge over time. The group members will assess with in the group that who is leader worthy. In this situation, communication style will play a dynamic role. A group member can become a leader if he or she has following qualities/skills;

▪ **Think like a leader** ▪ **Develop your judgment** ▪ **Build leadership traits** ▪ **Build your power base**	▪ **Share your vision** ▪ **Adapt your style** ▪ **Pick the right followers** ▪ **Organize tasks properly**

Three competency of a Leader: there are three competency of leader;

Leading the Organization:
Leading the organization and put the organization on right path through setting vision, direction and strategy. They also involve in problem solving and decision making. They keenly observe the prevailing politics in the organization and influence other team members. Leaders always try to create a change culture in the organization. For this purpose they take the risks and innovates the new things in the organization by enhancing business skills and knowledge.

Leading others:
One of the leader's competencies is leading and managing others. In the organization, a leader manages the effective teams and groups for achievement of organizational objectives by building and maintaining a working relationship between them. They motivate other and build the trust on team members. One of the major tasks of leader is to develop other, which is more important factor. They set a reward system in the organization and mostly link it with the performance or achievement of goals.

Leading oneself:
This is also very important to leading one self. It is the responsibility of the leader to adopt the changes prevails in the environment. They also increase the self awareness for himself that what is going on in the surroundings of the organization. They always try to lean as more as they can. They also develop the culture of ethics and integrity with in the organization.

Developing adaptability, increasing self-awareness, managing yourself, increasing capacity to learn, exhibiting leadership stature, displaying drive and purpose, developing ethics and integrity.
Leaders always know about their strengths, weakness, opportunities, challenges and know who they are as an individual. They also know that "Positions do not possess leadership characteristics, only people possess leadership characteristics."

"Leadership is not a matter of luck. The harder you work, the luckier you are."

1. **Power**: is the desire to influence, give orders, and carry them out.
2. **Achievement**: is the need to create/ achieve and build something of value
3. **Affiliation**: is an interest in knowing and helping others.

Power-Oriented Leader: they strive for leadership because of the formal authority it brings. They are the bold and have a dominance role in the organization.

Achievement-Oriented Leader: they want to discover, create, and build some thing. They are the creative and innovators and always try to achieve some thing new. They are competent, skillful and productive.

Affiliation Leader: they have high concern for human welfare and care about others and has a desire to serve. They are helpful, unselfish and considerate of the well being of others.

Points to Remember:

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- An individual will prefer one or two social motives over the others. Preference depends on cultural values, personal traits, and experiences.
- Leadership is exerted to satisfy one or a combination of the three motives. Motivated by power, achievement, or affiliation
- Leaders and followers are happiest in situations that allow expression of personal social motives.

We will shift now to another important topic "Power". Does having power make a leader? To answer this question we need to understand basic concepts of power and its relationship with the process of leadership.

- **Power**: is the possession of control, authority, or influence over others. (Webster's). Leadership power comes from the followers' willingness to be influenced, induced, control and guide.

Sources of Leadership Power:

- The following are the sources of a leader's power;
  1. A leader's authority most commonly stems from the position to which he or she is appointed and the power to reward or punish individuals.
  2. An authority in his or her field has expert power, and others do what is asked of them out of respect. Referent power is based on personal magnetism and charisma.
  3. Formal leaders get some of their authority through their position.
  4. Informal leaders get their authority through charisma.

Understanding Power: before understanding power we need to ask some questions by our self;
1. What is power?
2. How do leaders acquire the power needed for leadership?
3. What are organizational politics?
4. How do organizational politics affect the Leadership?

CONCEPT OF POWER:

Power: is the ability of one person or group to cause another person or group to do something they otherwise might not have done is the principal means of directing and controlling organizational goals and activities.

Influence: is the process of affecting the thoughts, behavior, & feelings of another person.

Authority: is the right to influence another person formally given by the organization. A legitimate power is known as authority.

Principles of Power:
- Power is perceived
- Power is relative
- Power bases must be coordinated
- Power is a double-edged sword (used and abused)

Historian Lord Acton once said, "Power corrupts, and absolute power corrupts absolutely."

Dependency: The Key To Power: If you want to get things done in a group or organization, it helps to have power. As a leader if you want to maximize your power, you will need to increase others' dependence on you. You can, for instance, increase your power in relation to your boss by developing knowledge or a skill that he/she needs and for which he/she perceives no one ready to substitute. You will not be alone in attempting to build your power bases. Others, particularly employees and peers, will be seeking to make you dependent on them. The result is a continual battle. While you seek to maximize others' dependence on you, you will be seeking to minimize your dependence on others, and, of course, others will be trying to do the same.

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Forms of Power:

- **Personal power**
  - use of personal influence of events.
  - not arrogance.
- **Professional power**
  - use of professional expertise and competence, embedded within an organization, to make change or make a contribution.
- **Positional power**
  - granted by the organization.

Responses of the use of power can be divided into three different behaviors. If positional power is used appropriately the response of followers will be compliance. While excessive power use can create resistance behavior. In case some one is using personal power the response is always commitment of followers. Same can be understood from the following figure.

The more you will move toward excessive or coercive power the more you can experience resistance.

How do you get power?

- Key words
  - Management
  - People
  - Motivation
  - Organization
  - Team
  - Culture
  - Influence
  - Politics

Organizational Factors Which Contribute to Political Behavior

■ Low trust ■ Democratic decision making ■ High performance pressures ■ Scarcity of resources	■ Role ambiguity ■ Self-serving senior managers ■ Unclear evaluation systems ■ Zero-sum allocations

Managing Organizational Politics

- Reduce System Uncertainty
- Reduce Competition
- Break Existing Political Fiefdoms

Managing Political Behavior:

- Maintain open communication
- Clarify performance expectations
- Use participative management
- Encourage cooperation among work groups
- Manage scarce resources well
- Provide a supportive organizational climate

What is Empowerment?

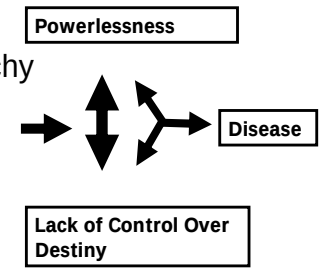
Empowerments is the process of enabling or authorizing an individual to think, behave, take action, and control work and decision making in autonomous ways. It is the state of feeling self-empowered to take control of one's own destiny. OR

Empowerment is a social action process that promotes participation of people, organizations, and communities towards the goals of increase individual and community control, political efficacy, improved quality of community life and social justice." (Wallerstein, 1992)

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Why Important? Powerlessness

- Living in poverty
- Relatively low in hierarchy
- Chronic Stress
- Lack of Social Support
- Income Inequities
- Racial Discrimination



What is Empowerment, and How Can Empower Others?

- **The power keys to empowerment:** there are two views about power keys to empowerment;
    1. **Traditional view:** in traditional view power is relational in terms of individuals.
    2. **Empowerment view:** In empowerment view, the emphasis is on the ability to make things happen. Power is relational in terms of problems and opportunities, not individuals.

Empowering Organizations:

"At the organizational level, OE [organizational empowerment] refers to organizational efforts that generate PE [personal empowerment] among members and organizational effectiveness needed for goal achievement"

- Provide opportunities for staff to be involved in organizational decision-making, program development, and evaluation.
- Reduce organization hierarchies and supervisory structure so that workers have more control over their work.
- Encourage professional development and team-building among staff.
- Provide resources that facilitate the development of political power among people.
- Regard workers as partners rather than subordinates.

What Is the Bottom line?

- Appropriate employee empowerment is essential to organizational success.
- Everyone claims to empower employees, but this is easier said than done.
- A failed organizational empowerment initiative is at best a waste of time.

Power sharing and Empowerment:

Power sharing: The delegation of power or authority to subordinates in the organization. What's wrong with this concept? Most of the times, after sharing of power or authority, people think that, employee misuse it and their influence on employee will reduce consequently.
Empowerment: being *enabled* to make independent decisions and take effective action.

Guidelines for effective employee empowerment:

• Select the right managers. • Choose the right employees. • Provide training. • Offer guidance. • Hold everyone accountable. • Build trust.	• Share authority instead of giving it up. • Encourage dissent. • Give it time. • Accept increased turnover. • Share information. • Realize that empowerment has its

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• Focus on relationships. • Stress organizational values. • Transform mistakes into opportunities. • Reward and recognize.	limitations. • Involve employees in decision-making.

Leadership and Empowerment: Empowerment involves sharing or giving power or influence to another. It is the process through which leaders enable and help others to gain power and achieve influence within the organization. When employees feel powerful they are more willing to make decisions and take action.

How Leaders Can Empower Others:
- A leader can involve others in selecting their work assignments and tasks
- He creates an environment of cooperation, information sharing, discussions, and shared ownership of goals.
- He encourages others to take initiative, make decisions, and use their knowledge.
- He finds out what others think and let them help design solutions.
- Leader can give others the freedom to put their ideas and solutions into practice.
- He recognizes successes and encourages high performance.

Participative leadership: some characteristics of a participative leader;
- Begins with involving people
- Involvement leads to understanding, which leads to commitment
- Taps the constructive power of people
- Creates a humanistic and productive workplace
- Means understanding the views and interests of all affected

Motivation: There are over 140 definitions of the term motivation that have been used in various capacities. Motivation is important because it explains why employees behave as they do. **Work Motivation** can be defined as the psychological forces within a person that determine the direction of a person's behavior in an organization, a person's level of effort, and a person's level of persistence in the face of obstacles.

- **Definition:** Motivation is the result of the interaction of the individual and the situation. Motivation is the processes that account for an individual's **intensity**, **direction**, and **persistence** of effort toward attaining a goal.

- The process that initiates, directs, and sustains behavior to satisfy physiological or psychological needs or wants; the energizing and directing of behavior, the force behind our yearning for food, our longing for sexual intimacy, and our desire to achieve.

Sources of Motivation: Intrinsic and Extrinsic Motivation;

Intrinsically Motivation: is behavior that is performed for its own sake; the source of motivation is actually performing the behavior.
a. Employees who are intrinsically motivated often remark that their work gives them a sense of accomplishment and achievement or that they feel they are doing something worthwhile.
b. Motives are intrinsic when an independent third party cannot easily verify them.

Extrinsic Motivation: is behavior that is performed to acquire material or social rewards or to avoid punishment.
a. The behavior is not performed for its own sake but rather for its consequences.
b. This form of motivation may be linked to operant conditioning.
c. Motives are extrinsic when they can easily be verified by an independent third party.

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Work motivation explains why employees behave as they do. Four prominent theories about work motivation **need theory**, **expectancy theory**, **equity theory,** and **organizational justice theory** provide complementary approaches to understanding and managing motivation in organizations. Similarly **Abraham Maslow's hierarchy of needs** also help us to understand the employees work behavior. Each theory answers different questions about the motivational process.

Work motivation can be defined as the psychological forces within a person that determine the direction of a person's behavior in an organization, a person's level of effort, and a person's level of persistence in the face of obstacles.

Three Approaches to Motivation:

Individual Differences Approach: Treats motivation as a characteristic of the individual.
Job & Organization Approach: Emphasizes the design of jobs and the general organizational environment
Managerial Approach: Focuses on behaviors of managers, in particular, their use of goals and rewards

What Factors Diminish Motivation in the Workplace?

- Meaningless tasks
- Red tape
- Lack of clear goals
- Failure to set priorities
- Distractions
- Over-commitment
- Information overload
- No positive feedback
- Lack of autonomy
- Unpredictable change in direction
- Lack of recognition
- Absence of humor
- Micromanagement
- Failure to delegate
- Bureaucratic hurdles
- Interpersonal conflict
- Lack of accountability

What are Some of the Results of Poor Motivation in the Workplace?

- Laziness
- Failure
- Poor quality
- Resistance
- Avoidance
- Tardiness
- Burnout
- Demoralization
- Frustration
- Conflict
- Lack of meaning
- Absence of pride
- Resentment
- Turnover
- Detachment
- Discouragement
- Negative organizational culture

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What are Some of the Most Powerful Motivators in our Lives?

- Commitment
- Money
- Meaning
- Recognition
- Love
- Participation
- Emotion
- Appreciation
- Collegiality
- Competition
- Hate
- Religious beliefs
- Sense of accomplishment
- Cultural norms
- Chance to make a difference
- Independence
- Opportunity to serve
- Duty
- Habit
- High energy level
- Perceived need for change

How Can You Motivate Yourself?

- Stick with your passions.
- Share your enthusiasm.
- Hang out with high achievers.
- Flavor tedium with pleasure.
- Go with your strengths.
- Make lists.
- Stay focused on results.
- Just do something.

How Can You Motivate Others?

- Associate with highly motivated people.
- Set a measurable goal.
- Make a compelling case.
- Use emotional temptation.
- Set a fire and keep it going.
- Make it fun.
- Explain how.
- Keep doing something new and different.
- Celebrate

Employee Motivation:

- Good leadership is key
- Create a culture of trust
- Encourage risk taking
- Foster ownership
- Goal-directed efforts

Applying Motivational Concepts:

- Recognize individual differences
- Match people to jobs
- Set challenging goals
- Encourage participation
- Individualize rewards
- Link rewards to performance
- Check for equity
- Don't ignore money

Conditions of Leadership Motivation:

- **Leadership generates motivation when:**
  - It increases the number and kinds of payoffs

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- Path to the goal is clear and easily traveled with coaching and direction
- Obstacles and roadblocks are removed
- The work itself is personally satisfying

Money as a Motivator:

- According to Maslow and Alderfer, pay should prove especially motivational to people who have strong lower-level needs.
- If pay has this capacity to fulfill a variety of needs, then it should have good potential as a motivator.

The Role of Money:

- They value their services and place high value on them
- They perceive money as symbol of their achievement
- They do not remain in low paying organization
- They are very self – confident
- Know their abilities and limitations

Communication is one of the most important processes that take place in any organizations. Effective communication allows individuals, groups, teams and organizations to achieve their goals and perform at a high level, and it affects virtually every aspect of organizational behavior.

One of the defining features of communication is the sharing of information with other people.

Another defining feature is *reaching a common understanding.*

In this case, **communication** is the sharing of information between two or more individuals or groups to reach a common understanding.

Reaching a *common understanding* does not mean that people have to agree with each other.

Communication is good or effective when members of organization share information with each other and all parties involved are relatively clear about what information means.

Why is this important???

Effective communication is important in organizations because it affects practically every aspect of organizational behavior. Good communication prevents many problems from occurring and serves as motivation in an organization. Why it is important for leaders?

As a leader…

- You need people to understand what you are talking about.
- You must take into consideration other people's needs.
- You need to be able to hear others opinions and ideas.
- You need to organize and capitalize on the best ideas.
- You need to delegate.

A good leader spend 70% of day on communicating to share vision, motivate team members/employees, pass the information and build the relationship with other people.

Communication and Leadership

- Effective leaders are also effective communicators
- To be effective, the leader must synchronize verbal and nonverbal behavior
- Technology has had a meaningful impact on leaders' communication and coordination
- Effective leaders are also effective communicators
- To be effective, the leader must synchronize verbal and nonverbal behavior
- Technology has had a meaningful impact on leaders' communication and coordination

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GROUP & TEAM CONCEPT

Groups Dynamics:

Work groups are the basic building blocks of an organization. Work groups use roles, rules, and norms to control their members' behavior, and they use several socialization tactics to turn newcomers into effective group members. Groups contribute to organizational effectiveness when group goals are aligned with organizational goals.

Groups and Teams: A **group** is defined as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives.

A **group** is a set of two or more people who interact with each other to achieve certain goals or meet certain needs.

A **team** is a formal work group in which there is a high level of interaction among group members who work intensely together to achieve a common goal. A group whose members work intensely with each other to achieve a specific, common goal or objective is known as Team. All teams are groups but not all groups are teams.

- Teams often are difficult to form.
- It takes time for members to learn how to work together.

A group/team is **effective** when it satisfies three criteria:

- **Production output:** the product of the group's work must meet or exceed standards of quality and quantity
- **Member satisfaction:** membership in the group must provide people with short-term satisfaction and facilitate their long-term growth and development
- **Capacity for continued cooperation:** how the group completes a task should maintain or enhance the group's ability to work together; groups that don't cooperate cannot survive

Groups versus Teams:

- All teams are groups
- Some groups are just people assembled together
- Teams have task interdependence whereas some groups do not..

Why Do People Join Groups?

- Security
- Status
- Social needs
- Power
- Goal Achievement

Types of Groups: There are many types of groups in organizations, and each type plays an important role in determining organizational effectiveness.

a. Managers establish **formal work groups** to help the organization achieve its goals. The goals of a formal work group are determined by the needs of the organization.
b. **Informal work groups** emerge naturally in organizations because organizational members perceive that membership in a group will help them achieve their goals or meet their needs.

Types of Formal Work Groups. Types include;

Command group: a collection of subordinates who report to the same supervisor.

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1. Command groups are based on the basic reporting relationships in organizations and are frequently represented on organizational charts as departments.
2. These groups have a profound effect on the extent to which an organization is able to achieve its goals.

A **task force** is a collection of people who come together to accomplish a specific goal. Once the goal has been accomplished, the task force is usually disbanded.

1. A standing committee or task groups are task forces that may be enduring (though members may change) or permanent in nature.

A **team** is a formal work group in which there is a high level of interaction among group members who work intensely together to achieve a common group goal.

1. A cross-functional team consists of groups of people from different departments such as engineering, marketing, and finance.

Types of Informal Work Groups.

A **friendship group** is a collection of organizational members who enjoy each other's company and socialize with each other (often both on and off the job).

Members of an organization form **interest groups** when they have a common goal or objective (related to their organizational membership) that they are trying to achieve by uniting their efforts.

Group Productivity:

- **Synergy** is a biological term referring to an action of two or more substances that result in an effect that is more than the mere summation of the individual substances; the whole is more than the sum of its parts (2 + 2 = 5).
- **Process loss** is the difference between what is actually produced by a group and what could have been produced by the group when you consider its inputs (2 + 2 = 3).

Characteristics of a Well-Functioning, Effective Group:

- Relaxed, comfortable, informal atmosphere
- Task well understood & accepted
- Members listen well & participate
- People express feelings & ideas
- Conflict & disagreement center around ideas or methods
- Group aware of its operation & function
- Consensus decision making
- Clear assignments made & accepted

Groups' and Teams' Contributions to Organizational Effectiveness:

Teams:
Teams are groups with greater interdependence--shared purpose and destiny. Can be higher performing than groups, but may not be...

Why Have Teams Become So Popular?

- Teams typically outperform individuals.
- Teams use employee talents better.
- Teams are more flexible and responsive to changes in the environment.
- Teams facilitate employee involvement.
- Teams are an effective way to increase motivation**.**

- Twenty years ago, it made news because no one else was doing it. Today, it is the organization that does not use teams that has become newsworthy.
- The current popularity of teams seems based on the evidence that teams typically outperform individuals when the tasks being done require multiple skills, judgment, and experience.

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- As organizations have restructured, they have turned to teams to better utilize employee talents.
- The motivational properties of teams = significant factor. The role of employee involvement as a motivator—teams facilitate employee participation in operating decisions.

"It's easy to get players. Gettin'

'em to play together, that's the hard part,."

Casey Stengel

Deciding When to Use a Team:

Always use a team when many perspectives are needed and acceptance of decision is critical and you need more options to take the decision. Use team when the problem is complex and unstructured and you need to get advice and suggestions to solve the problem. When individuals judgments are unreliable and individuals are unwilling to take necessary risks.

Be Cautious About Using a Team When:

- The issue is unimportant
- Individuals don't want to participate
- Individual risk preferences are too high
- Time is of the essence
- Group norms are unacceptable

Crucial Activities for Team: An employee's success is no longer defined in terms of individual performance. To perform well as team members, individuals must be able to communicate openly and honestly, to confront differences and resolve conflicts, and to sublimate personal goals for the good of the team. The challenge of creating team players will be greatest where:

- The national culture is highly individualistic.
- The teams are being introduced into an established organization that has historically valued individual achievement.

On the other hand, the challenge for management is less demanding when teams are introduced where employees have strong collectivist values or in new organizations that use teams initially for organizing work.

- Get Organized
- Maintain Communications
- Fix Obvious Problems
- Document Progress, Problems, and Rationale
- Have a process in place for major team decisions

Dealing with Problem Behaviors: Unlike written rules, which are formal descriptions of actions and behaviors required by a group or Organization, group norms are informal rules of conduct for behaviors that are considered important by most group members; often, they are not put in writing. Groups enforce their norms by rewarding members who conform to the norm by behaving in the specified manner and punishing members who deviate from the norm.

- When members share a common idea of acceptable behavior, they can monitor each other's behavior to make sure they are following the group's norms.
- When norms exist, group members do not have to waste time thinking about what to do in a particular situation; norms guide their actions and specify how they should behave.
- When people share common norms, they can predict how others will behave in certain situations and thus anticipate one another's actions.

- Choose team members carefully.
- Offer training.
- Provide clear goals.
- Clearly define member responsibilities.
- Use peer evaluations.

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- Reward superior performance.
- Don't let social considerations overwhelm concern with the task.
- Remove problem team members as a last resort.

Is it true that everyone's responsibility is, in reality, nobody's responsibility?

-- Anonymous

Developing Effective Teams: Team always plays a dynamic role in the organizational development. It is a responsibility of a leader to develop an effective team for achievement of organization goals.

Introduction

- **Two caveats:**

First, teams differ in form and structure—be careful not to rigidly apply the model's predictions to all teams. Second, the model assumes that it is already been determined that teamwork is preferable over individual work. Four key components:

- Contextual influences
- Team's composition
- Work design
- Process variables

Context

1. **Adequate Resources**

- All work teams rely on resources outside the group to sustain it.
- A scarcity of resources directly reduces the ability of the team to perform its job effectively.
- As one set of researchers concluded, "perhaps one of the most important characteristics of an effective work group is the support the group receives from the organization.''

2. **Leadership and Structure**

- Agreeing on the specifics of work and how they fit together to integrate individual skills requires team leadership and structure.
- Leadership is not always needed. Self-managed work teams often perform better than teams with formally appointed leaders.
- Influence team performance:
- The leader's expectations and his or her mood.
- Leaders who expect good things from their team are more likely to get them!

3. **Performance Evaluation and Reward Systems**

- How do you get team members to be both individually and jointly accountable? The traditional, individually oriented evaluation and reward system must be modified to reflect team performance.
- Individual performance evaluations, fixed hourly wages, individual incentives are not consistent with the development of high-performance teams.

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- Management should consider group-based appraisals, profit sharing, gain sharing, small-group incentives, and other system modifications that will reinforce team effort and commitment.

Composition

1. **Abilities of Members**
   - Teams require three different types of skills:
     - Technical expertise
     - Problem-solving and decision-making skills
     - Good listening, feedback, conflict resolution, and other interpersonal skills

- The right mix is crucial. It is not uncommon for one or more members to take responsibility to learn the skills in which the group is deficient, thereby allowing the team to reach its full potential.

2. **Personality**

- Many of the dimensions identified in the Big Five personality model have shown to be relevant to team effectiveness.
  - Teams that rate higher in mean levels of extraversion, agreeableness, conscientiousness, and emotional stability tend to receive higher managerial ratings for team performance.
  - The variance in personality characteristics may be more important than the mean. A single team member who lacks a minimal level of, say, agreeableness can negatively affect the whole team's performance.

3. **Allocating Roles**

- Teams have different needs, and people should be selected for a team to ensure that there is diversity and that all various roles are filled.
  - Managers need to understand the individual strengths that each person can bring to a team, select members with their strengths in mind, and allocate work assignments accordingly.

4. **Diversity**
   - Diversity in terms of personality, gender, age, educational, functional specialization, and experience increase the probability that the team will complete its tasks effectively.
   - Racial and national differences interfere with team processes in the short term.
   - Over time, however, culturally diverse teams function effectively over time.
   - The degree to which members of a group share common characteristics such as age, sex, race educational level, or length of service, is termed group demography.
   - Cohorts are defined as individual who hold a common attribute.

5. **Size of Teams**
   - The most effective teams are neither very small (under four or five) nor very large (over a dozen). Effective teams—managers should keep them under 10 people.
   - Very small teams are likely to lack for diversity of views.
   - Large teams have difficulty getting much done.

6. **Member Flexibility**
   - This is an obvious plus because it greatly improves its adaptability and makes it less reliant on any single member.

7. **Member Preferences**
   - Not every employee is a team player.
   - Given the option, many employees will select themselves out of team participation.

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- High performing teams are likely to be composed of people who prefer working as part of a group.

Work Design

- Includes variables like freedom and autonomy, the opportunity to use different skills and talents, the ability to complete a whole task.

Process

1. **Common Purpose**
   - Effective teams have a common and meaningful purpose that provides direction, momentum, and commitment for members.
   - This purpose is a vision. It is broader than specific goals.

2. **Specific Goals**
   - Successful teams translate their common purpose into specific, measurable, and realistic performance goals. They energize the team.
   - Specific goals facilitate clear communication and help teams maintain their focus on results. Team goals should be challenging.

3. **Team Efficacy**
   - Effective teams have confidence in themselves and believe they can succeed—this is team efficacy. Success breeds success.
   - Management can increase team efficacy by helping the team to achieve small successes and skill training.
     - Small successes build team confidence.
     - The greater the abilities of team members, the greater the likelihood that the team will develop confidence and the capability to deliver that confidence.

4. **Conflict Levels**
   - Conflict on a team is not necessarily bad. Teams that are completely void of conflict are likely to become apathetic and stagnant.
   - Relationship conflicts—those based on interpersonal incompatibilities, tension, and animosity toward others—are almost always dysfunctional.
   - On teams performing non routine activities, disagreements among members about task content (called task conflicts) are not detrimental. It is often beneficial because it lessens the likelihood of groupthink.

5. **Social Loafing**
   - Individuals can hide inside a group. Effective teams undermine this tendency by holding themselves accountable at both the individual and team level.

For the effectiveness of a team

- Training
- Empowerment
- Communication
- Reward

Building Trust: Members of effective teams trust each other and exhibit trust in their leaders. When members trust each other they are more willing to take risks. When members trust their leadership they are more willing to commit to their leader's goals and decisions.

- Work for others' interests as well as own
- Be a team player.
- Practice openness.
- Be fair.
- Speak your feelings.
- Show consistency in basic values.
- Maintain confidence.

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- Demonstrate competence.

Teamwork Do's

- Articulate a goal everyone can identify with
- Provide a plan or job for each member
- Provide a mechanism for communication
- Create an environment conducive to teamwork
- Provide effective feedback
- Provide Motivation

Teamwork Don'ts

- Don't Micromanage
- Don't withhold information, or work around members

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TEAM DYNAMICS

Team: A team is a formal work group in which there is a high level of interaction and interdependence among group members who work intensely together to achieve a common goal.

Teamwork: is the process of people actively working together to accomplish common goals.

Advantages and disadvantages of having team.

Advantages	Disadvantages
o Wider range of knowledge, expertise and ideas o Effective way to build consensus o Effective way to communicate complex information	o Blocking o Dominant people o Status differential o Groupthink

Why Rely on Teams: Compared with individuals working alone, teams tend to make better decisions and make better products and services due to more knowledge and expertise. Organizations have turned to teams to better utilize employee talents.

Management is looking for that positive synergy that will allow their organizations to increase performance. The extensive use of teams creates the potential for an organization to generate greater outputs with no increase in inputs. Merely calling a group a team doesn't automatically increase its performance. We need to convert those groups into team.

How Do We Measure Team Effectiveness? Effective teams have confidence in themselves and believe they can succeed—this is team efficacy. Success breeds success. Management can increase team efficacy by helping the team to achieve small successes and skill training.

Small successes build team confidence. The greater the abilities of team members, more the likelihood that the team will develop confidence and the capability to deliver that confidence. We can measure the team effectiveness by measuring their…

- Productivity
- Cohesion
- Learning/ growth & development
- Integration with the rest of the organization.

Stages of Group Development:

- **Forming**—group members gather and try to get to know each other and establish a common understanding as they struggle to clarify group goals and determine appropriate behavior within the group. Initial entry of members to a group/team.

  Members concern does include:
  - Getting to know each other.
  - Discovering what is considered acceptable behavior.
  - Determining the group's real task.
  - Defining group rules.
  - Questions about purpose
  - Approach - avoidance behavior
  - High drop out possibility
  - Members seek leadership
  - Non-intimate relations

- **Storming**—characterized by considerable conflict—group members resist being controlled by the group and disagrees about who should lead the group and how to achieve the objectives or how

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much power the leader should have. This is the startup stage after group is formed. Every body gives his or her suggestion. A period of high emotionality and tension among group members. Members concern's include:

- Dealing with outside demands.
- Clarifying membership expectations.
- Dealing with obstacles to group goals.
- Understanding members' interpersonal styles.
- Members test others strength
- Authority in group tested
- Fluid status structure
- Member ejection may occur

- **Norming**—group members really start to feel that they belong to the group, and they develop close ties with one another and start coming to points where most of the member agree and they feel of wiliness to move forward. The point at which the group really begins to come together as a coordinated unit. Members concern's include:
  - Holding the group together.
  - Dealing with divergent views and criticisms.
  - Dealing with a premature sense of accomplishment.
  - Intensified, interpersonal involvement
  - Desire for group attention
  - Member interdependence
  - Dependence on the leader
  - Increased trust
  - Well established norms
  - Rules, roles, standards
  - Growing capacity to plan

- **Performing**—the group is ready to tackle group tasks and work toward achieving group goals, they actually start performing—the real work gets accomplished in this stage. Marks the emergence of a mature, organized, and well-functioning team. Members deal with complex tasks and handle internal disagreements in creative ways.

  Primary challenge is to continue to improve relationships and performance.
  - Sense that "our" group is special
  - Acceptance of individual differences
  - People can be themselves
  - Disagreement/conflict is OK
  - Structure, roles, norms established and accepted
  - Teamwork utilizes the diverse strength of the members

- **Adjourning:** For temporary committees, teams, task forces, and similar groups that have a limited task to perform. After completing the task and they reach adjourning stage. In this stage, the group prepares for its disbandment. Attention is directed toward wrapping up activities. Responses of group members vary in this stage. Some are upbeat, basking in the group's accomplishments. Others may be depressed over the loss of camaraderie and friendships. Particularly important for temporary groups/teams.
  - A well-integrated group/team is:
  - Able to disband when its work is finished.
  - Willing to work together in the future.
  - Celebrate individual/ collective accomplishments

Similarly others also describe these group formation stages in different ways but the basis were almost the similar.

Like in one classification they describe them as bellow.

- Orientation (Forming)
- Dissatisfaction (Storming)

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- Resolution (Norming)
- Production (Performing)
- Termination (in the case of temporary groups)

How individual and group behave and issue during these development stages is summarized as bellow.

Types of Teams:

Project Team:

- Is convened for a specific purpose and disbands after completing its task.

Problem-Solving Teams

- Twenty years ago, teams were just beginning to grow in popularity and most took similar form. They are typically composed of 5–12 hourly employees from the same department who met for a few hours each week to discuss ways of improving quality, efficiency, and the work environment.
- Members share ideas or offer suggestions on how work processes and methods can be improved. Rarely are they given the authority to unilaterally implement their suggested actions.
- One of the most widely practiced applications during the 1980s was quality circles.

Self-Managed Work Teams

- Problem-solving teams did not go far enough in getting employees involved in work-related decisions and processes. This led to experimentation with truly autonomous teams.
- These groups of employees (typically 10–15 in number) perform highly related or interdependent jobs and take on many of the responsibilities of their former supervisors.
- This includes planning and scheduling of work, assigning tasks to members, collective control over the pace of work, making operating decisions, and taking action on problems.
- Fully self-managed work teams even select their own members and have the members evaluate each other's performance. As a result supervisory roles become less important.
- Business periodicals documented successful applications of self-managed teams. In spite of these impressive stories, a word of caution:
  - ✓ Some organizations have been disappointed with the results from self-managed teams.
  - ✓ Teams do not seem to work well during organizational downsizing.
  - ✓ The overall research on the effectiveness of self-managed work teams has not been uniformly positive.
  - ✓ Moreover, while individuals on teams do tend to report higher levels of job satisfaction, they also sometimes have higher absenteeism and turnover rates.
  - ✓ The effectiveness of self-managed teams is situationally dependent.
  - ✓ Care needs to be taken when introducing self-managed teams globally.

Cross-Functional Teams

- These are teams made up of employees from about the same hierarchical level, but from different work areas, who come together to accomplish a task.
  - ✓ Many organizations have used horizontal, boundary-spanning groups for years.
  - ✓ IBM created a large task force in the 1960s—made up of employees from across departments in the company—to develop the highly successful System 360.
- A task force is really nothing other than a temporary cross-functional team.
- The popularity of cross-discipline work teams exploded in the late 1980s.
- Cross-functional teams are challenging to manage.

Virtual Teams

- The previous types of teams do their work face to face. Virtual teams use computer technology to tie together physically dispersed members in order to achieve a common goal.
  - ✓ They allow people to collaborate online.
  - ✓ Virtual teams can do all the things that other teams do.
  - ✓ They can include members from the same organization or link an organization's members with employees from other organizations.

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- ✓ They can convene for a few days to solve a problem, a few months to complete a project, or exist permanently.

- The three primary factors that differentiate virtual teams:
  - ✓ The absence of verbal and nonverbal cues. These help clarify communication by providing increased meaning, but aren't available in online interactions.
  - ✓ Limited social context. Virtual teams often suffer from less social rapport and less direct interaction among members.
  - ✓ The ability to overcome time and space constraints. Virtual teams allow people to work together who might otherwise never be able to collaborate.

We can summarize this as shown in slides during our lecture as bellow.

Project Team: is convened for a specific purpose and disbands after completing its task.

Cross-functional Team: operates with members who come from different functional units of an organization

Quality Circle Team: employees who meet periodically to discuss ways of improving work quality. - a group of workers from the same functional area who meet regularly to uncover and solve work-related problems and seek work improvement opportunities.

Self-Managing Teams: work team having the authority to make decisions about how they share and complete their work.

Virtual Teams: Work together and solve problems through computer based interactions

We cam also divide teams into permanent or Temporary Teams.

Permanent teams:

- Team-based departments
- Team-based organization
- Quality circles

Temporary teams:

- A **task force** is a collection of people who come together to accomplish a specific goal. Once the goal has been accomplished, the task force is usually disbanded.

Temporary teams are to solve problem. A standing committee or task groups are task forces that may be enduring (though members may change) or permanent in nature.

Benefits of Teams:

- **Synergy** (a type of process gain) occurs when members of a group/teams working / acting together are able to produce more or better output than would have been produced by the combined efforts of each person acting alone.

Why Teams Are Good for Organizations

- More resources for problem solving
- Improved creativity and innovation
- Improved quality of decision making
- Greater commitments to tasks
- Increased motivation of members
- Better control and work discipline
- More individual need satisfaction

Characteristics of High Performance Teams:

- Clear goals
- Results-driven structure
- Competent team members
- Unified commitments
- Collaborative climate
- Standards of excellence
- Leadership

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BUILDING THE TEAM

Leaders need to put extra efforts to convert individuals into a performing team.

Turning Individuals into Team Players:

It starts with the selection of right type of people, training them and linking the performance with proper reward system.

"NONE OF US IS AS SMART AS ALL OF US"

- When teams operate effectively, they can solve more problems, make better decisions and be more creative.
- "Team are unique; dynamic, complex and ever changing." - Ken Blanchard, author of "the one minute manager".

Leadership success requires: An understanding of group behavior. The ability to tap the constructive power of teams

Team Building

- Get the right people.
- Determine the Challenge.
- Prepare the Team Leader.
- Train.
- Add value.
- See the Big picture.

Build and Support the Team

- Leadership Skills
- Team Building Strategies
- Team Logistics

Team Building:-The Team Leader's Responsibility

A good team leader

- Fosters communication among team members
- Seeks to build bonds among team members (work together, meet together, get to know each other)
- Creates positive environment for collective problem solving and support; creates atmosphere in which differing opinions are valued but in which clear decisions can be reached
- Is alert to cliques, bickering, etc. and acts to address them; maintains atmosphere in which sexual, racial, ethnic, national or other harassment is not acceptable
- Monitors individual staff members for signs of stress and provides basic support
- Models good individual stress management practices
- Seeks to base expatriate/staff interactions on mutual respect, transparency, and partnership

Team Building:-The Organizational Responsibility

- The Organization identifies team-building skills as an essential qualification for prospective managers
- The Organization trains staff and managers in team work skills (e.g., conflict management)
- The Organization helps build team cohesion (e.g., through common experiences such as safety and security training)
- The Organization regularly reviews team functioning and has policies for addressing the problems of dysfunctional teams and of staff members who have difficulty functioning in their team

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Strategies for Team Building

- Establish common goals
- Understand each others role in the Team
- Find occasions to celebrate
- Recognise effort
- Improve communication

Factors Affecting Teams

- Work Design
- Team Composition
- Context
- Process

Let's discuss individual factor

Work Design:

- Autonomy
- Task
- Feedback

Work design play important role in the performance of a team. Kind of autonomy, task itself and the feedback system in organization related to the work design are essential ingredient of work design.

Team Composition

- Ability
- Personality
- Roles
- Size
- Flexibility

Selection of right team members is the starting point for the success of any team. Type of team member personalities matching with the type of task they are going to perform, clear role identification, size of team and role and flexibility with in the working relationship of the team members are the essential components of team composition that play important role in the effectiveness of a team. Similarly other factor like context and process affects the performance a team.

Context

- Resources
- Leadership
- Performance evaluation and rewards

Process

- Common purpose
- Specific goals
- Team worth
- Conflict management
- Avoid social loafing

Building the Team

- Get them together
- Keep them informed – vacuums tend to fill with negativity
- Keep them involved – the working groups – make it their project too
- Ensure everyone sees themselves, understands their role in the "new world"
- Don't focus on differences, focus on similarities
- Add value to individuals and you multiply team effectiveness.

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- Impart Spiritual life on a daily basis.
- Value added to cohesion stimulates synergism.
- Remove Ineffective Members
- Define Purpose
- Define Time Line
- Have regular review against goals
- Begin with smaller assignments and test at higher levels
- A Weak Link can destroy your team.
- Stronger members identify the link.
- Stronger members have to help.
- Stronger members begin to resent.
- Stronger members become less effective.
- Stronger members begin to question the leader's ability.
- Facts you must accept.
    - Not everyone will take the journey.
- Not everyone can take the journey.
    - Will not work on personal weaknesses.
    - Will not work with the rest of the team.
    - Can not fulfill the expectations of their area.
- As a Leader you are a catalyst within the team to move it …
    - Increase the value of every member.
    - Increase individual commitment to shared values.
    - Remind them of the Big Picture.
    - Uplift other team members.

Leadership success requires:

An understanding of group behavior. The ability to tap the constructive power of teams. "Team are unique; dynamic, complex and ever changing." - Ken Blanchard, author of "the one minute manager".

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A TEAM-BASED ORGANIZATION

Team Based Organization

Implementing a team-based approach to organizational structure can empower employees and increase cooperation among different skills and disciplines. Based on the belief that organizational goals will be achieved not by individuals working together separately, but by groups of people who share responsibility for outcomes and who work efficiently and effectively in team?

- These processes require highly developed communication competencies from all team members.
- Team skills usually are divided into two categories
  - Task roles
  - Maintenance roles

Characteristics of Traditional Vs Team-based Organizations

Traditional	Team-based
Individual command structures	Collective structures
Manager controls	Team monitors
Vertical hierarchy	Horizontal integration
Stability and uniformity	Change and flexibility
One best way to organize	Organization-specific
Managers manage	Self-managing teams

Traditional vs. Best Place to Work Changes

To understand this we need to understand basic concept of organizational structure.

The Basics of Organizational Structure:

- Organizational structure defines how job tasks are formally divided, grouped, and coordinated.
- The organization chart is a visual representation of this division, grouping, and coordination.

Organizational Structure: Organizational structure is the formal setup of task and authority relationships. Structure controls the coordination of activities and employee motivation to attain goals. Structure must be continually evaluated. Formal structure shows the intended configuration of positions, job duties, and the lines of authority among different parts of the enterprise.

Designing an Organization Structure: Organization design is the process by which leaders/managers select and manage aspects of organizational structure so that an organization can achieve its goals.

Basic Steps

- Leaders/Managers must decide how to divide the overall tasks of the organization into successively smaller jobs.
- Leaders/Managers must decide the basis by which to group the individual jobs.
- Leaders/Managers must decide the appropriate size of the group reporting to each supervisor
- Leaders/Managers must distribute authority among the jobs.

Departmentalization:

Departmentalization is the bedrock of horizontal differentiation, which begins when one person assumes a functional task. As others assume specialized roles, a functional structure emerges, with people placed in groups based on common skills or common use of resources.

Span of Control

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To avoid becoming too tall, an organization can increase the span of control, the number of subordinates a manager directly oversees. Different companies have different spans of control.

A manager's span of control is limited to the number of subordinates that can be adequately supervised. An increase in subordinates exponentially increases the subordinate relationships to be managed. A manager with two subordinates manages three relationships, but a manager with three subordinates manages six. If the span of control becomes too wide, a manager loses control over subordinates.

Formalization:

The use of written rules and procedures to standardize operations is known as formalization. If formalization and standardization are extensive, there is no room for mutual adjustment. Employees are held accountable for following rules.

Centralization:

When top managers make decisions, authority is centralized. When lower-level managers make decisions, authority is decentralized.

Organizational Design Decisions:

Mechanistic Organization	Organic Organization
o Rigid and tightly controlled structure o High specialization o Rigid departmentalization o Narrow spans of control o High formalization o Limited information network (downward)	o Highly flexible and adaptable structure o Non-standardized jobs o Fluid team-based structure o Little direct supervision o Minimal formal rules o Open communication network

Mechanistic vs. Organic Models

Mechanistic structures influence people to behave in a predictable manner. Decision making is highly centralized and roles clearly defined.

Organic structures encourage flexibility and decentralize decision making. Roles are loosely defined. Employees perform many tasks and work with people from various functions.

Strategic planning assumes that the old structure may not work in the new realities. It demands the organization think in terms of new approaches to solving existing and potential issues.

Benefits of Teams in Organizations:

- **Enhanced Performance:** Teams may take many forms, i.e. including improved productivity, quality, and customer service such the enhancements result from pooling individual efforts in new ways and continuously striving to improve for the benefit of the team.
- **Employee Benefits:** Teams always provide the sense of self-control, human dignity, identification with work, and sense of self-worth and self-fulfillment for which current workers seem to strive.
- **Reduced Costs:** Through empowered teams, an organization can reduce scrap, make fewer errors, file fewer worker compensation claims, and reduce absenteeism and turnover. They resulting in significant cost reductions.

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- **Organizational Enhancements:** Teams improvements in team results a move from a hierarchically based, directive culture to a team-based culture include increased innovation, creativity, and flexibility in the organization.

Research indicates team-based organizations generally outperform more hierarchically organized structures in terms of product and service output, less absenteeism, fewer industrial accidents, more worker flexibility, quality improvements, and overall employee job satisfaction.

Benefits of Team-based Organization:

Profitability and long term viability organization is increased due to its working as team based organization. Other benefits of team based organizations are listed bellow.

- Efficient Process
- Flexible Response to change
- Improve Effectiveness
- Reduce Cost
- Increase Innovation
- Customer Involvement
- Employee commitment
- Skill utilization

Checklist for Team Based Working/ Organization Implementation Plan:

- To what extent does the senior management team agree with the team based working philosophy?
- To what extent does the organization need team based working to achieve its goals?
- Are team based working practices already in place in some parts of the organization? If so, where?
- Where should we start? (Whole organization, one area, with well functioning teams?)
- How do we move on from where we are now?
- What major changes need to take place?
- What resources do we need?

Possible Pitfalls in the Introduction of Team Based Organization (TBO)

- Introducing teams regardless of need
- Introducing teams without changing systems
- Failing to train for TBO
- Not providing expert support
- Failure of communication within, with and between teams
- Failure to establish and support TBO objectives

Roles of a Leader in the Team-Based Organization

- Defining the team's mission
- Building trust and inspiring teamwork
- Coaching team members and group members toward higher levels of performance
- Serving as a model of teamwork, including power sharing
- Facilitating and supporting team's decisions
- Expanding the team's capabilities
- Creating a team identity
- Emphasizing pride in being outstanding
- Anticipating and influencing change
- Inspiring the team toward higher levels of performance
- Enabling and empowering group members to accomplish their work
- Selecting team-oriented members
- Using technology that facilitates teamwork

Fostering Teamwork Through Organization Structure or Policy:

- Designing physical structures that facilitate communication
- Emphasizing Team recognition and rewards
- Initiating ritual and ceremony

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DECISION MAKING

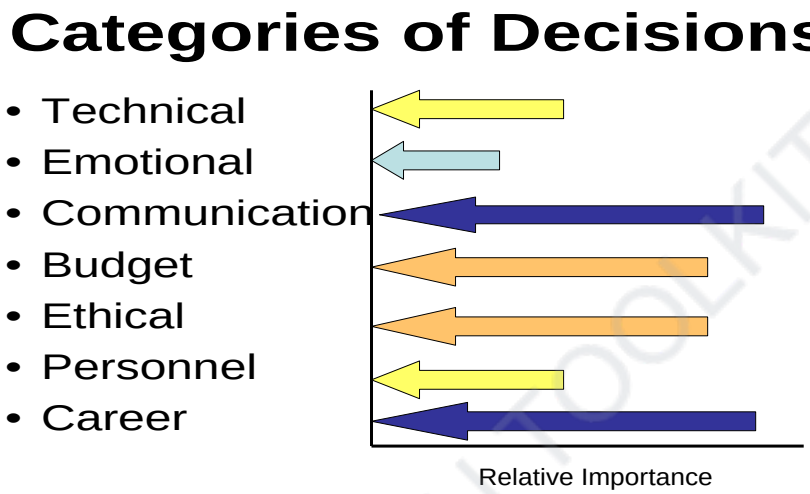
Decision Making and Decision Making Process:

A **decision** is a choice made from two or more alternatives. The **decision-making process** is recognizing and defining the nature of a decision situation, identifying alternatives, choosing the "best" alternative, and putting it into practice. An effective decision is one that optimizes some set of factors such as profits, sales, employee welfare, and market share. Managers make decisions about both problems and opportunities.

Problem Solving Vs Decision Making

- Problem solving: finding the root cause of a deviation (cause analysis)
- Decision making: choosing from alternative courses of action (choice analysis)

Problem solving ---------- Decision making



Types of Decisions:

Programmed Decisions: A decision that is a fairly structured decision or recurs with some frequency or both. Example: Starting your car in the morning.

Non-programmed decisions: A decision that is relatively unstructured and occurs much less often than a programmed decision. Example: Choosing a vacation destination.

Intuitive decision making: Managers also regularly use their intuition. Intuitive decision making is a subconscious process of making decisions on the basis of experience and accumulated Judgment.

- Making decisions on the basis of gut feeling doesn't necessarily happen independently of rational analysis; the two complement each other.
- Although intuitive decision making will not replace the rational decision-making process, it does play an important role in managerial decision making

Decision-Making Conditions

- **Decision Making Under Certainty**

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- A condition in which the decision maker knows with reasonable certainty what the alternatives are and what conditions are associated with each alternative. A situation in which a manager can make accurate decisions because all outcomes are known. Few managerial decisions are made under the condition of certainty.

- **Decision Making Under Risk**
  - A condition in which the availability of each alternative and its potential payoffs and costs are all associated with risks.
- **Decision Making Under Uncertainty**
  - A condition in which the decision maker does not know all the alternatives, the risks associated with each, or the consequences of each alternative. Uncertainty is a situation in which the decision maker is not certain and cannot even make reasonable probability estimates concerning outcomes of alternatives.
    - The choice of alternative is influenced by the limited amount of information available to the decision maker.
    - It's also influenced by the psychological orientation of the decision maker

The Decision-Making Process:

Step 1: ***Identifying a problem.*** A **problem** is a discrepancy between an existing and a desired state of affairs. In order to identify a problem, you as a manager/leader should recognize and understand the three characteristics of problems:

- You must be aware of the problem. Be sure to identify the actual problem rather than a symptom of the problem.
- You must be under pressure to act. A true problem puts pressure on the manager to take action; a problem without pressure to act is a problem that can be postponed.
- You must have the authority or resources to act. When managers recognize a problem and are under pressure to take action but do not have necessary resources, they usually feel that unrealistic demands are being put upon them.

Step 2: ***Identifying decision*** *criteria*. **Decision criteria** are criteria that define what is relevant in a decision.

Step 3: ***Allocating weights to the criteria.*** The criteria identified in Step 2 of the decision-making process do not have equal importance, so the decision maker must assign a weight to each of the items in order to give each item accurate priority in the decision.

Step 4: ***Developing alternatives.*** The decision maker must now identify viable alternatives that could resolve the problem.

Step 5: ***Analyzing alternatives***. Each of the alternatives must now be critically analyzed by evaluating it against the criteria established in Steps 2 and 3.

Step 6: ***Selecting an alternative.*** This step to select the best alternative from among those identified and assessed is critical. If criteria weights have been used, the decision maker simply selects the alternative that received the highest score in Step 5.

Step 7: ***Implementing the alternative.*** The selected alternative must be implemented by effectively communicating the decision to the individuals who will be affected by it and winning their commitment to the decision.

Step 8: ***Evaluating Results.*** This last step in the decision-making process assesses the result of the decision to determine whether or not the problem has been resolved.

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Evaluating Alternatives in the Decision-Making Process

Quantitative and Qualitative Factors in Decision Making:

Quantitative Factors
- Investment appraisal
- Break-even analysis
- Market research
- Sales forecasting
- Critical path analysis
- Decision trees

Qualitative Factors
- Stakeholder analysis
- HRM
- SWOT

The Classical Model of Decision Making: Classical model is based on economic conditions and considered to be normative. It relates to accomplishment of goals that are known and agreed upon. The classical model Strives for certainty by gathering complete information. This is also use as criteria for evaluating alternatives that are known.

Decision Making Behavior:
Behavior always varies person to person. People tend to adopt a particular decision making approach as a result of factors such as;
- Their own personality
- Their current mood
- The organisational culture
- The personality of the person/people they are dealing with
- The nature of the relationship they have with the people they are dealing with
- Time pressure and perceived level of stress

Being aware of these influences can result in better decision making, by adopting the best decision making approach for each situation.

Decision Making Approaches:
- **Withdrawing:** holding off making the decision.
- **Smoothing:** focusing on areas of agreement and ignoring areas of difference.
- **Compromising:** trying to come up with a decision that provides some degree of satisfaction for all parties.
- **Confronting/problem solving:** working through the issues.
- **Forcing:** executing a particular decision knowing agreement has not been reached.

What Kinds Of Decisions Do People Make In The Workplace?
- Handling complex problems individually
- Handling complex problems as a team
- Focusing effort
- Judging people

How to Make Better Decisions:

1. **Increase Your Knowledge**
   - Ask questions.
   - Get experience.

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- Use consultants.
- Do your research.
- Force yourself to recognize the facts when you see them (maintain your objectivity).

2. Use Your Intuition

- A cognitive process whereby a person instinctively makes a decision based on his or her accumulated knowledge and experience.

3. Weigh the Pros and Cons

- Quantify realities by sizing up your options, and taking into consideration the relative importance of each of your objectives.

4. Don't Overstress the Finality of Your Decision

- Remember that few decisions are forever.

5. Make Sure the Timing Is Right

- Decisions always depend on the time.

Helpful Hints:

Don't	Do
o Make assumptions o Delay o Jump to conclusions o Make uninformed decisions o Favour one decision prior to gathering the facts and evaluating the alternatives o Allow only technical people to make the decisions o Attempt to make a decision in isolation of the context o Let emotion override objectivity	o Clearly identify the decision to be made o Involve people qualified to help in the decision making o Identify the context of the decision (the bigger picture) o Identify all alternatives o Assess each alternative o Assess the risks o Consider your "gut feel" o Make the decision and stick to it

Roadblocks to Good Decision Making

- **Human Cognition**
  - Our mental ability to comprehend and understand something
- **Human Perception**
  - Difficulty isolating problems
  - Tend to think of only narrow range of possible solution
- **Human Bias**
  - Tendency to shape responses based on stereotypes, memory, and current position

Decision-Making and Technology: In today's completive world Information technology can also help and support the decision-making. Different decision making tools are available for manager and leaders to use in practical life.

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TEAM DECISION MAKING

Discussion on decision making process was started in previous lecture/chapter. We tried to understand various aspects of decision making including the process of decision making, types of decision making etc. In this lecture we will try to apply that process of decision making and also to understand the team decision making.

Apply decision making steps to the following situation.

"You want to buy a car"

To make a better decision following step will be taken and few question might need to be answered.

- What is your situation?
- **SITUATION:** You want or need a car.
- **CHOICES:** What are your choices?
- **CHOICES:** **Buy the car. Don't buy the car**
- **CONSEQUENCES - <u>YES</u>** You must spend your money for - Car Cost
  On Insurance, on General Maintenance
  and Gas/Petrol Charges
- **CONSEQUENCES - if <u>YES</u>**
  How will you pay for the car? -
  You may have to work to pay for the car.
  You may think about buying through Leasing etc.
- **CONSEQUENCES - if <u>YES</u>**
  How will your Study be affected?
  You will have less time to study
- **CONSEQUENCES – if <u>YES</u>**
  How will your leisure and social time be affected?
  You will have less leisure and social time.
- **CONSEQUENCES - <u>NO</u>**
  a. You will be able to save more money to buy a better car.
  b. You will have more money to spend on clothes, buy computer, motor-bike and fun.
  c. You will have more leisure time.
- **DECISION**
  a. YES or
  b. No
- **DECISION**
  Which decision would you make?

It depends on situation and priority of each individual. The consequence of each decision could be different. Remember, some decisions will be good and some decisions will be bad. But you will learn something from every decision you make!!!

Team Decision Making:

Use Individual Decision Making When:

- You have the information to make a good decision
- The situation is urgent
- Subordinates are already committed or their commitment doesn't matter

Use Team/Group For Decision Making When:

- No one knows the answer or the expertise is in the group
- You want to increase the commitment of subordinates
- The situation is **<u>not</u>** urgent in the sense that it requires an immediate response
- You, as manager/leader, can live with choice

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Group/Team Decision Making

Advantages	Disadvantages
o More information & knowledge are Available o More alternatives are likely to be generated. o More acceptance of the final decision is likely o Enhanced communication of the decision may result better decisions	o The process takes longer, so it is more costly o Compromise decisions due to indecisiveness may emerge o One person may dominate the group Groupthink may occur

Methods of Group/Team Decision Making (Johnson & Johnson, 1991)

- Decision by authority without discussion
- Expert member
- Average of member's opinions
- Decision by authority after discussion
- Majority control
- Minority control
- Consensus

Decisions made in groups can be made by one of four main methods.

- Unilaterally by an individual
- By simple majority vote
- By consensus – everyone agreeing to support the conclusion
- Subgroup of team

Which one is the best? There is no "best". Different types fit best for different situations**.**

Unilateral approach has one person make the decision for the whole group.

Pros	Cons
o Enables you to move fast. o Takes care of the small stuff. o Works well in emergencies o Works well when one person has all relevant information and is trusted	o Some people might not understand rationale for decision o Decision maker may make decision with inadequate info o Generates less support for the decision

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Simple majority voting works when you don't have time for consensus building.

Pros	Cons
o Easy to use o Works when everyone has the same information and already understands others o Implementation can be handled by majority o Helps in managing large groups	o Breeds winners v. losers climate o Lessens creativity and flexibility since difficult to consider many options. Sometimes it artificially limits choices.

Consensus means everyone *supports a* decision. It does not mean unanimity or that everyone gets what they want.

Pros	Cons
o Good for very important decisions o Builds strongest buy-in o Make for quickest implementation o Develops a group's problem solving skills	o Takes the longest o Requires highest level of communication skills

Subgroup of a team is appropriate under the following circumstances.

Pros	Cons
o Appropriate when subgroup is only entity affected o Decision can be implemented w/o involvement of majority o Whole group is comfortable with delegating authority	o When "pros" do not apply, this can result in conflict and dissent regarding decision made by group

Relationship between type of decision and quality.

Team Problem Solving Techniques:

- **Consensus** presenting opinions and gaining agreement to support a decision. A proposal that is acceptable enough that all members are willing to support it. How can you reach a true consensus?
  - Identify all options and views
  - Build on common ideas
  - Discuss the differences
  - Propose alternatives or compromises to settle differences
  - Test consensus when you seem to have a conclusion by "doing a check". Go around room and have everyone given their current opinion.
  - If consensus is not reached, repeat steps 1 – 5.

- **Brainstorming process to generate a quantity of ideas.** In this technique the goal is. Goal - to examine as broad a range of options as possible
  - Rules - Encourage free-wheeling - No discussion - No judgment - Write visibly all ideas
  - Sequence
  - Review the topic (as a question)
  - Minute or two of silence to think
  - Call out and write down ideas

- **Nominal Group Technique process to generate ideas and evaluate solutions.**
  - A form of structured group decision making that enables everyone to participate and have his/her ideas heard without hostile criticism or distortions.
  - A structured voting procedure is used to prioritize responses to the nominal question.

- **Stepladder Technique**

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- A decision making approach in which members are added one by one to a team.
- Two people starts a discussion of the task.
- Another member is added and then presents their ideas to the group.
- Then another and so on until decision is made.

- **Delphi Technique process to generate ideas from physically dispersed experts.**
  - Used in situations where group members are unable to meet face to face.
  - The process.
    - A series of questions is distributed to a panel.
    - Panel members submit their responses to a decision coordinator.
    - The decision coordinator summarizes the responses, and sends the summary along with a follow-up questionnaire to the panel.
    - Panel members send in their responses.
    - The process is repeated until a consensus is reached.

  - **Quality circles (QC**): a small group of employees who work voluntarily on company time, typically one hour per week, to address work-related problems
  - **Quality team**: a team that is part of an organization's structure & is empowered to act on its decisions regarding product & quality service

Concept of QC

The philosophy behind the concept of QC is that responsibility of generating quality is vested in the minds of all job related people instead of a few supervisor or inspectors. They
- Identify problems
- Collect and analyze data
- Make cause-effect relationships,
- Generate best solutions

- **Computer-Aided Decision Making**
  - **Expert Systems:** a programmed decision tool set up using decision rules
  - **Decision Support Systems:** computer and communication systems that process in coming data and synthesize pertinent information for managers to use
  - **Group Decision Support Systems:** systems that use computer software and communication facilities to support group decision-making processes in either face-to-face meetings or dispersed meetings

Computer-mediated decision making. It is done through the electronic brainstorming through the use of special software and personal computers. The nominal group and Delphi techniques lend themselves to computer mediation

Potential Advantages of Group/Team Decision Making:
- More knowledge and expertise is applied to solve the problem.
- A greater number of alternatives are examined.
- The final decision is better understood and accepted by all group/team members.
- More commitment among all group/team members to make the final decision work.

Potential Disadvantages of Group/ Teams Decision Making:
- Individuals may feel compelled to conform to the apparent wishes of the group/team.
- The group's/team's decision may be dominated by one individual or a small coalition.
- Group/team decisions usually take longer to make.

Improving Team Decision Making
- Assign the devil's advocate role
- Be open to dissenting points of view
- Seek outside opinions
- Break up into smaller groups
- Rethink issues before making final decision
- Use brainstorming

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Managing Group and Team Decision-Making Processes

o Be aware of the pros and cons of having a group or team make a decision. o Set deadlines for when decisions must be made. o Avoid problems with dominance by managing group membership. o Hold a follow-up meeting to recheck the decision.	o Have each group member individually and critically evaluate all alternatives. o As a manager, do not make your position known too early. o Appoint a group member to be a "devil's advocate."

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EFFECTIVE TEAM COMMUNICATION

We are the second part of our course the team dynamics. Last two lecturers were focusing on decision making. In this lecture the focus will be on effective team communication. We have already discussed the basic concepts and principle of importance of communication during the first part of our course. Keeping in view the importance of communication in team performance this topic is again being discussed in this lecture.

Team Communication:

Communication is the process by which a person, group, or organization (the sender) transmits some type of information (the message) to another person, group or organization (the receiver) using some medium (Channels).

Communication encompasses both **interpersonal communication** (between two or more people) and **organizational communication** (all the patterns, networks, and system of communication within an organization).

The Basic Communication Process:

Encoding – translating an idea into a form, such as written or spoken language, that can be recognized by a receiver.
Transmission via **communication channels** – pathways over which information travels

a. Telephone lines, radio, television
b. Fiber-optic cables (e-mail)

Decoding – converting the message back into the sender's original ideas.
Feedback – providing information about the impact of messages on receivers.
Noise – factors that distort the clarity of messages that are encoded, transmitted, or decoded in the communication process.

a. Unclear writing
b. Listener's inattentiveness
c. Static along a telephone line

Same topic was discussed in detail in lecture number 23 and 24.

Communication and Leadership: The importance of effective communication cannot be overemphasized because everything a manager/leader does involves communicating. Effective leaders are also effective communicators. To be effective, the leader must synchronize verbal and nonverbal behavior Technology has had also a meaningful impact on leaders' communication and coordination.

- Effective leaders are also effective communicators
- To be effective, the leader must synchronize verbal and nonverbal behavior
- Technology has had a meaningful impact on leaders' communication and coordination

Communication Creates a Team:
Communication makes the bridge between the team members and creates synergy within the team. Through communications, team members achieve organizational goals in more efficient manner.

The Top Three Qualifications Sought by Today Employers

- Communication Skills
- Team Member
- Leadership Capabilities

That also indicates the importance of communication.

Team Communication:

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Internal communication: means communication between team members and key personals of the organization.

- Formal
- Informal
- **Formal communication** is communication that follows the official chain of command or is required to do one's job.
- **Informal communication** is communication that is not defined by the organization's structural hierarchy.
  - Informal communication systems permit employees to satisfy their needs for social interaction.
  - Informal communication systems can improve an organization's performance by creating alternative—and frequently faster and more efficient—channels of communication.

External communication: Communication between the team point of contact and the client or customers regarding contract requirements. E.g. documentation, reporting etc.

Team/Group Communications

Team/group communication will depend on

- **Group Size:** The larger the group, the harder it is for people to communicate with other group members.
- **Group Structure:** Communication is better in informally structured groups than in hierarchically structured groups.
- **Group Composition:** Communication is better when there are different personality types in a group and when groups are mixed rather than single sex.
- **The Physical Work Environment:** Good workplace organisation can help encourage communications.

In Order for Teams to be Effective, the members must communicate effectively, share information and have a shared understanding of information presented to them.

Why Communication Is Important & Necessary…

- In a team you are ALL working towards a same goal/vision.
- You need to define and ensure that the goal/vision is shared by all the members.
- If there are questions/issues about the goal/vision those need to be resolved quickly in order for the team to move forward.
- When decisions need to be made the team has to be made aware of the decision that is at hand.
- EVERYONE NEEDS TO BE ON BOARD
- If communication keeps the team members informed, therefore a team working towards the same goal/vision can be more effective and efficient.
- Information is shared within team.
- Team members have knowledge
- Knowledge is power
- Sense of power gives members sense of belonging and dedication
- Dedicated members will contribute more and feel valuable to the team.

Any data, information transferred will ultimately create wisdom and help for an effective decision making by individuals, mangers and leaders.

Creating Team Communication:

- Ensure that goals are clearly defined.
- Interaction is aimed at solving problems and achieving team goals.
- Ensure team members trust each other by having open communication.

Characteristics of Open Communication:

- Members are encouraged to seek input from others.
- Disagreement is invited and dealt with as a vital part of making sound decisions.
- Team members share responsibility for communicating effectively.

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- Everyone is pro-active to understand team goals.

Guidelines to Team Communication:

- **Be specific:** include facts and details to avoid being unclear
- **Be accurate:** as much as possible be sure that the information you are giving is true and reliable.
- **Be honest:** be truthful with those you are communicating with and do not use questionable information.
- **Be logical:** make sure messages are easy to follow
- **Be complete:** give all needed information in regards to your ideas.
- **Be concise:** be brief- not unnecessarily wordy.
- **Be relevant:** stay on task and give information that is needed.
- **Ask for feedback:** have recipients give comments on information.

Responsibilities of Team Members:

- Open minded
- Listen to what is being said
- Give feedback to what is being said
- Make sure all team members have a chance to communicate their ideas.
- If decisions need to be made discuss pros and cons, and decide best option for TEAM.
- Take ownership for what you say.
- Take responsibility for making sure you are heard and understood.
- Use terminology and examples that your audience understands.
- Be aware of body language.
- Always work to maintain the trust and confidence of those with whom you are communicating / working.

Getting Your Message Across:

- State the purpose of your message.
- Communicate your message.
- Listen to the response of others.
- Clear up any misunderstandings.
- Summarize and move to action.

Communication Tools:

- Face-to-face
- E-mail
- Chat rooms
- On-line
- Cell phone
- Search engines

Email

- Somewhere between verbal and written communication
- Easy for the recipient to misinterpret the message

Three Simple Guidelines for More Effective Email are 1) Write precisely, 2) Format intelligently and 3) Follow through.

Poor communication can lead to:

- Wasted time and/or energy
- Lack of trust
- Misunderstandings
- Deadlines are not met
- Lack of change for the better

Communication is the leading cause of both conflict and resolution. It is a skill that requires life-long effort and learning. We must practice.

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CONFLICT IN TEAM

Conflict in Team: The process in which one party perceives that its interests are being opposed or negatively affected by another party.

- Perceived by the parties
- Parties are in opposition to one another
- At least one party is blocking the goal attainment of the other party
- Goals can be tangible or psychological
    - Money
    - Task Achievement
    - Happiness

There are several common themes which underlie most definitions:

- The parties to it must perceive conflict.
- Commonalties in the definitions are opposition or incompatibility and some form of interaction.

We define conflict as "a process that begins when one party perceives that another party has negatively affected, or is about to negatively affects, something that the first party cares about."

- This describes that point when an interaction "crosses over" to become an inter-party conflict.
- It encompasses the wide range of conflicts that people experience in organizations.

Sources of Conflict:

- Goal Incompatibility
- Different Values and Beliefs
- Task Interdependence
- Scarce Resources
- Ambiguity
- Communication Problems
- Perceived personal threats
- Perceived threat to the organization
- Personal, social, cultural differences
- Others...

The three major sources of interpersonal and inter group conflict are differentiation, task relationships, and scarcity of resources.

Differentiation:

- Differentiation in an organization occurs when people and tasks are grouped or split up into functions and divisions to produce goods and services.
- The splitting process produces conflict because it makes the differences in functional orientations and status inconsistencies apparent.
- Differences in Functional Orientations.
    - Different functions commonly develop different orientations toward the Organization's major priorities.
    - Their views of what needs to be done to increase organizational performance differ because their tasks, jobs, and goals differ.
    - Different views of priorities develop.
    - These differences can lead to conflict that can do considerable harm to the organization's cohesiveness and functional integration performance is reduced.
- Status Inconsistencies:
    - Over time, some functions or divisions come to see themselves as more vital than others to an organization's operations and believe that they have higher status or greater prestige in the organization.

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- High-status functions make little attempt to adapt their behaviors to the needs of other functions, thereby causing conflict.

Task Relationships:

- Task relationships generate conflict between people and groups because organizational tasks are interrelated and affect one another.
- Overlapping Authority. If two different functions or divisions claim authority for the same task, conflict may develop.
- Task Interdependence.
  - The development of goods and services depends on the flow of work from one function to another; each function builds on the contributions of other functions.
  - If one function does not do its job well, the ability of the function next in line to perform is compromised, and the outcome is likely to be conflict.
  - As task interdependence increases from pooled, to sequential, to reciprocal interdependence, the potential for conflict among functions or divisions is greater.
- Incompatible Evaluation Systems.
  - Inequitable performance evaluation systems that reward some functions but not others sometimes create conflict.
  - Complex task relationships increase this form of conflict.

Scarcity of Resources:

- Competition for scarce resources produces conflict.
- Budget fights can be fierce when resources are scarce.

Communication:

- Communication as a source of conflict represents those opposing forces that arise from semantic difficulties, misunderstandings, and "noise" in the communication channels.
- Differing word connotations, jargon, insufficient exchange of information, and noise in the communication channel are all barriers to communication and potential antecedents to conflict.
- Semantic difficulties are a result of differences in training, selective perception, and inadequate information.
- The potential for conflict increases when either too little or too much communication takes place.
- The channel chosen for communicating can have an influence on stimulating opposition.

Different Values and Beliefs:

- Include individual value systems and personality characteristics. Certain personality types lead to potential conflict.
- Most important is differing value systems. Value differences are the best explanation for differences of opinion on various matters.

Types of Conflict:

- **Emotional** – is personal, defensive, and resentful. Also known a A-type or affective.
- **Cognitive** - is largely depersonalized, it consists of argumentation about the merits of ideas, plans, and projects. Known as C-type. Often an effective stimulate to creativity.

We can have a different type of conflict classification with reference to organizational setup.

- **Task conflict:** Conflict over content and goals of the work. Low to moderate levels can be acceptable
- **Relationship conflict:** Conflict based on interpersonal relationships. Almost always dysfunctional
- **Process conflict:** Conflict over how work gets done. Low levels can be acceptable

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We can also have relationship conflict (**A-type conflict**) and task conflict (**C-type conflict**). We need to put efforts for transforming relationship into task conflict. This can be done through.

- Agree on common goal or shared vision
- Create a place for conflict and get it out in the open
- Training in task conflict

We can also have conflicts known as;

Intrapersonal:
- A person having tension or stress within…
- Often due to over competing roles

Interpersonal:
- Between 2 or more people,
- Disagreement, values or styles don't match
- Miscommunication occurs

Intra-group:
- Arises within one group

Inter-group:
- Arises between groups over issues/goals/solutions

The Conflict Process:

Four Stages
- Potential opposition
- Cognition and personalization
- Behavior
- Outcomes

Stage I: Potential Opposition or Incompatibility

- **Communication**
  - Communication as a source of conflict represents those opposing forces that arise from semantic difficulties, misunderstandings, and "noise" in the communication channels.
  - Differing word connotations, jargon, insufficient exchange of information, and noise in the communication channel are all barriers to communication and potential antecedents to conflict.
  - Semantic difficulties are a result of differences in training, selective perception, and inadequate information.
  - The potential for conflict increases when either too little or too much communication takes place.
  - The channel chosen for communicating can have an influence on stimulating opposition.
- **Structure**
  - The term structure includes variables such as size, degree of specialization, jurisdictional clarity, member-goal compatibility, leadership styles, reward systems, and the degree of dependence.
  - Size and specialization act as forces to stimulate conflict. The larger the group and more specialized its activities, the greater the likelihood of conflict.
  - The potential for conflict is greatest where group members are younger and turnover is high.
  - The greater the ambiguity in responsibility for actions lies, the greater the potential for conflict.
  - The diversity of goals among groups is a major source of conflict.

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- A close style of leadership increases conflict potential.
- Too much reliance on participation may also stimulate conflict.
- Reward systems, too, are found to create conflict when one member's gain is at another's expense.
- Finally, if a group is dependent on another group, opposing forces are stimulated.

- **Personal Variables**
  - Include individual value systems and personality characteristics. Certain personality types lead to potential conflict.
  - Most important is differing value systems. Value differences are the best explanation for differences of opinion on various matters.

Stage II: Cognition and Personalization

- Antecedent conditions lead to conflict only when the parties are affected by and aware of it.
- Conflict is personalized when it is felt and when individuals become emotionally involved.
- This stage is where conflict issues tend to be defined and this definition delineates the possible settlements.
  - Second, emotions play a major role in shaping perceptions.
  - Negative emotions produce oversimplification of issues, reductions in trust, and negative interpretations of the other party's behavior.
  - Positive feelings increase the tendency to see potential relationships among the elements of a problem, to take a broader view of the situation, and to develop more innovative solutions.

Stage III: Behavior

- Stage IV is where conflicts become visible. The behavior stage includes the statements, actions, and reactions made by the conflicting parties. These conflict behaviors are usually overt attempts to implement each party's intentions.
- Stage IV is a dynamic process of interaction; conflicts exist somewhere along a continuum
- At the lower part of the continuum, conflicts are characterized by subtle, indirect, and highly controlled forms of tension.
- Conflict intensities escalate as they move upward along the continuum until they become highly destructive.
- Functional conflicts are typically confined to the lower range of the continuum.

Stage IV: Outcomes

Introduction

- Outcomes may be functional—improving group performance, or dysfunctional in hindering it.

Functional Outcomes

- How might conflict act as a force to increase group performance?
- Conflict is constructive when it:
  - Improves the quality of decisions.
  - Stimulates creativity and innovation.
  - Encourages interest and curiosity.
  - Provides the medium through which problems can be aired and tensions released.
  - Fosters an environment of self-evaluation and change.
- The evidence suggests that conflict can improve the quality of decision making.
  - Conflict is an antidote for groupthink.
  - Conflict challenges the status quo, furthers the creation of new ideas, promotes reassessment of group goals and activities, and increases the probability that the group will respond to change.
  - Research studies in diverse settings confirm the functionality of conflict.

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- The comparison of six major decisions made during the administration of four different U.S. presidents found that conflict reduced the chance of groupthink.
- When groups analyzed decisions that had been made by the individual members of that group, the average improvement among the high-conflict groups was 73 percent greater than was that of those groups characterized by low-conflict conditions.

- Increasing cultural diversity of the workforce should provide benefits to organizations.
  - Heterogeneity among group and organization members can increase creativity, improve the quality of decisions, and facilitate change by enhancing member flexibility.
  - The ethnically diverse groups produced more effective and more feasible ideas and higher quality, unique ideas than those produced by the all-Anglo group.
- Similarly, studies of professional systems analysts and research and development scientists support the constructive value of conflict.
- An investigation of 22 teams of systems analysts found that the more incompatible groups were likely to be more productive.
- Research and development scientists have been found to be most productive where there is a certain amount of intellectual conflict.

Dysfunctional Outcomes

- Uncontrolled opposition breeds discontent, which acts to dissolve common ties and eventually leads to the destruction of the group.
- Undesirable consequences:
  - A retarding of communication
  - Reductions in group cohesiveness
  - Subordination of group goals to the primacy of infighting between members
- Conflict can bring group functioning to a halt and potentially threaten the group's survival.
- The demise of an organization as a result of too much conflict is not as unusual as it might first appear.

Creating Functional Conflict

- If managers accept the interactionist view toward conflict, they encourage functional conflict.
- Creating functional conflict is a tough job, particularly in large American corporations.
- A high proportion of people who get to the top are conflict avoiders.
- At least seven out of ten people in American business hush up when their opinions are at odds with those of their superiors, allowing bosses to make mistakes even when they know better.
- Such anti-conflict cultures are not tolerable in today's fiercely competitive global economy.
- This process frequently results in decisions and alternatives that previously had not been considered.
- One common ingredient in organizations that successfully create functional conflict is that they reward dissent and punish conflict avoiders.
- The real challenge for managers is when they hear news that they do not want to hear.

People Factors That Affect the Development of the Conflict:

- Needs and wants
- Self-concept
- Past experience
- Health

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Other Factors That Affect the Development of the Conflict:

- Management culture
- Stage of development of the organization
- Organizational structures
- State of business
- Weather

Consequences of Conflict

Positive Consequences	Negative Consequences
Leads to new ideas	Diverts energy from work
Stimulates creativity	Threatens psychological well-being
Motivates change	Wastes resources
Promotes organizational vitality	Creates a negative climate
Helps individuals & groups establish identities	Breaks down group cohesion
Serves as a safety valve to indicate problems	Can increase hostility & aggressive behaviors

Is Conflict Bad? There are Different Views:

Traditional View

- Conflict is bad
- Same as violence, destruction, irrationality

Human Relations View

- People work together, conflict is inevitable.
- It's going to happen, so cope with it!

Interactionist View

- Functional conflict is good for business and even encouraged
- Functional vs. dysfunctional conflict
- Functional conflict – that supports and improves the performance of a group.
- Dysfunctional conflict – destructive forms of conflict that disrupt a group's performance.

Is Conflict Good or Bad?

- **Functions of Conflict**
  - Synergy
  - Promotion of change
  - Promotes goal achievement
- **Dysfunctions of Conflict**
  - Wasted time & energy
  - Stress
  - Detracts from the goal of the group

Organizational Conflict Outcomes

- **Dysfunctional outcomes**
  - Diverts energy and resources
  - Encourages organizational politics
  - Encourages stereotyping
  - Weakens knowledge management
- **Potential benefits**
  - Improves decision making
  - Strengthens team dynamics

Conflict Resolution Techniques:

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o Avoiding o Withholding or withdrawing o Smoothing over/reassuring o Accommodating o Forcing	o Competing o Compromising o Confronting o Collaborating o Bargaining/negotiating o Problem-solving

Three Styles of Resolving Conflict:
Win-Lose: strategies used are power, dominance, forcing.
Lose-Lose: common strategy used is compromise.
Win-Win: strategies used are integration, collaboration, and problem-solving.

Characteristics of High Performing Teams:
- Common Purpose
- Crystal Clear Roles
- Accepted Leadership
- Effective Processes
- Solid Relationships
- Effective Communication

Strategies to Enhance Cooperation and Minimize Competition
- Build team identity
- Build Trust and Share Information
- Ask Questions
- Appeal to Norms of Justice
  - Equity
  - Equality
  - Need
- **Fairness-Based Arguments**
  - Simple
  - Clear
  - Justifiable
  - Popular
  - General

Steps to Resolve Conflict:
- **Identify the Problem—**separate it from the people involved—use cause and effect analysis
- **Gather and Analyze Data—**fact-based management
- **Clarify the Interests of Parties—**as opposed to the positions of parties
- **Determine Objective Criteria to Evaluate Fairness of Outcomes—**boundary conditions
- **Identify New and Creative Options**—to resolve the conflict
- **Choose an Option—**using team decision-making tools.

The 3-Cs and 3-Rs of Conflict Resolution are-
- **C**ommitment
- **C**ooperation
- **C**ompromise
- **R**espect
- **R**ights
- **R**esponsibility

Learn Cooperation from the Animals:

We can observe from animal behavior the cooperation, dedication, teamwork and concept of leadership. I have dedicated the last lecture of our course on this very important aspect. That is learning from nature.

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TRAINING/LEARNING OF TEAM

Training and Learning of Team

The HRM view of training: Training refers to the methods used to give new or present employees the skills they need to perform their jobs. Training today plays a key role in the performance management process, which is a key process for employers to ensure that employees are working toward organizational goals. Overall, training has a fairly impressive record of influencing organizational effectiveness, scoring higher than appraisal and feedback, and just below goal setting in its effect on productivity.

- Employees recruited for a flexible working role rather than a 'job' and for their ability to learn rather than for pre-existing skills
- Employees expected to re-train periodically
- Training seen as an investment not a cost
- Learning is an ongoing process in the organisation, which is integrated with working
- Performance, appraisal and development are seen as part of a single process

Purpose of Training:

Effective training can raise performance, improve morale, and increase an organization's potential. Poor, inappropriate, or inadequate training can be a source of frustration for everyone involved. To maximize the benefits of training, managers must closely monitor the training process. Training ensures that Team/Organization meets current and future performance objectives set by top management. Training also helps in continuous improvement of performance of individuals and teams, and maximizing people's potential for growth (and promotion).

- **Ensure** Team/Organization meets current and future performance objectives by…
- **Continuous improvement** of performance of individuals and teams, and…
- **Maximizing people's potential** for growth (and promotion)

Training and Development Trends:

Although training is often used with development, the terms are not synonymous. Training typically focuses on providing employees with specific skills or helping them to correct deficiencies in their performance. In contrast, development is an effort to provide employees with the abilities that the organization will need in the future. Preparing them for future.

- Skill requirements will continue to increase
- Workforce will become significantly better educated & more diverse
- Corporate restructuring reshapes businesses
- Technology will revolutionize certain training delivery methods
- The role of training departments will change
- More flexible courses aimed specifically at performance improvement
- More organizations will strive to become learning-organizations
- Emphasis on human performance management will accelerate

Investing in people:

"We must transform the perception of training expenditure so that it is no longer seen simply as a cost, but is regarded as an investment, to be evaluated alongside investments in capital equipment."

"Sir Dennis Rooke, Chairman British Gas, 1987.

Training Methods:

There are different training methods, which are given below;

- On-the-Job Training (OJT) – means having a person learn a job by actually doing it, and involves the following:

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- Preparing the learner; presenting the operation; doing a tryout; and follow-up.

- Apprenticeship Training – is a structured process by which people become skilled workers through a combination of classroom instruction and on-the-job training.
- Informal Learning – involves learning through day-to-day unplanned interactions between the new worker and his/her colleagues.
- Job Instruction Training – refers to teaching a new employee the logical sequence of steps in a job step-by-step.
- Lectures – quick and simple way to provide knowledge to large groups.
- Programmed Learning – is a step-by-step self-learning method: 1) presenting questions, facts, or problems to the learner; 2) allowing the person to respond; and 3) providing feedback on the accuracy of the answers.
- Literacy Training Techniques – Companies are responding the functional illiteracy by testing job candidates' basic skills, and setting up basic skills and literacy programs.
- Audiovisual Based Training – Tools include: films, PowerPoint presentations, video conferencing, audiotapes, and videotapes.
- Simulated Training – is a method in which trainees learn on the actual or simulated equipment they will use on the job, but are actually trained off-the job.
- Computer-Based Training – is where the trainee uses computer-based and/or DVD systems to increase his/her knowledge or skills. CBT programs have real advantages including reducing learning time, cost effectiveness once designed and produced, instructional consistency, mastery of learning, increased retention, and increased trainee motivation.
- Electronic Performance Support Systems (EPSS) – are sets of computerized tools and displays that effectively automate and integrate training, documentation, and phone support, thus enabling individuals to provide support that's faster, cheaper, and more effective than the traditional methods.

- Distance and Internet-Based Training – Distance learning methods include traditional paper-and-pencil correspondence courses, as well as Tele-training, videoconferencing, and Internet-based classes.
    - Tele-training – where a trainer in a central location teaches groups of employees at remote locations via television hookups.
    - Videoconferencing – allows people in one location to communicate live via a combination of audio and visual equipment with people in different locations–another city or country or with groups in several cities.
    - Training via the Internet – Internet based learning programs are increasingly popular. Some companies simply let their employees take online courses offered by online course providers while others use their intranets to facilitate computer-based training.

Learning Principles

- Participation
- Repetition
- Relevance
- Transference
- Feedback

Maximizing Learning:

Selecting the Stage for Learning

- Provide clear task instructions
- Model appropriate behavior

Increasing Learning during Training

- Provide for active participation

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- Match training techniques to trainees self-efficacy
- Ensure specific, timely, diagnostic, and practical feedback
- Provide opportunities for trainees to practice new behavior

Maintaining Performance after Training

- Develop learning points to assist knowledge retention
- Set specific goals
- Identify appropriate re-enforcers
- Teach trainees self-management skills.

Following up on Training

- Evaluate effectiveness
- Make revisions as needed.

Models of learning:

- **Associative learning:** stimulus/response
- **Cognitive learning:** problem solving
- **Social learning:** watching others
- **Experiential learning:** learning by doing

Phases of Learning Cycles

Understand and frame problem

- Create a shared understanding
- What is the problem (or opportunity)?
- What are we trying to do?
- How are we going to do it?
- Starts out being general but becomes more defined as you proceeds

Plan

Teams plan actions to produce learning by answering

- What don't we know that we need to know?
- What actions can we take between now & our next meeting to find out what we need to know?
- How can we verify that what we are assuming is actually true?

Team Learning Record

What we Know? (Facts)	What we Think We Know? (Assumption)	What we Don't Know? (Question to be answered)

Act

Key to learning is action!

- Test assumptions
- Experiment
- Gather new information
- Try out hunches

Only by acting do teams have the opportunity to learn

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Action Plan for Team Learning

What Needs To Be Done?	BY Whom?	By When?

Reflect and Learn

- Really when team learning occurs
- Teams need to slow down, reflect on what has happened and capture lessons learned
- Must occur
  - In a spirit of openness
  - Not in a climate of self-protection or criticism

Assessing Team Learning

- **Speed**
  - Number of learning cycles should be completed.
  - The more cycles completed, the more learning that takes place.
- **Depth**
  - Degree to which teams "reframe" their understanding of the original problem.
- **Breadth (Impact)**
  - The impact of the results produced by the team.
  - Degree to which other projects, functional areas, or the organization as a whole is influenced.

To Motivate Followers Leaders Must:

- Set clear standards and goals so that the employee will take more interest.
- Expect the best from employee.
- Pay attention towards employees.
- Personalize rewards and recognition. It will enhance organization performance.
- Tell a story about winning organization etc.
- Celebrate ceremonies together.
- Be a role model for employee.

Factors Affecting Teamwork

o Common purpose o Mutual respect o Good communication o Good leadership o Understanding own role o Understanding role of other team members	o Ability to shape role boundaries when needed o Shared responsibility o Common "language" o Professional culture

Learning Team Assumptions

- Every member's participation is essential to the team's success
- Members' roles are fluid
- Authority is shared
- Information is freely shared with the team
- Every team member has something to learn and something to teach.
- Members don't know precisely what they will learn or what they will teach
- Team goals include performance and learning expectations

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Key Characteristics of Successful Learning Teams

- Clear (and shared) sense of purpose
- Good communication
- Freely shared information
- Shared leadership
- Interdependence of team members
- Utilization of members' strengths
- Mutual encouragement of risk taking
- Adaptive – able change/modify plans when new information and/or circumstances emerge
- Pride in team identity

Team Learning

- Continuous improvement process
- How team resolves conflict
- How the team handles diversity
- Harness team creativity

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LEARNING ORGANIZATION

Learning Organization?

"A learning organization is one in which people at all levels, individually and collectively, are continually increasing their capacity to produce results they really care about". Learning organization is Creating, acquiring, interpreting, transferring, and retaining knowledge. Purposefully modifying its behavior to reflect new knowledge and insights.

"Learning Organization" is a Hot Topic:

Do one thing. Search for Learning Organization and fill the following.
- Google search yields ------- hits
- Amazon search yields ----- books
- Harvard Business Review has published----- articles

Important of Leaning Organization:

"The organizations that will truly excel in the future will be the organizations that discover how to tap people's commitment and capacity to learn at all levels in an organization."

– Peter Senge

"The rate at which organizations learn may become the only sustainable source of competitive advantage."

– Peter Drucker

"The need for learning organizations is due to the world becoming more complex, dynamic and globally competitive."

– Gary Ahlquist

Peter Drucker – "The Information Age"

Competitive advantage is created through "information-based organizations"

- Four Critical Areas:
  - Develop rewards, recognition and career opportunities that stimulate information sharing.
  - Create a unified vision of how the organization will share information.
  - Create the management structure that enables cross-boundary information sharing.
  - Ensure the continuous supply and training of staff and volunteers that can use the information.

Peter Senge – "The Fifth Discipline"

"Learning organizations are where people continually expand their capacity to learn".
- "Five disciplines are key to achieving an effective learning organization".
  - **Personal Mastery** – enhancing ability to be objective.
  - **Mental Models** – continually scrutinizing our assumptions and picture of the world.
  - **Shared Vision** – creating a new picture for the future.
  - **Team Learning** – creating the capacity to "think together".
  - **Systems Thinking** – knowledge and tools that allow people to see inter-relationships.

Daniel Tobin's Five Principles of the Learning Organization

- Everyone is a learner.
- People learn from each other.
- Learning enables change.
- Learning is continuous.

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- Learning is an investment, not an expense

Critical Tasks: A learning organization tries to do six things …

- Collect intelligence about the environment.
- Learn from the best practices of other organizations.
- Learn from its own experiences and past history.
- Experiment with new approaches.
- Encourage systematic problem solving.
- Transfer knowledge throughout the organization.

Levels of Learning

Managers/leaders need to encourage learning at four levels:

- Individual
- Group
- Organizational
- Inter-organizational

The Basis of the Learning Organization Strategy need to be

- Transfer Knowledge, not just information.
- Knowledge leads to better, safer decisions.
  - Better-informed.
  - Knowledgeable.
  - Wiser decisions.

Organizations Must Learn Faster & Adapt to the Rapid Changes in the Environment otherwise they will be history.

The Bottom Line: Any organization that has a **culture** and **structure** that promotes learning at all levels to enhance its capabilities to produce, adapt and shape its future.

A Litmus Test

Does our organization:

- Pursue a defined learning agenda?
- Avoid repeated mistakes?
- Capture critical knowledge before key people leave?
- Act on what it knows?
- Encourage Learning
- Encourage Risk taking
- Empower employees

The Learning Organization: Handling Knowledge & Modifying Behavior:

"A Learning Organization is an organization that actively creates, acquires, and transfers knowledge within itself and is able to modify its behavior to reflect new knowledge."

Note the three parts

- Creating and Acquiring Knowledge
- Transferring Knowledge
- Modifying Behavior

Learning Strategies

There are two principal types of organizational learning strategies:

1. **Exploration:** members search for and experiment with new kinds or forms of organizational activities and procedures.

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2. **Exploitation:** members learn ways to refine and improve existing organizational activities.

The 'Ideal' Learning Organization

- Communications
- Work relations
- Willingness to change
- Leadership
- Opportunities to learn

Communications:

- Encourage free expression of opinions.
- Establish good and open communication among all parts of the organization.
- Develop better communications with the external environment.

Work Relations

- Friendly work relations
- Include staff in decision making
- Cooperate with others
- Clear statements of responsibilities
- Let talent be recognized and fostered
- Mutual respect for others

Willingness to Change

- Staff encouraged to innovate
- Staff encouraged to be proactive in regard to change
- Establish dynamic mechanisms for change
- Make sufficient resources available to support change

Leadership

- Share a common vision and clear policies
- Provide encouragement and support for staff
- Empower staff to take responsibility in relation to their work

Opportunities to Learn

- Encourage personal growth and personal mastery
- Encourage team work
- Provide opportunities for staff to develop effective problem solving strategies
- Become involved in the broader society
- Be willing to learn outside your area of specialization
- Encourage honest evaluation

The Knowledge Management Cycle

- Create knowledge
- Capture knowledge
- Refine knowledge
- Store knowledge
- Manage knowledgee
- Disseminate knowledge

What Will a Learning Organization Achieve for You?

- Develop effective leadership skills
- Gain skills in working as a team
- Improve professional development
- Understand change management skills
- Overcome staff inertia
- Link theory and practice to solve organizational problems
- Create a non-threatening environment

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Through learning, we:

- Re-create ourselves
- Become able to do things we never were able to do before
- Re-perceive the world and our relationship to it
- Extend our capacity to create, to be part of the generative process of life

Why is there a Need for a New Managerial Mindset?

- Change
- Globalization
- New technology
- Need for strategic flexibility
- Need for non-linear thinking
- Need to see the whole
- Need for changed mental models

Where Within the Organization Do We Begin the Effort?

Begin at any entry point that has the potential to affect others!

- Top management
- Human Resources Department
- Joint management-union initiative
- Task Forces
- Focus on one of the key organization's issues
- Start with one department

2. How Do We Successfully Continue the Transformation?

- Establish a strong sense of urgency
- Create the vision
- Communicate & practice the vision
- Remove obstacles that prevent others from acting on the new vision
- Create short-term wins
- Consolidate progress achieved & push for continued movement
- Anchor changes in the organization's culture

3. What are the Facilitating Factors that Encourage the Building of a Learning Organization?

- Performance gap
- Concern for movement
- Experimental mindset
- Climate of openness
- Continuous education
- Multiple advocates or champions
- Involved leadership
- Systems perspective

4. How do we maintain the new learning organization?

An example can explain this step.

Caterpillars, Pupas & Butterflies – Transition to a Learning Organization

Learning organizations are where success is more possible, where quality is more assured, & where energetic & talented people want to be. **Best of success in building your learning organization!**

This is The Knowledge Era and entry is granted only to those who learn, innovate and implement

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REWARDING & RECOGNIZING TEAMWORK

Turning Individuals into Team Players

We have already discussed the importance of right type of team members and their training and learning organization concepts. To day we will focus on third important components of turning individuals into team players the "Reward". Rewarding or compensation of employees/team members plays important roles in managing a team and performance.

Compensating Teams:

An employee's total compensation has three components. The first and the largest element is base compensation (i.e., salary). The second component of total compensation is pay incentives (i.e., bonuses and profit-sharing). The third component is benefits or indirect compensation (i.e., insurance, vacation, unemployment, and perks.

Reward and Recognition Systems

- Team-based reward and recognition systems can promote teamwork
- Focus should be rewarding teams for achieving specific goals

Why People Leave Their Jobs?

- They feel they do not make a difference.
- They do not get proper recognition.
- They are not learning anything new or growing as a person.
- They do not like their coworkers.
- They want to earn more money.

People leave organization due to many reasons but one of them might be the improper compensation system.

Compensating Teams:

Reasons for tailoring compensation to individuals:

- Motivation comes from within the individual as opposed to the group.
- The development of skills and behaviors is an individual undertaking.
- Fairness in dealing with teams does not mean equal pay for all.
- Team compensation is not a payoff but a means of nurturing behavior that benefits the team.

Rewards and other Employee Behaviors

Starting from attracting the good team members/employees to retain every thing is revolving on the reward system of organization. Three important HR related behaviors like turnover, absenteeism and attendance is directly linked with the reward system of organizations.
With better reward system we can minimize the turnover, absenteeism and attendance and vice versa. Reward is also used to reinforce positive behavior and reduces the undesirable behaviors.

Total compensation comprises of direct like wages, salary, commission, gain sharing etc while indirect benefits, vacation, insurance, etc. Even positive behavior of manager/leader also play important role in modifying the behaviors of the team member/employees. We can see a wide range of benefits organization use to attract, and retain the employees.

Objectives of Reward Systems

- Attraction and retention (employees compare to other firms in the market)
- Motivating performance (contingent on expectancy & equity)
- Getting employees to gain skills and knowledge
- Reinforce the organization's culture

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- Not cost the firm too much!!

Designing Rewards

- Always remember your basic motivational theories
- Options for reward systems
- Objectives of reward systems
- How rewards impact organizational effectiveness
- Implementing a reward system
- Appropriate rewards practices sometimes vary between countries

Individual or Team Rewards?

Individual rewards

- fosters independent behavior
- may lead to creative thinking and novel solutions
- encourages competitive striving within a work team

Team rewards

- emphasize cooperation & joint efforts
- emphasize information sharing

Both have same purpose.

Types of Team Pay

- Incentive pay
- Recognition
- Profit sharing
- Gain sharing

Variable Pay (Incentive Pay):

There are several plans that can be used: **Merit pay**, **bonus programs**, and **awards**. Advantages of individual-based pay-for-performance plans include rewarded performance is likely to be repeated, financial incentives can shape an individual's goals, they help the firm achieve individual equity, and they fit in with an individualistic culture. Disadvantages include they may promote single mindedness; employees do not believe pay and performance are linked, they may work against achieving quality goals, and they may promote inflexibility.

Variable pay fluctuates according to some pre-established criterion. For select employee groups, such as sales, variable pay can be as high as 100 percent. The higher the form of variable pay, the more risk sharing there is between the employee and the firm. Executives and sales personnel are usually treated very differently than other types of workers in pay-for-performance plans. A number of plans are used to link executives' pay to a firm's performance, but there is little agreement on which is best. Sales professionals may be paid in the form of straight salary, straight commission, or a combination plan. The relative proportion of salary versus incentives varies widely across firms.

Guidelines for Variable Team-Based Pay:

- Tie rewards to performance

  Make sure employee has control
- Balance team & individual pay.
- Make sure team compensation system consistent with rest of organization
- Make it clear who is eligible
- How to divide it up?
- Decide on compensation criteria (pay for bottom line results? Contribution? Behavior? Attitude?)
- Are you rewarding for past or projected performance?
- Develop a budget
- Decide on measurement periods & timing of payout

Shorter periods & faster payout motivate more but also increase administrative costs!

- Share financial information with team members.

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Recognition

Recognition of employee's efforts is also very important motivational factor and part of reward system.

General Rules:

- Not everyone should get it
- Give in timely manner
- Publicize it
- Tie it to team performance
- Personalize awards
- Nomination should be simple
- Recognize performance linked to org. goals

Gain sharing Plan: A percentage of the value of increased productivity is given to employees (prearranged formula).

These plans reward all workers in a plant or business unit based on the performance of the entire plant or unit. Plant wide plans are generally referred to as **gain sharing** programs because they return a portion of the company's cost savings to the workers, usually in the form of a lump-sum bonus. Advantages include eliciting active employee input, increasing the level of cooperation, fewer measurement difficulties, and improving quality. Disadvantages include protection of low performers, problems with the criteria used to trigger rewards, and management-labor conflict.

Profit sharing: Corporate profits are distributed to all employees.

This is the most macro type of incentive program and is based on the entire corporation's performance. The most widely used program of this kind is **profit sharing** which differs from gain sharing in several important ways: no attempt is made to reward workers for productivity improvements, they are very mechanistic, and typically they are used to fund retirement programs. Advantages of this plan are financial flexibility for the firm, increased employee commitment, and tax advantages. Disadvantages include risk for employees, limited effect on productivity, and long-run financial difficulties.

Team-based plans attempt to support other efforts to increase the flexibility of the workforce within a firm. These plans normally reward all team members equally based on group outcomes. The advantages of team-based pay-for-performance plans include they foster group cohesiveness and they facilitate performance measurement. Disadvantages include possible lack of fit with individualistic cultural values, the free-riding effect, social pressures to limit performance, difficulties in identifying meaningful groups, and inter-group competition leading to a decline in overall performance.

Team Performance Appraisal

Performance appraisal involves the identification, measurement, and management of human performance in organizations. Organizations usually conduct appraisals for administrative (a decision about an employee's working conditions, including promotions and rewards) and/or developmental (a decision concerning strengthening the employee's job skills, including counseling and training) purposes. Dissatisfaction with appraisals is rampant. HR professionals, line managers, and employees voice dissatisfaction. Many workers have difficulty with appraisal, which may account for the short life span of the average appraisal system.

360-Degree Feedback

360 degree feedback is a tool that gives individuals a clear view of their performance at work. Opinions are gathered from the person being assessed; people that work for them, their peers and their manager. All views are grouped together to form the full picture. In most cases opinions are expressed by the completion of a questionnaire covering different aspects of expected performance factors.

Effective Benefit Administration

There are two critical issues in the administration of employee benefits: the use of flexible benefits and the importance of communicating benefits to employees. A flexible benefits program allows employees to choose from a selection of such employer-provided benefits as vision care, dental care, health insurance coverage for dependents, additional life insurance coverage, long-term disability insurance, child care, elder care, more paid vacation days, legal services, and retirement plan. Benefits communication is essential. Many employees with excellent benefits packages have never been informed of the value of these benefits and are likely to underestimate their worth.

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MANAGING/LEADING VIRTUAL TEAMS

Managing/Leading Virtual Team

A Virtual Team is known as a Geographically Dispersed Team (GDT) – is a group of individuals who work across time, space, and organizational boundaries with links strengthened by webs of communication technology. They have complementary skills and are committed to a common purpose, have interdependent performance goals, and share an approach to work for which they hold themselves mutually accountable. Geographically dispersed teams allow organizations to hire and retain the best people regardless of location. A virtual team does not always mean Tele-workers. Tele-workers are defined as individuals who work from home. Many virtual teams in today's organizations consist of employees both working at home and small groups in the office but in different geographic locations or during different shits/time.

Factors Driving Virtual Organizations

- Organizational structure changing to meet the demands of the fast-paced, dynamic global economy
- Many organizations are moving from a systems-based organizational model to a collaborative, networked organizational model.
- The virtuality of virtual organizations has been described as having two key features:
  - Creation of a common value chain between distinct entities and distributed
  - Information technology (IT) supported business processes (Seiber and Griese, 1997).

Communications in Virtual Organizations

Information technology is a primary mechanism for providing support and control to virtual forms. Communication within virtual organizational forms is increasingly supported by information technology.

Organizational Types

- Permanent Virtual Organizations
- Virtual Teams
- Virtual Projects
- Temporary Virtual Organizations

Types of Teams

- Traditional - Face-to-Face
- Virtual

Virtual Teams

Virtual teams are teams of people who primarily interact electronically and who may meet face-to-face occasionally. Examples of virtual teams include a team of people working at different geographic sites and a project team whose members telecommute. Members are physically separated (by time and/or space) and that virtual team members primarily interact electronically.

Why a virtual team?

- Team members may not be physically collocated.
- It may not be practical to travel to meet face-to-face.
- Team members may work different shifts.
- Organization-wide project not in the same location.
- Alliances with organizations.

Different kinds of Virtual Development

Multisite

- Large teams in relatively few locations
- Each location develops a subsystem

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- The leaders of each location meet often

Offshore

- Designers at one location send specifications to production unit at another location → Outsourcing

Distributed

- A team spread over relatively many locations, with relatively few people, per location

Virtual Teams

Technology Supporting Virtual Teams

Hardware

- Telephones, PCs, modems, Video Conference, communication links, hubs, network (telephone system) and local area networks

Software

- Electronic mail, meeting facilitation software, and group time management systems

Benefits of virtual teams

- People can work from anywhere at anytime.
- People can be recruited for their competencies, not just physical location.
- Many physical handicaps are not a problem.
- Expenses associated with travel, lodging, parking, and leasing or owning a building may be reduced and sometimes eliminated.
- Apply most appropriate resources (from anywhere) to job
- Can schedule to follow-the-sun/around-the-clock
- Can build ongoing relationships/networks across business
- Cost reduction

Downside of virtual teams

- Time zones
- "You can't see me" attitude
- No constant direction
- Keeping that motivation and commitment
- How do you celebrate a success?

Characterizations of virtual teams (Henery and Hartzler,1998)

- Members are mutually accountable for team results.
- Members are dispersed geographically (nationally or internationally).
- Members work apart more than in the same location.
- The team solves problems and makes decisions jointly.

A successful virtual team

- A unified commitment by all team members
- Defined and agreed roles and responsibilities
- Clear concise deliverables
- Strict meeting schedules
- Effective lines of communication
- Committed, enthusiastic leadership - ALWAYS!

Setting Up Virtual Teams

- Establish communication norms – procedures to reconcile differences in communication practices
- Develop templates for using technology -- e.g., store documents on web pages, expert directories

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- Set procedures, responsibilities
- Establish leadership that provides procedural justice
- Hold an initial face-to-face startup meeting
- Have periodic face-to-face meetings, especially to resolve conflict and to maintain team cohesiveness
- Establish a clear code of conduct and protocols for behavior
- Recognize and reward performance
- Use visuals in communications
- Recognize that most communications will be non-verbal – use caution in tone and language

Success Factors in Virtual Teams

- High levels of trust among team members
- Effective use of technology
- Clear implementation of team concept
- Effective individual performance

Trust

- Effective teamwork depends on trust
- In a virtual environment, trust is more ability/task based than interpersonal relationship based
- Level of member performance over time results in building or denial of trust

Like in case of other team, trust is even more essential in the effectiveness of virtual team.

Building Trust Virtually: Establish trust through performance consistency

- Rapid response to team members (return emails, task completion)
- Set strong norms around communication
- Team leader role in reinforcing interactions

Virtual Team Member Competencies:

- Self-disciplined?
- Strong communicator?
- Good collaborator?
- Organized?
    - Document your work well?

Implementation of Virtual Teams:

- Must set out a clear business reason for the team
- Team must understand its mission/purpose
- Team members must develop a sense of interdependence
- Must have accountability and rewards for team members

Challenges to Virtual Team Success:

- Building trust within virtual teams
- Maximizing process gains & minimizing process losses on virtual teams
- Overcoming feelings of isolation & detachment associated with virtual teamwork
- Balancing technical & interpersonal skills among virtual team members
- Assessment & recognition of virtual team performance

Virtual Team Competencies

- The right technology
- Shared work space & processes
- Established ground rules
- Acceptance of cultural, style & preference differences
- Effective group dynamics
- Clear identity
- Teamwork skills
- Leadership

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- True trust

Virtual Leadership

Virtual leadership is about how to pull the people on a worldwide assignment together into one cohesive partnership. Leadership is about making things happen and getting things done. It just takes more work in a virtual environment.

Key in Leading a Virtual Team

- Build trust
- Reward and recognize
- Communication
- Motivation
- Commitment

Virtual Team Leadership Competencies

- Make the invisible, visible
- Make the intangible, tangible
- Create & foster a climate of trust
- Establish & constantly model standards of accountability
- Communicate clearly, constantly & effectively within each receiver's realm
- Delegate responsibilities

Virtual Leadership Key Traits

- Everyone gets core information at the same time.
- Everyone has equal input.
- Everyone's ideas are weighed against the alignment tool, not out of preference.
- Everyone's ideas are never judged or rejected at the onset.
- Everyone has equal opportunity to shine.
- Everyone is rewarded or publicly recognized for contributions to the project.
- The leader socializes equally with people near and far.
- Even appearances or suggestions of favoritism break trust.

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EFFECTIVE TEAM MEETINGS

Team Meetings

Team meetings keep members informed and provide a forum for problem solving, decision-making, and innovation. Meetings, when productive, are also one of the primary ways to develop team member relationships, enthusiasm, and spirit.

Effective Meetings at Work: Focused, Crisp and Short

Why Do We Love Meetings?

- Get full attention
- Learn Things
- Uncover Information
- Follow-up questions can be answered right away
- Full Review of material/activities
- Efficient form of decision making
- Accountability
- Opportunity to prepare

Why Do We Hate Meetings?

- Technology is not helping, videoconferencing too expensive, teleconferencing is inadequate
- Virtual teams need better tools
- No clear purpose
- Attendees come unprepared
- Meeting overload
- Outlook/Time Tracker not used consistently
- No agenda
- Too much time wasted

Do We Need to Meet?

- The purpose of a meeting is…… to utilize the talents of all present? Share Info?
- You get feedback from all
- Who decides to meet?
- Who needs to be there?
- Which meetings can we eliminate?
- What are the alternatives to meetings?

Types of Meetings

- **Leadership/Management:** to review the overall organization performance, setting up new goals and targets, headed by CEO, or Chairman.
- **Department Specific:** to review the departmental performance, headed by the head of department.
- **Project Management:** to review the overall project performance, headed by Project Director or Project Manager.
- **Other Meetings**
  - **Quarterly Business Review:** to review the quarterly progress report of all the departments in the organization.
  - **Client Specific:** to meet with specific client/customer to discuss the business matters etc.
  - **Functional Team:** meeting with in the department between different teams exist in one department.
  - **Special Project:** meeting on special project
  - **Performance Review (1-1):** to review the performance
- **Others:** a number of unscheduled meetings has also arranged on different level of organization.

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Meeting Techniques:

- Ask yourself, "Is this meeting really necessary?"
- Have a goal for the meeting. What do you want to accomplish?
- Have an agenda with clearly stated items and the amount of time to be allotted each one. Send out the agenda at least one day ahead of the meeting.
- Limit attendance and appoint a leader.
- Stay focused on the agenda. If a new topic is introduced, add it to the list of future agenda items or negotiate with the group if it should be discussed now. Have a clock in the room.
- Strive to get everyone involved in the discussion, avoid domination by one or two members.
- Foster rigorous debate and brainstorming, while respecting each other's opinions.
- Use visual aids. Have a flip chart and use it.
- Keep minutes of the key points raised and actions to be taken, then follow up.
- Do a two-minute evaluation of the meeting. Ask everyone what went well… what could be improved.

Better Meetings

- **Preparing for the meeting**
  - What's the purpose of the meeting?
  - Suggest an agenda
    - Send in advance
    - Invite revisions
- **Listening**
  - In most cases, spend most of your time on listening.
  - Ask questions to guide the meeting and to insure that soft-spoken contributors are heard
  - Help moderate the dominating non-contributors
- **Concluding**
  - Summarize key accomplishments of the meeting
  - Note next steps
  - Assess how you might improve next time

Meeting Roles

- **Primary facilitator**
  - Responsible for organizing the meeting and guiding the execution.
  - Writes the agenda describing objective and scope of meeting.
  - Distribute the agenda to the meeting participants
- **Minute taker**
  - Responsible for recording the meeting.
  - Identifies action items and issues
  - Release them to the participants
- **Time keeper**
  - Responsible for keeping track of time

The Meeting Process

- Plan
- Start
- Conduct
- Close
- Follow Up

Planning Meetings

- **Objectives**
  - Idea and purpose of the meeting should clearly define. And conveyed to the all participants.

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- **Participants and assignments**
  - Who should attend the meeting? Meeting member with the organization. In case of external member, informed him before the time.
  - Advance preparation, if any
- **Agenda**
  - Necessary activities related with meeting
  - Prioritize the activities.
- **Date, Time, and Place**
  - Optimal time of day, which will be given by the chair of the meeting
  - Maximum length of meeting
  - Logistics and technology
- **Leadership:** who will chair the meeting? CEO, departmental heads.
- **Written plan**
  - Advance distribution to attendees of the four items listed above

- **The Meeting Process: Planning**

- Ensure all team members are aware of meeting time and location – address possible barriers to attendance.
- Reserve meeting room before the meeting.
- Prepare materials for each participant equally.
- Follow-though on commitments made at last team meeting

- **Before the Meeting**

- **Set agenda in advance and distribute**: Have a clear agenda -- and stick to it. Watch out for tangents or brainstorming at the wrong times. Keep track of side issues for later discussion
  - Confirm attendance or early regrets
  - Contribute to agenda in advance
  - Prepare your discussion items
  - Read draft materials to be discussed
  - Bring all relevant materials
  - Arrive 5 minutes before meeting
- Identify each type of issue on agenda
  - FYI -- Communicate
  - BS -- Brainstorming
  - PS -- Problem Solving
  - DECIDE -- Decision needed

Role of Team Members

- Contribute agenda items
- Contribute to discussions
- Practice & encourage active listening
- Follow through on tasks of Partnership Agreement
- Share appropriate information with co-workers

Tips and Tricks – Before Meeting

- Know your audience/participants
- Know your agenda/topics
- Know the objectives you want to achieve
- Do the homework before meeting
- Know the room/seating arrangements
- Feel good about how you look

- Assign time frames and discussion leader to each item
- Updates on decision taken during previous/last meeting (action taken)

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The Meeting Process: Start

- Arrive early
  - Set up the room
  - Greet team members
- Reach consensus on an agenda
- Set or review team rules
- Begin within a few minutes of scheduled start time

The Meeting Process: Conduct

- Cover one agenda item at a time
- Manage discussions
- Maintain focus and pace
- Address and work through conflicts

The Meeting Process: Close

- Summarize decisions
- Review action items & discuss "homework"
- Schedule next meeting(s)
- Evaluate the meeting
- Thank team members

The Meeting Process: Follow Up

- Distribute meeting notes/minutes promptly
- Fill agendas, notes, and other documents
- Follow-through on activities

Meeting Length and Frequency

Things to try:

- Shorter meetings
- More frequent meetings
- Cut meetings short if necessary, and reconvene later

Meeting Room Facilities

Audiovisual

- A computer of the appropriate spec
- Intranet and internet access
- A projector/Multimedia
- Video Conferencing (if required)
- Seating arrangement should suit the purpose of the meeting
  - Auditorium-style to promote efficient one-way information delivery
  - In the round to encourage cross-team communication

Virtual Team Meetings

- Include all participants as facilitators and discussion initiators
- Ask specifically to each remote member to contribute
- Be sensitive to time zone issues, vary times
- Technology must be the best as possible
  - Video-conferencing, teleconferencing
- Build in social time before and after scheduled work meeting
- Include recognition of key efforts out in all locations
- Schedule special events when teammates get together face to face

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LEADING TEAM

Leading a team is very important. We have discussed different topics regarding leadership and team dynamics. Leading team mean to apply all those concepts, principles, techniques in real world and that has different effects depending upon the type of team and situation.

Attributes of High Performing Teams:

- Performance outcomes
- Specific, shared purpose and vision
- Mutual, internal accountability
- Coordinated, shared work roles
- Inefficiency leading to efficiency
- Extraordinarily high quality
- Creative continuous improvement
- High credibility and trust
- Clarity of core competence
- Participative leadership
- Shared responsibility
- Aligned on purpose
- High communication
- Future focused
- Focused on task
- Creative talents
- Rapid response

Why Work Teams Fail?

- Teams cannot overcome weak strategies and poor business practices.
- Hostile environment for teams.
- Vague or conflicting team assignments.
- Inadequate team skills training.
- Poor staffing of teams.
- Team tries to do too much too soon.
- Too much emphasis on results, not enough on team processes and group dynamics.
- Unanticipated obstacle causes team to give up.
- Resistance to doing things differently.
- Poor interpersonal skills.
- Lack of trust.

Why Do Teams Fail?

- Wrong design
- Leadership misfit
- Internal conflict
- Isolation
- Lack of time
- Excessive member turnover

Leading Teams

Two critical factors play important role in leading teams

- Developing credibility and influence
- Establishing a motivating vision and goals

Developing Credibility

- Demonstrating integrity
- Being clear and consistent
- Creating positive energy
- Building a base of agreement
- Using one-sided and two-sided arguments appropriately
- Encouraging team members to help them personally improve
- Sharing information

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Team Leadership and Goals (SMART Goals)

- Specific
- Measurable
- Aligned
- Realistic
- Time-bound

Team Membership:

Team members not only need clear goals, they needs roles to help facilitate task accomplishment and group cohesion.

Motivating Individuals

- Listen to people
  - What are their interests and goals?
  - What are their dreams?
  - What are their needs?
- Communicate how doing what you want them to do will help them achieve their goals, dreams and needs
- Make it happen
  - Follow-through is critical

Acting as a Leader

- How can understanding acting theory help you to motivate others?
  - How can you transform an encounter into motivation?
- How do you "act" as a leader?

Providing Team Leadership

- **Leading teams requires new skills**
  - E.g., patience to share information, trust others, give up authority, and knowing when to intervene
  - Team leaders need to focus on two priorities
    - Managing the team's external boundary
    - Facilitating the team process.
- **Leading teams requires new roles**
  - Liaisons with external constituencies
  - Troubleshooters
  - Conflict managers
  - Coaches

Leading/Managing Effectively

- Support
- Technology
- Information/Communication System
- Selection of Team Members
- Training/Learning
- Rewards
- Leadership

According to contingency approach No "one best way" to Lead. Effectiveness varies depending on the particular situation

Team Leadership Structures

- Traditional
- Participative
- Flat
- Consultant
- Teams need to choose a structure that models how they want to behave

Traditional Model

- Strong leader who directs the actions
- May have little participation or discussion from team
- Separation between leader and other team members

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Participative Model
- Leader positioned closely to all members
- Short, direct communication
- Direct accountability of the leader to all members
- Dependence on leader on team's participation

Flat Model
- Emphasizes leader's role as a working team member
- Leader is an equal to the team, not above

Consultant Model
- Leader is not part of the team and will be nearby to serve as a resource
  - Advise team
  - Technical Consultant

Leadership Demands and Duties

Effective leaders must be:
- Director and motivator
- Implementer and innovator
- Mentor and team builder
- Expert and moral force
- Organizer and developer of people
  - These challenges bring satisfaction and appreciation

Model the Way

Inspire a Shared Vision

Challenge the Process
- Grab the initiative
- Make challenge meaningful
- Innovate and create
- Look outward for fresh ideas

Experiment and take risks by constantly generating small wins and learning from mistakes.
- Initiate incremental steps and small wins
- Learn from mistakes
- Promote psychological hardiness

Enable Others to Act
- Foster collaboration by promoting cooperative goals and building trust.
  - Create a climate of trust
  - Facilitate positive interdependence
  - Support face-to-face interactions
- Strengthen others by sharing power and discretion.
  - Ensure self-leadership
  - Provide choice
  - Develop competence and confidence
  - Foster accountability

Leader Actions that Foster Teamwork

Own Resources:	**Structure/Policy**
o Define team mission. o Develop norm of cooperation. o Emphasize pride in excellence. o Model teamwork behavior. o Consensus decision maker. o Set performance standards. o Encourage positive competition. o Encourage use of jargon. o Solicit feedback on process. o Empower, not micromanage.	o Open, physical workspaces. o Team recognition and rewards. o Initiate ritual, ceremony and tradition. o Open-book management. o Select team-oriented members. o Use appropriate technology to enhance teamwork (i.e., groupware).

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Leader-Member Exchange:

- Leaders develop different and unique relations with individual team members.
- Leaders do not use the same leadership style with all team members, rather they treat individual team members somewhat differently.

Principles of Leadership Effectiveness:

- **Know yourself.** You cannot be an effective leader without knowing your own strengths and weaknesses.
- Be a role model
- Learn to communicate with your ears open and your mouth shut.
- Know your team and be a team player.
- Be honest with yourself as well as to others
- Do not avoid risks.
- Believe in yourself.
- Take the offense rather than the defense.
- Know the ways of disagreement and the means of compromise.
- Be a good follower. Effective leaders lead as they would like to be lead.

Effective Leadership

- Look at the task and decides what his/her role is
- Acquire the knowledge to do the job effectively
- Brief others well to do their jobs and what the limits of their authority are
- Delegate decisions and responsibilities where possible
- Are fair and consistent
- Are prepared to accept criticism
- Help others without doing the job for them
- Act as resource people
- Make decisions where necessary without prevarication
- Understand how leadership operates in a group situation
- Are aware of and sensitive to individual needs within the group or team

Leadership Direction

Leaders should not command excellence, they should build excellence

- Involve those participating in developing solution
- Ensure the "6 W's"
- Who will do what?
- Who does it involve?
- What is going to be done?
- When does it start?
- When does it end?
- Where will it take place?
- How will it take place?
- Why should it be done?
- What will happen if it's not done?
- Effective execution
- Pre-determine task
- Supporting structure in place
- Allocate necessary resources

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REVIEW-II

Lecture 39 is a second review and is mainly to review what ever we covered so far from lectures 25 to 38. Second part of our course was mainly focusing the team dynamics part. We tried to understand group, team and their dynamics.

We started our lecture number 25 with group dynamics.

Group - two or more people with common interests or objectives.

Team - a small number of people with complementary skills who are committed to a common mission, performance goals, and approach for which they hold themselves mutually accountable

A **team** is a formal work group in which there is a high level of interaction among group members who work intensely together to achieve a common goal. A group whose members work intensely with each other to achieve a specific, common goal or objective is known as Team. All teams are groups but not all groups are teams.

- Teams often are difficult to form.
- It takes time for members to learn how to work together.

A group/team is **effective** when it satisfies three criteria:

- **Production output:** the product of the group's work must meet or exceed standards of quality and quantity
- **Member satisfaction:** membership in the group must provide people with short-term satisfaction and facilitate their long-term growth and development
- **Capacity for continued cooperation:** how the group completes a task should maintain or enhance the group's ability to work together; groups that don't cooperate cannot survive

Groups versus Teams:

- All teams are groups
- Some groups are just people assembled together
- Teams have task interdependence whereas some groups do not..

Why Rely on Teams? Because as compared with individuals working alone, teams tend to

- Make better decisions
- Make better products and services due to more knowledge and expertise

We also discussed different development stages of group formation.

Stages of Group Development: five stage of group development are

- Forming
- Storming
- Norming
- Performing
- Adjorning

Types of Teams

- Problem-Solving
- Self-Managed
- Cross-Functional
- Virtual

Benefits of Teams

Synergy: The creation of a whole greater than or equal to the sum of its parts.

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Why Teams Are Good for Organizations

- More resources for problem solving
- Improved creativity and innovation
- Improved quality of decision making
- Greater commitments to tasks
- Increased motivation of members
- Better control and work discipline

Characteristics of High Performance Teams

- Clear goals
- Results-driven structure
- Competent team members
- Unified commitments
- Collaborative climate
- Standards of excellence
- Leadership

Team: A team is a formal work group in which there is a high level of interaction and interdependence among group members who work intensely together to achieve a common goal.

Teamwork: is the process of people actively working together to accomplish common goals.

Advantages and disadvantages of having team.

Advantages	Disadvantages
o Wider range of knowledge, expertise and ideas o Effective way to build consensus o Effective way to communicate complex information	o Blocking o Dominant people o Status differential o Groupthink

How Do We Measure Team Effectiveness? Effective teams have confidence in themselves and believe they can succeed—this is team efficacy. Success breeds success. Management can increase team efficacy by helping the team to achieve small successes and skill training.

Small successes build team confidence. The greater the abilities of team members, more the likelihood that the team will develop confidence and the capability to deliver that confidence. We can measure the team effectiveness by measuring their…

- Productivity
- Cohesion
- Learning/ growth & development

- Integration with the rest of the organization.

Leaders need to put extra efforts to convert individuals into a performing team.

Turning Individuals into Team Players:

It starts with the selection of right type of people, training them and linking the performance with proper reward system.

“NONE OF US IS AS SMART AS ALL OF US”

- When teams operate effectively, they can solve more problems, make better decisions and be more creative.
- “Team are unique; dynamic, complex and ever changing.” - Ken Blanchard, author of “the one minute manager”.

Leadership success requires: An understanding of group behavior. The ability to tap the constructive power of teams

Team Building

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- Get the right people.
- Determine the Challenge.
- Prepare the Team Leader.
- Train.
- Add value.
- See the Big picture.

Build and Support the Team

- Leadership Skills
- Team Building Strategies
- Team Logistics

Team Building:-The Team Leader's Responsibility

A good team leader

- Fosters communication among team members
- Seeks to build bonds among team members (work together, meet together, get to know each other)
- Creates positive environment for collective problem solving and support; creates atmosphere in which differing opinions are valued but in which clear decisions can be reached
- Is alert to cliques, bickering, etc. and acts to address them; maintains atmosphere in which sexual, racial, ethnic, national or other harassment is not acceptable
- Monitors individual staff members for signs of stress and provides basic support
- Models good individual stress management practices
- Seeks to base expatriate/staff interactions on mutual respect, transparency, and partnership

Team Building:-The Organizational Responsibility

- The Organization identifies team-building skills as an essential qualification for prospective managers
- The Organization trains staff and managers in team work skills (e.g., conflict management)
- The Organization helps build team cohesion (e.g., through common experiences such as safety and security training)
- The Organization regularly reviews team functioning and has policies for addressing the problems of dysfunctional teams and of staff members who have difficulty functioning in their team

Strategies for Team Building

- Establish common goals
- Understand each others role in the Team
- Find occasions to celebrate
- Recognise effort
- Improve communication

Factors Affecting Teams

- Work Design
- Team Composition
- Context
- Process

Team Based Organization

Based on the belief that organizational goals will be achieved not by individuals working together separately, but by groups of people who share responsibility for outcomes and who work efficiently and effectively in teams.

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Characteristics of Traditional Vs Team-based Organizations

Traditional	Team-based
Individual command structures	Collective structures
Manager controls	Team monitors
Vertical hierarchy	Horizontal integration
Stability and uniformity	Change and flexibility
One best way to organize	Organization-specific
Managers manage	Self-managing teams

Benefits of Teams in Organizations:

- **Enhanced Performance:** Teams may take many forms, i.e. including improved productivity, quality, and customer service such the enhancements result from pooling individual efforts in new ways and continuously striving to improve for the benefit of the team.
- **Employee Benefits:** Teams always provide the sense of self-control, human dignity, identification with work, and sense of self-worth and self-fulfillment for which current workers seem to strive.
- **Reduced Costs:** Through empowered teams, an organization can reduce scrap, make fewer errors, file fewer worker compensation claims, and reduce absenteeism and turnover. They resulting in significant cost reductions.
- **Organizational Enhancements:** Teams improvements in team results a move from a hierarchically based, directive culture to a team-based culture include increased innovation, creativity, and flexibility in the organization.

Benefits of Team-based Organization:

Profitability and long term viability organization is increased due to its working as team based organization. Other benefits of team based organizations are listed bellow.

- Efficient Process
- Flexible Response to change
- Improve Effectiveness
- Reduce Cost
- Increase Innovation
- Customer Involvement
- Employee commitment
- Skill utilization

Possible Pitfalls in the Introduction of Team Based Organization (TBO)

- Introducing teams regardless of need
- Introducing teams without changing systems
- Failing to train for TBO
- Not providing expert support
- Failure of communication within, with and between teams
- Failure to establish and support TBO objectives

Roles of a Leader in the Team-Based Organization

- Defining the team's mission
- Building trust and inspiring teamwork
- Coaching team members and group members toward higher levels of performance
- Serving as a model of teamwork, including power sharing
- Facilitating and supporting team's decisions
- Expanding the team's capabilities
- Creating a team identity
- Emphasizing pride in being outstanding
- Anticipating and influencing change
- Inspiring the team toward higher levels of performance

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- Enabling and empowering group members to accomplish their work
- Selecting team-oriented members
- Using technology that facilitates teamwork

Decision Making and Decision Making Process:

A **decision** is a choice made from two or more alternatives. The **decision-making process** is recognizing and defining the nature of a decision situation, identifying alternatives, choosing the "best" alternative, and putting it into practice. An effective decision is one that optimizes some set of factors such as profits, sales, employee welfare, and market share. Managers make decisions about both problems and opportunities.

Problem Solving Vs Decision Making

- Problem solving: finding the root cause of a deviation (cause analysis)
- Decision making: choosing from alternative courses of action (choice analysis)

Problem solving ---------- Decision making

Types of Decisions:

Programmed Decisions: A decision that is a fairly structured decision or recurs with some frequency or both. Example: Starting your car in the morning.

Non-programmed decisions: A decision that is relatively unstructured and occurs much less often than a programmed decision. Example: Choosing a vacation destination.

Intuitive decision making: Managers also regularly use their intuition. Intuitive decision making is a subconscious process of making decisions on the basis of experience and accumulated Judgment.

- Making decisions on the basis of gut feeling doesn't necessarily happen independently of rational analysis; the two complement each other.
- Although intuitive decision making will not replace the rational decision-making process, it does play an important role in managerial decision making

Roadblocks to Good Decision Making

- **Human Cognition**
  - Our mental ability to comprehend and understand something

- **Human Perception**
  - Difficulty isolating problems
  - Tend to think of only narrow range of possible solution

- **Human Bias**
  - Tendency to shape responses based on stereotypes, memory, and current position

Decision-Making and Technology: In today's completive world Information technology can also help and support the decision-making. Different decision making tools are available for manager and leaders to use in practical life.

Team Decision Making:

Use Individual Decision Making When:

- You have the information to make a good decision
- The situation is urgent
- Subordinates are already committed or their commitment doesn't matter

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Use Team/Group For Decision Making When:

- No one knows the answer or the expertise is in the group
- You want to increase the commitment of subordinates
- The situation is **not** urgent in the sense that it requires an immediate response
- You, as manager/leader, can live with choice

Group/Team Decision Making

Advantages	Disadvantages
o More information & knowledge are Available o More alternatives are likely to be generated. o More acceptance of the final decision is likely o Enhanced communication of the decision may result better decisions	o The process takes longer, so it is more costly o Compromise decisions due to indecisiveness may emerge o One person may dominate the group Groupthink may occur

Methods of Group/Team Decision Making (Johnson & Johnson, 1991)

- Decision by authority without discussion
- Expert member
- Average of member's opinions
- Decision by authority after discussion
- Majority control
- Minority control
- Consensus

Decisions made in groups can be made by one of four main methods.

- Unilaterally by an individual
- By simple majority vote
- By consensus – everyone agreeing to support the conclusion
- Subgroup of team

Which one is the best? There is no "best". Different types fit best for different situations**.**

Remember. Some decisions will be good! Some decisions will be bad! **BUT** You will learn something from every decision you make!!!

Communication is the process by which a person, group, or organization (the sender) transmits some type of information (the message) to another person, group or organization (the receiver) using some medium (Channels).

Communication encompasses both **interpersonal communication** (between two or more people) and **organizational communication** (all the patterns, networks, and system of communication within an organization).

Communication and Leadership: The importance of effective communication cannot be overemphasized because everything a manager/leader does involves communicating. Effective leaders are also effective communicators. To be effective, the leader must synchronize verbal and nonverbal behavior Technology has had also a meaningful impact on leaders' communication and coordination.

- Effective leaders are also effective communicators
- To be effective, the leader must synchronize verbal and nonverbal behavior
- Technology has had a meaningful impact on leaders' communication and coordination

Guidelines to Team Communication:

- **Be specific:** include facts and details to avoid being unclear

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- **Be accurate:** as much as possible be sure that the information you are giving is true and reliable.
- **Be honest:** be truthful with those you are communicating with and do not use questionable information.
- **Be logical:** make sure messages are easy to follow
- **Be complete:** give all needed information in regards to your ideas.
- **Be concise:** be brief- not unnecessarily wordy.
- **Be relevant:** stay on task and give information that is needed.
- **Ask for feedback:** have recipients give comments on information.

Responsibilities of Team Members

- Open minded
- Listen to what is being said
- Give feedback to what is being said
- Make sure all team members have a chance to communicate their ideas.
- If decisions need to be made discuss pros and cons, and decide best option for TEAM.
- Take ownership for what you say.
- Take responsibility for making sure you are heard and understood.
- Use terminology and examples that your audience understands.
- Be aware of body language.
- Always work to maintain the trust and confidence of those with whom you are communicating/working.

Conflict in Team: The process in which one party perceives that its interests are being opposed or negatively affected by another party.

- Perceived by the parties
- Parties are in opposition to one another
- At least one party is blocking the goal attainment of the other party
- Goals can be tangible or psychological
    - Money
    - Task Achievement
    - Happiness

There are several common themes which underlie most definitions:

- The parties to it must perceive conflict.
- Commonalties in the definitions are opposition or incompatibility and some form of interaction.

Many people and organizations view conflict as a negative, or something to be avoided. Yet conflict, differences, or disagreements are a natural result of people working together. Also, without conflict, teams can become complacent and not perform at optimum levels. The challenge then becomes, how should the team be prepared for this stage of their existence, and how should the team leader facilitate through it?

Sources of Conflict

- Goal Incompatibility
- Different Values and Beliefs
- Task Interdependence
- Scarce Resources
- Ambiguity
- Communication Problems
- Perceived personal threats
- Perceived threat to the organization
- Personal, social, cultural differences
- Others...

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Types of Conflict:

- **Emotional** – is personal, defensive, and resentful. Also known a A-type or affective.
- **Cognitive** - is largely depersonalized, it consists of argumentation about the merits of ideas, plans, and projects. Known as C-type. Often an effective stimulate to creativity.

We can have a different type of conflict classification with reference to organizational setup.

- **Task conflict:** Conflict over content and goals of the work. Low to moderate levels can be acceptable
- **Relationship conflict:** Conflict based on interpersonal relationships. Almost always dysfunctional
- **Process conflict:** Conflict over how work gets done. Low levels can be acceptable

We can also have relationship conflict (**A-type conflict**) and task conflict (**C-type conflict**). We need to put efforts for transforming relationship into task conflict. This can be done through.

- Agree on common goal or shared vision
- Create a place for conflict and get it out in the open
- Training in task conflict

We can also have conflicts known as;

Intrapersonal:

- A person having tension or stress within…
- often due to over competing roles

Interpersonal:

- between 2 or more people,
- disagreement, values or styles don't match
- Miscommunication occurs

Intra-group:

- Arises within one group

Inter-group:

- arises between groups over issues/goals/solutions

The Conflict Process:

Four Stages

- Potential opposition
- Cognition and personalization
- Behavior
- Outcomes

Steps to Resolve Conflict

- **Identify the Problem:** separate it from the people involved—use cause and effect analysis
- **Gather and Analyze Data:** fact-based management
- **Clarify the Interests of Parties:** as opposed to the positions of parties
- **Determine Objective Criteria to Evaluate Fairness of Outcomes** boundary conditions
- **Identify New and Creative Options:** to resolve the conflict
- **Choose an Option:** using team decision-making tools.

People Factors That Affect the Development of the Conflict:

- Needs and wants
- Self-concept
- Past experience
- Health

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Other Factors That Affect the Development of the Conflict:

- Management culture
- Stage of development of the organization
- Organizational structures
- State of business
- Weather

Consequences of Conflict

Positive Consequences	Negative Consequences
Leads to new ideas	Diverts energy from work
Stimulates creativity	Threatens psychological well-being
Motivates change	Wastes resources
Promotes organizational vitality	Creates a negative climate
Helps individuals & groups establish identities	Breaks down group cohesion
Serves as a safety valve to indicate problems	Can increase hostility & aggressive behaviors

Conflict Resolution Techniques:

o Avoiding o Withholding or withdrawing o Smoothing over/reassuring o Accommodating o Forcing	o Competing o Compromising o Confronting o Collaborating o Bargaining/negotiating o Problem-solving

Three Styles of Resolving Conflict:

Win-Lose: strategies used are power, dominance, forcing.
Lose-Lose: common strategy used is compromise.
Win-Win: strategies used are integration, collaboration, and problem-solving.

Characteristics of High Performing Teams:

- Common Purpose
- Crystal Clear Roles
- Accepted Leadership
- Effective Processes
- Solid Relationships
- Effective Communication

The 3-Cs and 3-Rs of Conflict Resolution are-

- **C**ommitment
- **C**ooperation
- **C**ompromise
- **R**espect
- **R**ights
- **R**esponsibility

Training and Learning of Team

The HRM view of training: Training refers to the methods used to give new or present employees the skills they need to perform their jobs. Training today plays a key role in the performance management

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process, which is a key process for employers to ensure that employees are working toward organizational goals. Overall, training has a fairly impressive record of influencing organizational effectiveness, scoring higher than appraisal and feedback, and just below goal setting in its effect on productivity.

- Employees recruited for a flexible working role rather than a 'job' and for their ability to learn rather than for pre-existing skills
- Employees expected to re-train periodically
- Training seen as an investment not a cost
- Learning is an ongoing process in the organisation, which is integrated with working
- Performance, appraisal and development are seen as part of a single process

Purpose of Training:

Effective training can raise performance, improve morale, and increase an organization's potential. Poor, inappropriate, or inadequate training can be a source of frustration for everyone involved. To maximize the benefits of training, managers must closely monitor the training process. Training ensures that Team/Organization meets current and future performance objectives set by top management. Training also helps in continuous improvement of performance of individuals and teams, and maximizing people's potential for growth (and promotion).

- **Ensure** Team/Organization meets current and future performance objectives by…
- **Continuous improvement** of performance of individuals and teams, and…
- **Maximizing people's potential** for growth (and promotion)

Learning Principles

- Participation
- Repetition
- Relevance
- Transference
- Feedback

Phases of Learning Cycles

Understand and frame problem

- Create a shared understanding
- What is the problem (or opportunity)?
- What are we trying to do?
- How are we going to do it?
- Starts out being general but becomes more defined as you proceeds

Key Characteristics of Successful Learning Teams

- Clear (and shared) sense of purpose
- Good communication
- Freely shared information
- Shared leadership
- Interdependence of team members
- Utilization of members' strengths
- Mutual encouragement of risk taking
- Adaptive – able change/modify plans when new information and/or circumstances emerge
- Pride in team identity

Learning Organization?

"A learning organization is one in which people at all levels, individually and collectively, are continually increasing their capacity to produce results they really care about". Learning organization is Creating, acquiring, interpreting, transferring, and retaining knowledge. Purposefully modifying its behavior to reflect new knowledge and insights.

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"Learning Organization" is a Hot Topic:

Levels of Learning

Managers/leaders need to encourage learning at four levels:

- Individual
- Group
- Organizational
- Inter-organizational

The Basis of the Learning Organization Strategy need to be

- Transfer Knowledge, not just information.
- Knowledge leads to better, safer decisions.
  - Better-informed.
  - Knowledgeable.
  - Wiser decisions.

Organizations Must Learn Faster & Adapt to the Rapid Changes in the Environment otherwise they will be history.

The Bottom Line: Any organization that has a **culture** and **structure** that promotes learning at all levels to enhance its capabilities to produce, adapt and shape its future.

The Knowledge Management Cycle

- Create knowledge
- Capture knowledge
- Refine knowledge
- Store knowledge
- Manage knowledgee
- Disseminate knowledge

What Will a Learning Organization Achieve for You?

- Develop effective leadership skills
- Gain skills in working as a team
- Improve professional development
- Understand change management skills
- Overcome staff inertia
- Link theory and practice to solve organizational problems
- Create a non-threatening environment

Through learning, we:

- Re-create ourselves
- Become able to do things we never were able to do before
- Re-perceive the world and our relationship to it
- Extend our capacity to create, to be part of the generative process of life

Why is there a Need for a New Managerial Mindset?

- Change
- Globalization
- New technology
- Need for strategic flexibility
- Need for non-linear thinking
- Need to see the whole
- Need for changed mental models

Building, Maintaining & Sustaining the Learning Organization

Reward and Recognition Systems

- Team-based reward and recognition systems can promote teamwork

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- Focus should be rewarding teams for achieving specific goals

Why People Leave Their Jobs?

- They feel they do not make a difference.
- They do not get proper recognition.
- They are not learning anything new or growing as a person.
- They do not like their coworkers.
- They want to earn more money.

People leave organization due to many reasons but one of them might be the improper compensation system.

Compensating Teams:

Reasons for tailoring compensation to individuals:

- Motivation comes from within the individual as opposed to the group.
- The development of skills and behaviors is an individual undertaking.
- Fairness in dealing with teams does not mean equal pay for all.
- Team compensation is not a payoff but a means of nurturing behavior that benefits the team.

Rewards and other Employee Behaviors

Starting from attracting the good team members/employees to retain every thing is revolving on the reward system of organization. Three important HR related behaviors like turnover, absenteeism and attendance is directly linked with the reward system of organizations.
With better reward system we can minimize the turnover, absenteeism and attendance and vice versa. Reward is also used to reinforce positive behavior and reduces the undesirable behaviors.

Total compensation comprises of direct like wages, salary, commission, gain sharing etc while indirect benefits, vacation, insurance, etc. Even positive behavior of manager/leader also play important role in modifying the behaviors of the team member/employees. We can see a wide range of benefits organization use to attract, and retain the employees.

Objectives of Reward Systems

- Attraction and retention (employees compare to other firms in the market)
- Motivating performance (contingent on expectancy & equity)
- Getting employees to gain skills and knowledge
- Reinforce the organization's culture
- Not cost the firm too much!!

Designing Rewards

- Always remember your basic motivational theories
- Options for reward systems
- Objectives of reward systems
- How rewards impact organizational effectiveness
- Implementing a reward system
- Appropriate rewards practices sometimes vary between countries

Individual or Team Rewards?

Individual rewards

- fosters independent behavior
- may lead to creative thinking and novel solutions
- encourages competitive striving within a work team

Team rewards

- emphasize cooperation & joint efforts
- emphasize information sharing

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Both have same purpose.

Types of Team Pay

- Incentive pay
- Recognition
- Profit sharing
- Gain sharing

A Virtual Team is known as a Geographically Dispersed Team (GDT) – is a group of individuals who work across time, space, and organizational boundaries with links strengthened by webs of communication technology. They have complementary skills and are committed to a common purpose, have interdependent performance goals, and share an approach to work for which they hold themselves mutually accountable. Geographically dispersed teams allow organizations to hire and retain the best people regardless of location. A virtual team does not always mean Tele-workers. Tele-workers are defined as individuals who work from home. Many virtual teams in today's organizations consist of employees both working at home and small groups in the office but in different geographic locations or during different shits/time.

Factors Driving Virtual Organizations

- Organizational structure changing to meet the demands of the fast-paced, dynamic global economy
- Many organizations are moving from a systems-based organizational model to a collaborative, networked organizational model.
- The virtuality of virtual organizations has been described as having two key features:
  - Creation of a common value chain between distinct entities and distributed
  - Information technology (IT) supported business processes (Seiber and Griese, 1997).

Communications in Virtual Organizations

Information technology is a primary mechanism for providing support and control to virtual forms. Communication within virtual organizational forms is increasingly supported by information technology.

Organizational Types

- Permanent Virtual Organizations
- Virtual Teams
- Virtual Projects
- Temporary Virtual Organizations

Why a virtual team?

- Team members may not be physically collocated.
- It may not be practical to travel to meet face-to-face.
- Team members may work different shifts.
- Organization-wide project not in the same location.
- Alliances with organizations.

Benefits of virtual teams

- People can work from anywhere at anytime.
- People can be recruited for their competencies, not just physical location.
- Many physical handicaps are not a problem.
- Expenses associated with travel, lodging, parking, and leasing or owning a building may be reduced and sometimes eliminated.
- Apply most appropriate resources (from anywhere) to job
- Can schedule to follow-the-sun/around-the-clock
- Can build ongoing relationships/networks across business
- Cost reduction

Downside of virtual teams

- Time zones

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- "You can't see me" attitude
- No constant direction
- Keeping that motivation and commitment
- How do you celebrate a success?

Characterizations of virtual teams (Henery and Hartzler,1998)

- Members are mutually accountable for team results.
- Members are dispersed geographically (nationally or internationally).
- Members work apart more than in the same location.
- The team solves problems and makes decisions jointly.

A successful virtual team

- A unified commitment by all team members
- Defined and agreed roles and responsibilities
- Clear concise deliverables
- Strict meeting schedules
- Effective lines of communication
- Committed, enthusiastic leadership - ALWAYS!

Setting Up Virtual Teams

- Establish communication norms – procedures to reconcile differences in communication practices
- Develop templates for using technology -- e.g., store documents on web pages, expert directories
- Set procedures, responsibilities
- Establish leadership that provides procedural justice
- Hold an initial face-to-face startup meeting
- Have periodic face-to-face meetings, especially to resolve conflict and to maintain team cohesiveness
- Establish a clear code of conduct and protocols for behavior
- Recognize and reward performance
- Use visuals in communications
- Recognize that most communications will be non-verbal – use caution in tone and language

Success Factors in Virtual Teams

- High levels of trust among team members
- Effective use of technology
- Clear implementation of team concept
- Effective individual performance

Trust

- Effective teamwork depends on trust
- In a virtual environment, trust is more ability/task based than interpersonal relationship based
- Level of member performance over time results in building or denial of trust

Like in case of other team, trust is even more essential in the effectiveness of virtual team.

Building Trust Virtually: Establish trust through performance consistency

- Rapid response to team members (return emails, task completion)
- Set strong norms around communication
- Team leader role in reinforcing interactions

Virtual Team Member Competencies:

- Self-disciplined?
- Strong communicator?
- Good collaborator?
- Organized?
- Document your work well?

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Implementation of Virtual Teams:

- Must set out a clear business reason for the team
- Team must understand its mission/purpose
- Team members must develop a sense of interdependence
- Must have accountability and rewards for team members

Challenges to Virtual Team Success:

- Building trust within virtual teams
- Maximizing process gains & minimizing process losses on virtual teams
- Overcoming feelings of isolation & detachment associated with virtual teamwork
- Balancing technical & interpersonal skills among virtual team members
- Assessment & recognition of virtual team performance

Virtual Team Competencies

- The right technology
- Shared work space & processes
- Established ground rules
- Acceptance of cultural, style & preference differences
- Effective group dynamics
- Clear identity
- Teamwork skills
- Leadership
- True trust

Virtual Leadership

Virtual leadership is about how to pull the people on a worldwide assignment together into one cohesive partnership. Leadership is about making things happen and getting things done. It just takes more work in a virtual environment.

Key in Leading a Virtual Team

- Build trust
- Reward and recognize
- Communication
- Motivation
- Commitment

Virtual Team Leadership Competencies

- Make the invisible, visible
- Make the intangible, tangible
- Create & foster a climate of trust
- Establish & constantly model standards of accountability
- Communicate clearly, constantly & effectively within each receiver's realm
- Delegate responsibilities

Virtual Leadership Key Traits

- Everyone gets core information at the same time.
- Everyone has equal input.
- Everyone's ideas are weighed against the alignment tool, not out of preference.
- Everyone's ideas are never judged or rejected at the onset.
- Everyone has equal opportunity to shine.
- Everyone is rewarded or publicly recognized for contributions to the project.
- The leader socializes equally with people near and far.
- Even appearances or suggestions of favoritism break trust.

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Team Meetings

Team meetings keep members informed and provide a forum for problem solving, decision-making, and innovation. Meetings, when productive, are also one of the primary ways to develop team member relationships, enthusiasm, and spirit.

Effective Meetings at Work: Focused, Crisp and Short

Types of Meetings

- **Leadership/Management:** to review the overall organization performance, setting up new goals and targets, headed by CEO, or Chairman.
- **Department Specific:** to review the departmental performance, headed by the head of department.
- **Project Management:** to review the overall project performance, headed by Project Director or Project Manager.

- **Other Meetings**
  - **Quarterly Business Review:** to review the quarterly progress report of all the departments in the organization.
  - **Client Specific:** to meet with specific client/customer to discuss the business matters etc.
  - **Functional Team:** meeting with in the department between different teams exist in one department.
  - **Special Project:** meeting on special project
  - **Performance Review (1-1):** to review the performance

- **Others:** a number of unscheduled meetings has also arranged on different level of organization.

Meeting Techniques:

- Ask yourself, "Is this meeting really necessary?"
- Have a goal for the meeting. What do you want to accomplish?
- Have an agenda with clearly stated items and the amount of time to be allotted each one. Send out the agenda at least one day ahead of the meeting.
- Limit attendance and appoint a leader.
- Stay focused on the agenda. If a new topic is introduced, add it to the list of future agenda items or negotiate with the group if it should be discussed now. Have a clock in the room.
- Strive to get everyone involved in the discussion, avoid domination by one or two members.
- Foster rigorous debate and brainstorming, while respecting each other's opinions.
- Use visual aids. Have a flip chart and use it.
- Keep minutes of the key points raised and actions to be taken, then follow up.
- Do a two-minute evaluation of the meeting. Ask everyone what went well… what could be improved.

The Meeting Process

- Plan
- Start
- Conduct
- Close
- Follow Up

Leading Team

Having the leading position or higher score in a contest; "he is ahead by a pawn"; "the leading team in the pennant race".

Attributes of High Performing Teams:

- Performance outcomes

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- Specific, shared purpose and vision
- Mutual, internal accountability
- Coordinated, shared work roles
- Inefficiency leading to efficiency
- Extraordinarily high quality
- Creative continuous improvement
- High credibility and trust
- Clarity of core competence
- Participative leadership
- Shared responsibility
- Aligned on purpose
- High communication
- Future focused
- Focused on task
- Creative talents
- Rapid response

Principles of Leadership Effectiveness

- Do not avoid risks.
- Believe in yourself.
- Take the offense rather than the defense.
- Know the ways of disagreement and the means of compromise.
- Be a good follower. Effective leaders lead as they would like to be lead.

Note

Material presented during this course is taken from different books, presentations and work done by great peoples in this field to make the material understandable for a common person and purely for learning purpose. Material/work used from different sources is highly acknowledged.

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STRATEGIC LEADERSHIP

Strategic Leadership is the ability to anticipate and envision the future, maintain flexibility, think strategically, and initiate changes that will create a competitive advantage for the organization in the future.

"Without a strategy the organization is like a ship without a rudder, going around in circles." Joel Ross and Michael Kami.

Strategy is the essential of all business games. Even in real life without strategy and plan one can not be successful. Leader, manager, business man and even individual need to do strategic planning and develop strategies in the changing environment. **The Three Big Strategic Questions** every body needs to ask before thinking/planning a strategy are:

- Where are we now?
- Where do we want to go?
- How do we get there?

What is Strategy? A Team's strategy consists of the set of competitive moves they are employing to manage the team/objectives of the team/organization.

- Strategy is Team's **"game plan"** to
  - Conduct operations
  - Compete successfully
  - Achieve Team objectives

Strategic Management:

The set of decisions and actions used to **formulate and implement** specific strategies that will achieve a competitively superior fit between the organization and its environment so as to achieve organization goals

Business Strategy Levels:

- **Corporate-level strategy** asks, "What business are we in?"
- **Business-level strategy** asks, "How do we compete?"
- **Functional-level strategy** asks, "How do we support the business-level strategy?"

Strategic Planning:

A Basic Planning Model consists of following steps.

- Missions and Goals
- External Analysis - Opportunities and Threats
- Internal Analysis - Strengths and Weaknesses
- Selection of Appropriate Strategies
- Implementation of Strategies

About Mission Statement we have already discussed during previous chapters. Next two stages/steps are AWOT analysis. After Analysis, one needs to select appropriate strategy and finally implement it.

Examples of SWOT Elements:

- **Strengths:** Favorable location, talented workers, state-of-the-art equipment
- **Weaknesses:** Unfavorable location, outdated equipment, limited capital
- **Opportunities**: Culturally diverse customer base, changes in technology, deregulation
- **Threats:** Ecommerce, declining market, new competitors

Sample Strategies

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Depending on the nature of business, analysis and priorities, organization may choose any strategy. Few examples are given bellow.

- Cost leadership
- Focus
- High quality
- Strategic alliances
- Growth through acquisition
- High speed and first-mover strategy
- Product and global diversification
- Sticking to core competencies
- Brand leadership
- Creating demand by solving problems
- Conducting business on the Internet

Strategic Leadership:

Strategic Leadership involves: The ability to anticipate, envision, maintain flexibility and empower others to create strategic change

Vision

An attractive, ideal future that is credible yet not readily available.

- Links the present to the future
- Energizes people and garners commitment
- Gives meaning to work
- Establishes a standard of excellence and integrity

Common Themes of Vision:

- Vision has broad appeal
- Vision deals with change
- Vision encourages faith and hope
- Vision reflects high ideals
- Vision defines the destination and the journey

Mission

The organization's core broad ***purpose*** and reason for existence

Strategy

- Strategy is Team's **"game plan"** to
  - Conduct operations
  - Compete successfully
  - Achieve Team objectives

Strategy Formulation and Implementation

Strategy Formulation

- The integrating knowledge of the environment, vision, and mission with the core competence in such a way as to achieve synergy and create customer value

Strategy Implementation

- Putting strategy into action by adjusting various parts of the organization and directing resources to accomplish strategic goals

Strategic Leadership

- **Requires the Managerial Ability to:**
  - Anticipate and envision
  - Maintain flexibility
  - Empower others to create strategic change as necessary
- **Strategic Leadership is:**

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- Multi-functional work that involves working through others

Effective strategic leaders:

- **Manage the Team's operations effectively**
- **Sustain high performance over time**
- **Make better decisions than their competitors**
- **Make straight, courageous, practical decisions**
- **Understand how their decisions affect the internal systems in use by the team/organization**
- **Solicit feedback from peers, superiors and team members about their decisions and visions**

Determining Strategic Direction:

- **Determining strategic direction involves developing a long-term vision of the Team's strategic intent**
  - Five to ten years into the future
  - Philosophy with goals
  - The image and character the Team seeks

- **Ideal long-term vision has two parts:**
  - Core ideology
  - Envisioned future
- A charismatic leader can help achieve strategic intent.
- It is important not to lose sight of the strengths of the organization/team when making changes required by a new strategic direction.
- Leaders must structure the team effectively to help achieve the vision.

Exploiting and Maintaining Core Competencies:

Core competencies

- Resources and capabilities of team that serve as a source of competitive advantage over its rivals
- Leadership must verify that the team's competencies are emphasized in strategy implementation efforts
- Teams must continuously develop or even change their core competencies to stay ahead of competitors
- In many large orgs, and certainly in related diversified ones, core competencies are exploited effectively when they are developed and applied across different organizational units.
- Core competencies cannot be developed or exploited effectively without developing the capabilities of human capital.

Developing Human Capital:

Human capital

- The knowledge and skills of the org/team entire workforce are a capital resource that requires investment in training and development
- No strategy can be effective unless the org/team is able to develop and retain good people to carry it out.
- The effective development and management of the team's human capital may be the primary determinant of a team's ability to formulate and implement strategies successfully.

Sustaining an Effective Organizational Culture:

Organizational culture

- The complex set of ideologies, symbols and core values shared through the team/org, that influences the way business is conducted.
- **Changing a Team's/ organizational culture is more difficult than maintaining it**
- Effective strategic leaders recognize when change in culture is needed
- **Shaping and reinforcing culture requires:**
- Effective communication

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- Problem solving skills
- Selection of the right people
- Effective performance appraisals
- Appropriate reward systems

Emphasizing Ethical Practices:

- Effectiveness of processes used to implement the Team's strategies increases when based on ethical practices
- Ethical practices create social capital and goodwill for the team/org

Actions that develop an ethical organizational culture include:

- Establishing and communicating specific goals to describe the team's ethical standards
- Continuously revising and updating the code of conduct
- Disseminating the code of conduct to all stakeholders to inform them of the team's/org's ethical standards and practices
- Developing and implementing methods and procedures to use in achieving the team's/org's ethical standards
- Creating and using explicit reward systems that recognize acts of courage
- Creating a work environment in which all people are treated with dignity
- Leaders set the tone for creating an environment of mutual respect, honesty and ethical practices among employees

Establishing Organizational Controls:

- **Controls**
  - Formal, information-based procedures used by leaders to maintain or alter patterns in team/organizational activities

- **Controls help strategic leaders to:**
  - Build credibility
  - Demonstrate the value of strategies to the team's/org stakeholders
  - Promote and support strategic change

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LEADING CHANGE

What is Change?

Change is the process of moving from one state (current state) to another (future state). It refers to actions taken by organizational leaders to achieve and maintain outstanding performance in a dynamic environment.

Facts about Change:

- Change is inevitable
- Change is uncomfortable
- Change is disruptive
- The complexity of change has increased

Dynamics of Change:

People .....

- feel awkward, self-conscious
- think first about what they have to give up
- feel alone
- can only handle so much
- are at different levels of readiness
- revert to the old as soon as the pressure is off

Organizations must learn faster & adapt to the rapid changes in the environment….

- "Change takes place, no matter what deters it". (Plato, 428-347BC)
- Organization's long-term success: ability to manage change

Types of Organizational Change

Strategy	**Structure**	**Technology**
Corporate Level Growth, stability, turnaround, **Business Level** Prospecting, defending, and analyzing **Functional Level** Marketing, operation, finance	**Principles** Chain of command, unity of command, division of labor **Authority** Formal and informal, line and staff, centralize and decentralize **Organization design** Departmentalization **Job design** Job rotation, job simplification, work teams	**Machines** **System process** **Automation** **People** **Skills** **Performance** **Attitude** **Behavior** **Culture**

Forces for change

- **External:** change in the external (Macro environment**)** i.e. new technologies, political, economic, financial conditions, world market, customer demands, changes in competition.

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- **Internal:** change in internal environment of the organization (micro environment) i.e. re-engineering, costs- revision of plan/objectives, communications, employee turnover, changes in work practices.

Change Requires Leaders Who Can….

- Create a realistic sense of urgency for change
- Create a clear vision of the future
- Remove obstacles to change
- Anchor changes in the organization's culture
- Follow through with plans

Change Models

Lewin's Model

- Step-1 Unfreezing
- Step-2 Moving (Making Adjustment)
- Step-3 Refreezing

A Comprehensive Change Model

- **Step-1** Recognize the need for Change
- **Step-2** Identify possible resistance to the change and plan to overcome it
- **Step-3** Plan the Change interventions
- **Step-4** Implement the Change interventions
- **Step-5** Control the Change

Lewin's Change Management Model: Understanding the Three Stages of Change

Change is a common thread that runs through all businesses regardless of size, industry and age. Our world is changing fast and, as such, organizations must change quickly too. Organizations that handle change well thrive, whilst those that do not may struggle to survive.

The concept of "change management" is a familiar one in most businesses today. But, how businesses manage change (and how successful they are at it) varies enormously depending on the nature of the business, the change and the people involved. And a key part of this depends on how far people within it understand the change process.

One of the cornerstone models for understanding organizational change was developed by Kurt Lewin back in the 1950s, and still holds true today. His model is known as Unfreeze – Change – Refreeze, refers to the three-stage process of change he describes. Lewin, a physicist as well as social scientist, explained organizational change using the analogy of changing the shape of a block of ice.

Understanding Lewin's Model If you have a large cube of ice, but realize that what you want is a cone of ice, what do you do? First you must melt the ice to make it amenable to change (unfreeze). Then you must mold the iced water into the shape you want (change). Finally, you must solidify the new shape (refreeze).

By looking at change as process with distinct stages, you can prepare yourself for what is coming and make a plan to manage the transition – looking before you leap, so to speak. All too often, people go into change blindly, causing much unnecessary turmoil and chaos.

To begin any successful change process, you must first start by understanding why the change must take place. As Lewin put it, "Motivation for change must be generated before change can occur. One

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must be helped to re-examine many cherished assumptions about oneself and one's relations to others." This is the unfreezing stage from which change begins.

Unfreeze
This first stage of change involves preparing the organization to accept that change is necessary, which involves break down the existing status quo before you can build up a new way of operating.

Key to this is developing a compelling message showing why the existing way of doing things cannot continue. This is easiest to frame when you can point to declining sales figures, poor financial results, worrying customer satisfaction surveys, or suchlike: These show that things have to change in a way that everyone can understand.

To prepare the organization successfully, you need to start at its core – you need to challenge the beliefs, values, attitudes, and behaviors that currently define it. Using the analogy of a building, you must examine and be prepared to change the existing foundations as they might not support add-on storeys; unless this is done, the whole building may risk collapse.

This first part of the change process is usually the most difficult and stressful. When you start cutting down the "way things are done", you put everyone and everything off balance. You may evoke strong reactions in people, and that's exactly what needs to done.

By forcing the organization to re-examine its core, you effectively create a (controlled) crisis, which in turn can build a strong motivation to seek out a new equilibrium. Without this motivation, you won't get the buy-in and participation necessary to effect any meaningful change.

Change
After the uncertainty created in the unfreeze stage; the change stage is where people begin to resolve their uncertainty and look for new ways to do things. People start to believe and act in ways that support the new direction.

The transition from unfreeze to change does not happen overnight: People take time to embrace the new direction and participate proactively in the change. A related change model, the Change Curve, focuses on the specific issue of personal transitions in a changing environment and is useful for understanding this specific aspect in more detail.

In order to accept the change and contribute to making the change successful, people need to understand how the changes will benefit them. Not everyone will fall in line just because the change is necessary and will benefit the company. This is a common assumption and pitfall that should be avoided. Time and communication are the two keys to success for the changes to occur. People need time to understand the changes and they also need to feel highly connected to the organization throughout the transition period. When you are managing change, this can require a great deal of time and effort and hands-on management is usually the best approach.

Refreeze
When the changes are taking shape and people have embraced the new ways of working, the organization is ready to refreeze. The outward signs of the refreeze are a stable organization chart, consistent job descriptions, and so on. The refreeze stage also needs to help people and the organization internalize or institutionalize the changes. This means making sure that the changes are used all the time; and that they are incorporated into everyday business. With a new sense of stability, employees feel confident and comfortable with the new ways of working.

The rationale for creating a new sense of stability in our every changing world is often questioned. Even though change is a constant in many organizations, this refreezing stage is still important. Without it, employees get caught in a transition trap where they aren't sure how things should be done, so nothing ever gets done to full capacity. In the absence of a new frozen state, it is very difficult to tackle the next change initiative effectively. How do you go about convincing people that something needs changing if you haven't allowed the most recent changes to sink in? Change will be perceived as

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change for change's sake, and the motivation required to implement new changes simply won't be there.

As part of the Refreezing process, make sure that you celebrate the success of the change. This helps people to find closure, thanks them for enduring a painful time, and helps them believe that future change will be successful.

Practical Steps for Using the Framework:

Unfreeze

Determine what needs to change

- Survey the organization to understand the current state
- Understand why change has to take place.

Ensure there is strong support from upper management

- Use Stakeholder Analysis and Stakeholder Management to identify and win the support of key people within the organization.
- Frame the issue as one of organization-wide importance.

Create the need for change

- Create a compelling message as to why change has to occur
- Use your vision and strategy as supporting evidence
- Communicate the vision in terms of the change required
- Emphasize the "why".

Manage and understand the doubts and concerns

- Remain open to employee concerns and address in terms of the need to change.

Change:

Communicate often

- Do so throughout the planning and implementation of the changes
- Describe the benefits
- Explain exactly the how the changes will effect everyone
- Prepare everyone for what is coming.

Dispel rumors

- Answer questions openly and honestly
- Deal with problems immediately
- Relate the need for change back to operational necessities.

Empower action

- Provide plenty of options for employee involvement
- Have line managers provide day–to–day direction.

Involve people in the process

- Generate short-term successes to reinforce the change
- Negotiate with external stakeholders as necessary (such as employee organizations).

Refreeze

Anchor the changes into the culture

- Identity what supports the change
- Identify barriers to sustaining change.

Develop ways to sustain the change

- Ensure leadership support
- Create a reward system
- Establish feedback systems

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- Adapt the organizational structure as necessary.

Provide support and training

- Keep everyone informed and supported.

Celebrate success!

Resistance to Change:

Sources of Resistance to Change

- **Facts:** Provable statements that identify reality.
- **Beliefs:** Subjective opinions that cannot be proven.
- **Values:** What people believe are important and worth pursuing or doing.

Focuses of Resistance to Change

- **Self:** The reaction of individuals who feel their self-interests are threatened by change.
- **Others:** The consideration given to how others will be affected by change.
- **Work environment:** Change in the working environment threatens individuals control of the environment

Managerial Perspective:

Critical factors in managing complex change:

- Trust
- Vision
- Skills
- Resources
- Incentives
- Action plan
- Accountability

Example Change Initiatives

- New e-mail system
- New ERP system
- Introducing a new senior manager
- Total Quality Management/Six Sigma
- Postage coming from a printer—not using stamps
- Change in work hours

Starting Out...3 Key Questions

- Where are you; what is the current state? Why change?
- Where do you want be?
- How are you planning to get there?

Answering these questions will provide the basic scope – a short document that lays out the case for change, the benefits to be gained and a basic risk assessment that addresses the major unknowns.

The Eight-Stage Model of Planned Organizational Change

- Establish a sense of urgency.
- Form a powerful guiding coalition.
- Develop a compelling vision and strategy.
- Communicate the vision widely.
- Empower employees to act on the vision.
- Generate short-term wins.
- Consolidate gains, create greater change.
- Institutionalize changes in the organization culture.

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Some Barriers to Effective Change

- **The compelling case for change**
  - Failing to "paint the right picture" of the future state
  - Poor employee involvement and discussion
  - Failing to build up the case for change over time – too rushed
  - Failing to share key data with employees – lack of transparency

- **Not understanding what change is**
  - Failing to see change as a journey, not a single event
  - Over-simplified view of "getting the change out the way"

- **Employee involvement**
  - Failing to involve employees in feedback sessions
  - Failing to involve employee teams in optimising solutions and developing implementation plans that will work!

- **Ownership confusion**
  - Failing to establish clearly **who** is responsible for **what**, and **who** is making the decisions

- **Ineffective implementation**
  - Viewing implementation as the "easy part"!
  - Failing to clarify who is coordinating implementation
  - An unclear transition plan of roles and responsibilities
  - Poor alignment of senior team around leadership behaviours
  - Poor communication – confusion about what is happening, and when

- **Perpetuating "the way we do things here" too long**
  - Failing to see the impact of the wider sector or economic environment
  - "Good times" may have masked some less than effective management practice!

Leadership during Change: Change will simply not happen without effective leadership in the organization. To a large degree change is really about;

- Good communication
- Personal desires
- Alternative culture and culture change
- Anxiety and loss of control
- Hidden agendas

These are all leadership issues

What are the leadership behaviours most relevant to change situations?

- Communicates a clear and consistent vision (or plan) with commitment
- Champions change – able to engage others and get them ready (convince)
- Treats people with respect
- Demonstrates integrity and high ethical standards
- Sets and sustains high personal standards of delivery
- Is decisive, particularly when confronted with challenging issues
- Able to adapt and capitalise on new opportunities
- Builds effective relationships
- Builds effective team performance
- Openly encourages and recognises the contribution of others
- Gives constructive feedback on a regular basis
- Encourages personal development and provides appropriate opportunities

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8 Steps to Effective Change Leadership

So what should leaders do to help make change more effective?

1) Recognise that you are a role model
2) Be visible, and listen to concerns - encourage constructive debate and feedback
3) Even if you don't "buy-in" fully to what is happening, you still have a responsibility to help employees through the process in a supportive, positive and constructive way
4) Be consistent in what you say, and never speculate – if you don't know or can't say, then say so
5) Be empathetic to concerns, and help people understand what is actually happening, not what they think is happening
6) Ensure that business keeps running smoothly during the change process
7) Go out of your way to involve people and explain what is happening
8) Focus on team working and team development needs

Key Messages

- Leader Qualities of Holistic Thinking and Holistic Action
- Beware of Attempts to Improve Performance through Singular Changes
- Building the Complementary Changes the Integrated Systems of Mutually Reinforcing Elements
- Be Prepared for the Dangers of Transitions and the Perils of the 'J' Curve

Things May Get Worse Before They Get Better. Need For Strong Leaders To Survive Transition Processes

- Partial Changes may be Politically and Emotionally Easier to Contemplate, but Encourage Long Term Declines
- Beware of Complementary Traps: Sticking With the Old System that Works
- Learning is Crucial, But it is Also a Challenge Complements May Be:
  - Hard to Understand
  - Hard to Implement
  - Hard to Imitate
- Building the Complements and the Capabilities that Underpin them Takes Time and Courage
- Building Complements Requires Customization
- The Virtual Cycle of Complementary Change Needs to Stay In Motion

  - Leading Change is a Continuous Process
- The Crucial Importance of:
  - Duration of Leader in Post
  - Careful Management of Leader Succession
  - Leading Continuity and Change
  - The Importance of Inter-Generational Leader Effects

Imposing the change: some issues to consider

- Compliance versus Commitment
- Short term "speed" versus long term satisfaction with the change
- "Powerless leader"

The goal of *Fearless Change*: People become so involved and interested in the change process that they want to change.

Remember!

Change is not an event. It is a process.

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CREATIVE LEADERSHIP

God the almighty Allah has created the mankind and given them the wisdom with knowledge and the brain with capability to think and make a difference. One can't believe how powerful is Brain and Mind of this creature we called them human?

Brain And The Universe

1. **<u>Brain</u> has 10 billion nerve cells**
2. **<u>Total Atoms in the Universe</u>=1 0000000000, 0000000000, 0000000000, 0000000000, 0000000000, 0000000000, 0000000000, 0000000000, 0000000000, 0000000000,**
3. **<u>Possible Inter-Connections in the brain</u>=1 0000000000, 0000000000 0000000000, 0000000000**
4. **Brain cell inter-connections more than the total universe- atoms?**
5. **We are using 10 % of our brains**
6. **Brain is a self expanding and self organizing entity**

Critical/Creative Thinking: is the intellectually disciplined process of actively and skillfully conceptualizing, applying, analyzing, synthesizing, and/or evaluating information gathered from, or generated by, observation, experience, reflection, reasoning, or communication, as a guide to belief and action.

Scriven, M., & Paul, R. (1992, Critical Thinking Conference, Atlanta, GA.

Characteristics of Creative/Critical Thinkers:
- Curiosity
- Open mindedness
- Systematic ability
- Analyticity
- Self-confidence
- Truth seeking attitude
- Cognitive maturity

Creativity

Is Creativity?
- Mysterious to understand
- Unlimited in scope
- Meant for all historical times
- Lies in every activity
- Possessed by *all*
- Luxury of advanced nations
- Can it be developable?

Myths about the Process of Developing Creativity:
- Creativity is natural gift – it cannot be taught

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- Creativity is in revolutionary
- Creativity lies in right-brain
- Art, artists only has creativity
- Releasing blocks will bring creativity
- Intuition alone helps creativity
- Needs craziness for creativity
- Intelligence and creativity are same

From Wikipedia, the free encyclopedia, I will reproduce few Para's for the understanding of you.

"Creativity (or **creativeness**) is a mental process involving the generation of new ideas or concepts, or new associations between existing ideas or concepts.

From a scientific point of view, the products of creative thought (sometimes referred to as divergent thought) are usually considered to have both *originality* and *appropriateness*. An alternative, more everyday conception of creativity is that it is simply the act of making something new.

Although intuitively a simple phenomenon, it is in fact quite complex. It has been studied from the perspectives of behavioural psychology, social psychology, psychometrics, cognitive science, artificial intelligence, philosophy, history, economics, design research, business, and management, among others. The studies have covered everyday creativity, exceptional creativity and even artificial creativity. Unlike many phenomena in science, there is no single, authoritative perspective or definition of creativity. Unlike many phenomena in psychology, there is no standardized measurement technique.

Creativity has been attributed variously to divine intervention, cognitive processes, the social environment, personality traits, and chance ("accident", "serendipity"). It has been associated with genius, mental illness and humour. Some say it is a trait we are born with; others say it can be taught with the application of simple techniques.

Although popularly associated with art and literature, it is also an essential part of innovation and invention and is important in professions such as business, economics, architecture, industrial design, science and engineering.

Despite, or perhaps because of, the ambiguity and multi-dimensional nature of creativity, entire industries have been spawned from the pursuit of creative ideas and the development of creativity techniques. This mysterious phenomenon, though undeniably important and constantly visible, seems to lie tantalizingly beyond the grasp of scientific investigation.**"**

Creativity, it has been said, consists largely of re-arranging what we know in order to find out what we do not know." **George Kneller**

"To live a creative life, we must lose our fear of being wrong." Joseph Chilton Pierce

"Creativity is inventing, experimenting, growing, taking risks, breaking rules, making mistakes, and having fun." Mary Lou Cook

So what makes creative people creative? If we could look into the minds of creative geniuses, what would we see?

Six Tips to Help You Enhance Your Creativity:

1. **Open Your Mind -** Have one new experience every day; no matter how small. New experiences stimulate the brain and help you make new and original connections; critical for boosting breakthroughs.
2. **Diversify -** Involve others in your problem-solving efforts that bring a different perspective or cultural experience than yours.

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3. **Mental Floss – Relax;** Stress, exhaustion, boredom and even pain can block our pathways to creativity.
4. **Stop Looking For the Right Answer -** Look for many right answers.
5. **Discover Your Creative Rhythm -** Start paying attention to when you get your best ideas.
6. **Health Makes Wealth -** Regular exercise not only benefits your body, it boosts brain performance as well.

Innovative Thinking: Six Simple Secrets by Padi Selwyn, M.A.

Those who wish to sing, always find a song.

– Swedish proverb

Some tools and technique which might help you to develop creative mind and also help you in the process of creativity.

Awaken Your Senses

- Relax in a comfortable chair
- Close your eyes
- Concentrate on some pleasant thought
- Create A mental image of something you enjoy doing
- Actually see, feel, smell, taste, and hear you imaginary surroundings

Brainstorming

- Identify as many different ideas as possible
- List all relevant ideas generated
- Can be done by one person or by a group
- Used most often in connection with problem solving

Role Play

- The process of acting through a situation without all the real characters being present
- Practice through role playing with someone else

Experiment

- Experiment with different ideas.
- Sometimes, you have to try putting the pieces together in different ways in order to see what happens.

Mental Exercises

- Keeps thinking sharp,
- Solving puzzles, reading mystery stories, doing word games, playing board games.

Creative Problem Solving

- Develop a creative atmosphere/attitude
- Identify the problem
- Determine the facts
- Identify possible solutions
- Let the problem simmer
- Determine the best SOLUTION

Creative Traits

- Imagination
- Verbal ability
- Conceptual ability
- Mental awareness
- Ability to reason logically
- Ability to think rapidly
- Mental flexibility
- Ability to think nontraditional

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Personality Traits

o Frequently take independent action o Prefer working with minimal or no supervision o Prefer variety and change o Often impatient with other people	o Recognition o Enjoy risk-taking o Desire praise & dislike failure o Exhibit high energy levels o Seek new challenges and experiences

Creativity Can Be Developed

- Study
- Concentration
- Practice
- Patience

Creativity and Leadership. Why is this question important?

The significance of creativity and leadership in both the workplace and the world at large, and thus they need

- to understand how creativity and leadership actually operate in domains, organizations, and the general society
- to enhance, whenever possible and necessary, the amount of creativity and leadership manifested in a domain, organization or society

How Might These Definitions Be Integrated?

- Impact through products - innovative ideas, inventions, solutions, policies, programs, strategies, tactics, reforms, initiatives, laws, regulations, etc.

Examples: Creativity and leadership in

- Small problem-solving groups (R & D units, research laboratories)
- Professional domains, economic systems, and political institutions

Organizational Methods to Enhance Creativity

- Systematically collecting fresh ideas
- Brainstorming
- Empowering people
- Encourage risk taking
- Engaging in playful physical activities

Leadership Practices for Enhancing Creativity

- Intellectual challenge
- Freedom to choose the method
- Ample supply of the right resources
- Effective design of work groups
- Supervisory encouragement
- Organizational support
- Having favorable exchanges with creative workers

Methods of Managing Creative Workers

- Give creative people tools and resources that allow their work to stand out
- Give creative people flexibility and a minimum amount of structure
- Give gentle feedback when turning down an idea
- Employ creative people to manage and evaluate creative workers

Leadership Initiatives to Enhance Innovation/Creativity

- Continually pursue innovation
- Take risks and encourage risk taking
- Acquire innovative companies

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- Avoid innovation for its own sake
- Loose-tight leadership enhances creativity and innovation
- Integrate development and production
- Encourage people across divisions to share ideas

Threats to Team Creativity

- Social loafing
- Conventionality
- Production blocking
- Downward norm setting

"If you don't like something, change it. If you can't change it, change the way you think about it."

– Unknown creative

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ETHICS IN LEADERSHIP

Ethics

Ethics" is derived from the Greek word "ethos," which means "character". "Character" is defined as "the combination of qualities or features that distinguishes one person from another." It is also defined as "the public estimation of the person — reputation."

Ethics are the moral values, beliefs, and rules that establish the right or appropriate ways in which one person or group should interact, deal and behave with another person or group. Organizational ethics are a product of societal, professional, and individual ethics.

Ethics is the study of morality (right and wrong) and the choices people make in their relationships with others. Leaders deal with numerous ethical issues in organizations including power, moral standards, moral consistency, moral mistakes etc. Different approaches have been suggested for dealing with these issues, such as following universal moral laws, greatest good for the greatest number, having a primary concern for others' welfare, promoting high moral character in leaders, and persistently striving to be just, prudent, and truthfulness in one's behavior. Creating an ethical organizational climate requires leaders to have and present role model ethical behaviors, and reward ethical policies and practices, punish unethical behavior, discuss ethical assumptions and practices, and use charismatic/transformational leader behaviors in a socially responsible manner. Many leaders are turning to spiritual/religious practices to help them deal with ethical issues.

Ethics is the study of morality (right and wrong) and the moral choices people make in their relationships with others.

A. Ethics concerns how we should behave in the roles that society gives us.
B. Leaders are often in roles that can determine the well-being of others and they sometimes influence the broader good.
    - Technically good (effective)
    - Morally good.

Ethical values rest on principles stressing the importance of treating everyone fairly and equally. To make ethical decisions, an organization purposefully implants ethical instrumental values in its culture. Ethical values are a product of societal, professional, and individual ethics.

- **Ethics**
    - Is a derivative of the Greek word ethos, meaning customs, conduct, or character
    - Is concerned with the kinds of values and morals an individual or society ascribes as desirable or appropriate
    - Focuses on the virtuousness of individuals and their motives

- **Ethical Theory**
    - Provides a system of rules or principles as a guide in making decisions about what is right/wrong and good/bad in a specific situation

- **Ethics & Leadership**
    - What leaders do and who leaders are is determined by the nature of the leaders' behavior and their virtuousness.
    - What choices leaders make and how they respond in a particular circumstance are informed and directed by their ethics.

Ethics is…

- Ethics is the study of morality
- Central principles of ethics:
    - Reversibility – Would you want someone to do this to you?

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- Universality – Would you want everyone to do this?

- Other questions
- Am I treating others with respect?
- Am I violating the rights of others?
- Am I treating others only as a means to my own ends?
- Am I being honest with others and with myself?

Ethics is…

- **Right vs. Wrong**
  - Also known as your conscience/principles
  - Usually a spontaneous decision
    - You instantly know right from wrong
  - Brainstorming exercise
    - list of "wrongs"
    - List of "rights"
- **Who you are when no one is looking**
  - If your mom & dad were watching, would you still do it?

Ethics is…

- **Ethics vs. Morals**

Ethics and morals are NOT always the same

Morals = personal view of values
- i.e. beliefs related to moral issues such as drinking, gambling,
- Can reflect influence of religion, culture, family and friends

Ethics = how a moral person *should* behave
- Ethics go beyond cultural, religious, and ethnic differences

Ethics is not about "getting caught"
- Even if you get away with something, it may still be unethical
- Ethics is not defined by what happens to you, but by your thoughts and actions

Ethics is not about placing blame
- Do not judge other's based on their personal beliefs

Ethical behavior is the display of moral attributes
- Judgment
- Behavior
- Self-discipline
- Character

However, what "ethical behavior" really boils down to in its simplest form is: Knowing the difference between right and wrong and behaving accordingly

Character Traits Reflect Ethics:
- Honesty
- Courage
- Compassion
- Even-handedness (impartiality)
- Respect for Others

Some Common Ethical/Legal Issue:
- Conflict of Interests

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- Confidentiality
- Use of Position for Personal Gain
- Personal Contracts
- Outside Employment
- Personal Investments
- Use of Government Time
- Behavior On Duty and Off Duty
- Discriminatory Practices

Why Be Ethical?

- What benefits do you receive by acting ethically?
  - Character Counts
  - Self-respect
- What benefit does the community receive?
- Challenges to acting ethically:

Rationalizations

- If it's necessary, it's ethical
- If it's legal, it's ethical
- I was doing it for you
- I'm just fighting fire with fire
- It doesn't hurt anyone
- Everyone's doing it
- It's okay as long as I don't gain personally

How to Be an Ethical Person?

- **Do no harm**
  - Avoid causing physical, mental, or emotional harm
- **Benefit others**
  - Offer assistance and improve the lives of others, even if it may inconvenience you
- **Be just**
  - Treat everyone equally or Follow the Golden Rule
- **Be faithful**
  - Keep promises, tell the truth, be loyal, and maintain respect and good manners
- **Respect autonomy**
  - Everyone has the right to decide how they live their lives, as long as they do not interfere with the welfare of others

Respects Others:

Treat others as ends in themselves and never as a means to ends

- Treat other people's values and decisions with respect
- Allow others to be themselves with creative wants and desires
- Approach others with a sense of unconditional worth and value individual differences
- Leader behaviors
  - Listens closely to subordinates
  - Is empathic
  - Is tolerant of opposing viewpoints

Serves Others:

Follower-centered - Based on the altruistic principle of placing followers foremost in the leader's plans

- Beneficence - Leaders have a duty to help others pursue their own legitimate interests and goals

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- Leaders are stewards of the organization's vision; in serving others they: clarify, nurture, and integrate the vision with, not for, organization members
- Leaders have an ethical responsibility to make decisions that are beneficial to their followers' welfare
- Leader behaviors
    - Mentoring behaviors
    - Empowerment behaviors
    - Team building behaviors
    - citizenship behaviors

Shows Justice:

Ethical leaders are concerned with issues of fairness; they place issues of fairness at the center of their decision making

- Leader behaviors
    - All subordinates are treated in an equal manner
    - In special treatment/special consideration situations, grounds for differential treatment are clear, reasonable, and based on sound moral values

Manifests Honesty:

Honest leaders are authentic but also sensitive to the feelings and attitudes of others

- They are not deceptive
- They tell the truth with a balance of openness and candor while monitoring what is appropriate to disclose in a particular situation
- Leader behaviors
    - Don't promise what you can't deliver
    - Don't suppress obligations
    - Don't evade accountability
    - Don't accept "survival of the fittest" pressures
    - Acknowledge and reward honest behavior in the organization

Builds Community:

Concern for the common good means leaders cannot impose their will on others; they search for goals that are compatible with everyone.

- **Concern for others** - Is the distinctive feature that delineates **authentic** transformational leaders from **pseudo**-transformational leaders
- Transformational leaders and followers reach out beyond their own mutually defined goals to the wider community
- Leader behaviors
    - Takes into account the purposes of everyone in the group
    - Is attentive to interests of the community and the culture
    - Does not force others or ignore the intentions of others

Leading with Integrity:

"Management is doing things right; leadership is doing the right things".

– Peter F. Drucker

"Leadership always comes down to a question of character".

– Warren Bennis

Key Questions

- What is ethical leadership?
- How do I lead with integrity?

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- What can I do to strengthen the ethical culture of my organization?

Ethical issues

Power

- The basis for a leader's influence on followers
  - The more power a leader has, the more likely that followers will comply with the leader's wishes
  - **T**he greater a leader's power, the greater the potential for abuse
  - Corrupting influences of power
  - Power may become desired as an end in itself and be sought at any cost
  - Power differences may cause followers to give the leader false positive feedback and create an elevated sense of self-worth on the leader
  - The leader may devalue followers' worth and to avoid regular contact with followers or mistreat them

  - A leader's failure to acknowledge the ethical limits of power causes a loss of credibility and trust and does devastating damage to the leader and his constituency

- Moral standards for a leader's behavior

  - Should leaders be held to a higher moral standard?
    - we would probably have a shortage of leaders
    - we would most likely become disillusioned with them when they were unable to meet the higher standards

  - Should leaders be held to the same standards as everyone else, and be expected live up to those standards.

- Moral consistency

  - If leaders' behavior does not match their stated values, they will lose the trust of their followers and colleagues
  - a leader's moral inconsistencies are open to public scrutiny
  - Leaders who do not behave consistently with their stated ethical values risk being labeled hypocrites.

- The relationship between ethics and effectiveness

  - Leaders sometimes achieve worthwhile goals using questionable tactics.
  - Existence of a double standard when judging some leaders.
  - Judging a leader as "good" involves complex assessments of the leader's achievements and the means used to reach those achievements.
  - Leaders also make *moral mistakes* that cause unfortunate consequences, although their intentions were ethical.

Approaches to Ethical Behavior

- Categorical Imperative -- obligation ethics. Specifies that individuals should always do what is right, regardless of the consequences
- Utilitarianism, -- consequential ethics or ethics of responsibility. Ethical decisions must be based on their consequences.
  - This approach maintains that we should behave so as to create the greatest good for the greatest number of people
  - Identifying all the relevant consequences of a decision can be difficult, especially when leaders represent diverse groups or when their decisions have far reaching effects
- Altruism

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- Altruistic leaders are concerned for the welfare of others and their actions are designed to help others even if it results in a cost to themselves
- Confucius equated altruism with the golden rule "do unto others as you would have them do unto you"

- Virtue ethics. The central idea of virtue ethics is that leaders and other individuals who have high moral character are most likely to make wise ethical choices in their behavior and decision making.
  - virtues are "deep-rooted dispositions, habits, skills, or traits of character that incline persons to perceive, feel and act in ethically right and sensitive ways"
  - Advocates of virtue ethics tend to describe the character traits and qualities of the ideal leader as an ethical role model.

- Moral Learning**.** Involves gradual changes in beliefs, attitudes, values and habits obtained through prolonged effort by a leader to behave in a just, prudent and truthful manner. Moral learning is a process of human development
  - a positive process that causes leaders to want to create benefits for people
  - causes leaders to make decisions and act in accordance with their conscience
  - Moral learning focuses on an ethic of excellence
  - teaches leaders to strive for a higher good and to take the "most ethical" approach, even if it is costly in terms of the leader's personal preferences, income, career, or the welfare of other stakeholders

- Elements of moral learning
  - Leaders must first become sensitive to ethical problems.
  - Leaders must also become competent in making moral judgments
  - Leaders must be motivated to behave ethically and to make ethical decisions
  - Leaders must be willing to take moral action

- Sources of moral learning
  - role models
  - hardships
  - a value driven mission

Ethics Management Tools
- Exemplary leadership
- Ethics training
- Codes & Oaths
- Audits

Ethical Leaders
- Are ethical role models
- Sustain an ethical climate that creates trust
- Promote the ethical development of their subordinates
- Ethics Training
- Types
  - Compliance training
  - Values training
- Effectiveness

- Codes
  - Implement codes of conduct.

Ethics - Where to Start? A Code of Ethics

Types of Codes of Ethics:
- Two Basic Types
  - Compliance Based
  - Integrity Based

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Qualities of Leadership

- Two Goods
  - Morally Good.
  - Technically Good.
- Self-knowledge.
- Self-control.
- Confidence.
- Charisma.
- Consistency.
- Effectiveness.
- Humility.

Leadership is a process whereby an individual inspires a group to achieve a common goal by the power of their integrity and wisdom.

Becoming a Wise and Ethical Leader

- Read, Read, and Read
- Think broadly and deeply about ethics
- Set an appropriate ethical example
- Make serving others (not your career) your top priority
- Lead from trust and respect, not power & authority
  - Delegation and shared responsibility
  - Listen to and facilitate others
- Find a mentor and be a mentor
- Bottom Line
  - Are your people growing as effective leaders themselves?

Creating an Ethical Climate

- The ethical climate of an organization is the shared perceptions among organizational members of the organization's policies, practices and procedures regarding ethical behavior.
- Specific actions by leaders also contribute to this ethical climate.
- Role modeling
  - Emphasize visible behaviors and include demonstrations of how to implement specific values.

- Directive behavior
  - clearly specify ethical policies and practices through organizational codes of ethics, continuing education and training on ethical issues,
  - implement internal ethics committees to respond to employees' concerns and questions
  - insure regular coverage of ethical issues in the company communications
- Contingent reward and punishment behaviors
  - reward individuals and groups who accomplish goals by acting in ways that are consistent with organizational values

  - identify and reward organizational citizenship behaviors
    - altruistic behavior – going out of their way to help other employees
    - conscientiousness –doing a better job than expected
    - courtesy –giving advance notice of upcoming projects
    - civic virtue –regular attendance and active participation in meetings
    - sportsmanship –not complaining and not making mountains out of mole hills

- discipline employees who fail to adhere to company values
- Participative leader behavior

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- ethical leaders provide forums for dialogue and discussion of ethical assumptions and practices in the organization
    - understanding different ethical approaches helps people assess their own and others' behavior, and knowingly select ethical courses of action
    - discussing sound ethical actions or decisions can also provide useful reference points for organizational members
    - involving followers in discussions of real ethical incidents in the organization encourages everyone to examine organizational responses and processes and makes ethical assumptions and approaches clearer to everyone involved

The number one rule - which is commonly echoed in all management courses - is: "Lead by example." To create an ethical team/organization every member need to make sure the compliance of ethical behavior but main responsibility rest on leader to exhibit ethics and also make sure that others do the same.

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LOOKING AT THE FUTURE: WHAT COMES NEXT

Leadership in the Future: The goal of this Lecture is to integrate some of the main ideas presented throughout these lectures, and to project current trends and issues into the future. Our main focus was to understand leadership, team dynamics and integrating these concepts into leadership and team management.

We are working in dynamic environment and many forces micro and macro affects this whole process. People work in organizations, team, and groups to achieve certain goals. To achieve goal and increase efficiency and effectiveness all need to work together but leaders play important role.

Successful Leaders

- Challenge the process
- Inspire a shared vision
- Enable others to act
- Model the way
- Encourage the followers
- Change agent
- Take followers to the destination

Qualities of Leaders:

o Vision	o Self-Confidence
o Ability	o Persistence
o Enthusiasm	o Vitality
o Stability	o Charisma
o Concern for Others	o Integrity

Becoming a Leader:

o Think like a leader	o Share your vision
o Develop your judgment	o Adapt your style
o Build leadership traits	o Pick the right followers
o Build your power base	o Organize tasks properly

Three Competency of a Leader:

- Leading the organization
- Leading others
- Leading oneself

For the success of organization/team whole responsibility is not only on leaders but it also depend on team itself.

Attributes of High-Performance Teams

- Future focused
- Focused on task
- Creative talents
- Rapid response

Why Rely on Teams

Compared with individuals working alone, teams tend to

- Make better decisions
- Make better products and services due to more knowledge and expertise

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How Do We Measure Team Effectiveness?

- Productivity
- Cohesion
- Learning/ growth & development
- Integration with the rest of the organization.

Benefits of Teams

Synergy

- The creation of a whole greater than or equal to the sum of its parts

Why Teams Are Good for Organizations

- More resources for problem solving
- Improved creativity and innovation
- Improved quality of decision making
- Greater commitments to tasks
- Increased motivation of members
- Better control and work discipline
- More individual need satisfaction

The Three Big Strategic Questions:

- Where are we now?
- Where do we want to go?
- How do we get there?

Based on these question one can develop strategies. Today's leaders are also strategic leaders. In the changing environment, it is becoming even more important to act fast and adjust the strategies in response to change forces.

Forces for Change:

External:

- new technologies
- political, economic, financial conditions, world market
- customer demands, changes in competition

Internal

- re-engineering, costs
- revision of plan/objectives, communications
- employee turnover, changes in work practices

Six Tips to Help You Enhance Your Creativity:

- **Open Your Mind -** Have one new experience every day; no matter how small. New experiences stimulate the brain and help you make new and original connections; critical for boosting breakthroughs.
- **Diversify -** Involve others in your problem-solving efforts who bring a different perspective or cultural experience than yours.
- **Mental Floss – Relax;** Stress, exhaustion, boredom and even pain can block our pathways to creativity.
- **Stop Looking For the Right Answer -** Look for many right answers.
- **Discover Your Creative Rhythm -** Start paying attention to when you get your best ideas.
- **Health Makes Wealth -** Regular exercise not only benefits your body, it boosts brain performance as well.

(Innovative Thinking: Six Simple Secrets by Padi Selwyn, M.A).

Remember! Change is not an event. It is a process.
"Those Who Wish To Sing, Always Find A Song." – Swedish Proverb

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If you don't like something, change it. If you can't change it, change the way you think about it.
– Unknown creative

Ethical behavior is the display of moral attributes

- Judgment
- Behavior
- Self-discipline
- Character

However, what "ethical behavior" really boils down to in its simplest form is: Knowing the **difference** between **right** and **wrong** and **behaving accordingly**

Ethical Leadership

Leadership is a process whereby an individual inspires a group to achieve a common goal by the power of their integrity and wisdom.

What Do We Know?

- On the average, leaders are more energetic, motivated, intelligent, and self-confident
- Traits are important, but no single trait defines leadership
- Power is key to leadership; its use and function in organizations is changing
- A contingency view is key to understanding and predicting leadership effectiveness
- Teams are changing leaders' roles
- An emotional bond between leaders and followers is one of the key factors to changing organizations
- Leaders must clarify their vision
- Upper level, strategic leadership has distinct characteristics
- Culture must be an integral part of any understanding of leadership
- Faith/trust of followers on leaders and vice versa is the key to success
- Effective and efficient communication is another important area
- Continue learning, responding change and creativity must be the important point in leadership and team management
- Efficient use of technology
- Responsive to all stake holders and ethical norms
- Linking performance to rewards

What We Might Not Know?

- Role of traits
- Understanding the impact of the organizational context
- Full impact of culture at various levels
- Human behavior of diverse team members

Current Organizational Trends

- Budget Cuts
- Restructuring, downsizing, right-sizing
- Flattened structures
- Doing more with less
- Constant change
- Increasing diversity among staff and customers
- Increased teamwork and strategic alliances
- Political influences
- New leadership
- Others?

Keeping in view these and other new trends are shaping up structure of new organization and tools and techniques of leading those organizations also will take up new shapes. But the basic concepts of leadership and team dynamics will continue and will need to integrate these with the changing environment of future.

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Changes in Organizations

- Structural changes
- Changing demographics
- Globalization
- New work ethic
- Learning and knowledge
- Technology
- Need for flexibility
- Fast-paced change

Consequences for Leadership

- New roles for leaders; emphasis on followers
- Understanding differences and culture
- Understanding global issues
- Accommodating different working styles
- Continuous training and leading knowledge workers
- Learning to manage change
- Remaining flexible
- Create a fit between individual needs and organizational goals
- Human Relation

What Should Leaders Do?

- Self-awareness
- Global perspective
- Understand organizations
- Flexible and open
- Continuous learning
- Strive for balance
- Human Skills

Future of Leadership

- Three Pillars of Leadership
  - Having a Vision
  - Managing Implementation
  - Building Relationship with followers

Looking to the Future

- Leaders with a global perspective
- Leaders with an integrated view of organizations
- Leaders must remain flexible and open to change
- Leaders who are committed to continuous learning
- Leaders who achieve a personal balance
- Delegate and Nurture
- Empower followers through democracy and consensus, remembering consensus leads to synergy
- Relate to all people in the organization. Be demanding but connect with subordinates to build loyalty
- Encourage Ownership
- Pursue learning for all members of the team
- Build Teamwork
- Have Fun

Leadership Essentials

Listen, Learn, Help, Lead"

It is not going to be easy ride but with determination, learning, with vision and team work they can have impact and achieve effectiveness and efficiency.

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TEAMWORK: LEARNING FROM NATURE

Remember, at the end of lecture number 32, I gave you a point to think. Learning cooperation from animals. My point was that even animals live and work like a team and cooperate with each others with vision and objectives. Why can't human being the social animals live and work like team. Off course, people do live, work and cooperate and deliver more than expected but for those who are not doing this and to show them the importance of team work and leadership was the scope of this subject. The point discussed at the end of lecture number 32 gave me an idea to dedicate this last lecture on this important aspect of nature. Team work-learning from nature.

Nature is full of examples where we have lessons to learn, I tried to share with you some example from nature where enough material, examples can be used to understand different concepts we tried to covered in this subject "Leadership and Team Management".

We can observe from animal behavior the cooperation, dedication, teamwork and concept of leadership. I have dedicated this last lecture of our course on this very important aspect. That is learning from nature.

"Insights and hard work deliver results"

From this photograph you can the hard work and team work of ants.

Food for Thoughts

- Why can't we learn?
- Why can't we learn "Leadership and Team Management" from nature?
- Look at the universe. All are in a system
- Honey bees
- Termites
- Ants
- Sea world

Honeybees

Honeybees cannot get nectar in the winter so they must make plenty of honey to survive

Social Behavior

Honey bee: Highly organized social insect living in well developed colony (also called Hive). We can observe division of labor in these honeybees.

- Queen: Real Queen: Mother of colony
- Worker: Female: real worker of the colony
- Drone: (Males) : Naqatoo: Just eat honey and breed
- Each colony have: 40-50 thousands individuals
- QUEEN: Guarded by attendants, allot duties to workers and supervise the activities:
- WORKERS: Machinery of the colony and have assigned duties
- Indoor workers: sincere and attend Queen
- Nursery workers: Nursing and taking care of young ones
- Builder workers: produce wax for the formation new colony
- Repairers workers: Repairing the wear and tear of hive (comb)
- Cleaner workers: Involved in cleaning activities in hive
- Fanner: Fanning hive to provide fresh air performed with their wings
- Ware house : Storage and ripening of honey

OTHERS ACTIVIES OF THE HONEY BEES

- Absconding: Migration of whole colony: due to unfavorable climate like destruction of comb by Termites, wax moths and scarcity of flower nectar.
- Swarming: Leaving off the colony by queen along with few workers and drone to form new colony at new place

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The roles identified among honey bees are important for colony cooperation, regulate hive temperature, efficiency via specialization: division of labor in the colony, Communication etc and show how well organize they are and also indicate their team work and leadership behavior.

Termites

- Cone-shaped outer walls and ventilation ducts
- Brood chambers in central hive
- Spiral cooling vents
- Support pillars

These small creature works together with proper distribution and division of labor. They tirelessly work for cause and focus on work with.

Ants

- Organizing highways to and from their foraging sites by leaving pheromone trails
- Form chains from their own bodies to create a bridge to pull and hold leafs together with silk
- Division of labor between major and minor ants

Individual organisms often cooperate in ways that improve survival. Look in this picture and see how ants form a bridge to facilitate team work.

An In-depth Look at Ant Behavior:

You might have observed the movement of ants for the food and they travel together in line and very systematically. If you interrupt the Flow you will see that ants will try to overcome this interruption and start using all sides to reach food.

With the passage of time, these small creatures start thinking and pick the shortest path to increase the efficiency. You change the interruption; they will quickly adjust their path.

Learning from Nature

During my lecture, I also showed few shots/clips from movies. Showing different animals form land, sea and birds kingdom. The point I was trying to make was the same philosophy of team work, moving together, and threats of enemy, facing the dangerous situation and overcoming them as we the human are facing every day in our lives. Staying together, working together by smaller animals to larger ones. From sea to land and air all kind of animals exhibits similar cooperative and team work behavior.

In first clip, we can see the different creatures busy in their daily work focused in dynamic environment along with all kinds of forces, dangers. Sticking together. Different types of animals and different priorities. Accordingly they work together to achieve them

In second clippings, we can see the birds building their nest/home. You can see how focus they are to achieve their objectives. They have motives, team work and vision. Even a small but skilled bird builds the nest with proper technique.

Third clipping start with sea world. Small fish to large one they all move together, the sea lion shown were also moving as a team. Similarly larger animals also exhibit behaviors we can see around us. They move together, enjoy, work, relax etc with the similar approach. But the bottom line is the team work and leadership in animal kingdoms and we the social animals often forget this.

The last clipping was also very interested. I have given this the title of **"Coach".** Leader's role is also as a coach. In that clip, a bird was teaching his young one how to fly. Father slips himself on tree to teach him confidence and technique to fly. After that we can see the young one taking risk and following the father's instruction and going for his first flight.

All these examples were shown to encourage you to understand the concepts of team work and leadership and to show that in the nature every thing is working in a system and with some philosophy

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behind them. If we want to learn, we can have million of such examples around us in nature. We need the wisdom to understand and apply these concepts in our real life.

Let me show you few more clips indicating different aspects of team work and leadership in nature that is in reality which we tried to cover during this course.

I hope these examples from nature must have given you some feelings about this important aspects and also motivations to apply this in your life.

Let me give you yet another very interesting example from nature.

You see the geese migrating; going to a warmer place, to sort the winter...They fly in a "V" formation. Maybe this will help us to understand the leadership and team management....

By flying in a "V" formation.... The whole flock increases the flight efficiency by 71% Compared to just one bird flying alone.

Lesson
Sharing the same direction and working as a team, get us to the destination quicker and easier.

When a goose leaves the formation.. He feels the resistance of the air and the difficulties of flying alone.... Then, he quickly comes back to the formation to take advantage of the flock's power in front of him.

Lesson
By staying in tune and united beside those who are going in the same direction, the effort will be less. It will be easier and pleasing to reach the goals, everyone will be inclined to accept and give help.

When the leader goose gets tired of flying... ...He goes to the end of the "V" formation. While another goose takes the lead.

Lesson
To share the leadership, there must be mutual respect between us all the time... Sharing the hardest problems and tasks…..Gathering our abilities and combining our facilities, talents and resources….

The geese flying on a "V" formation, they quack to encourage to the ones in the front. In that way, they keep the same speed.

Lesson
When there is courage and encouragement, the progress is greater….A timely word of encouragement, always motivates, helps and strengthens…..It produces the best of benefits.

When a goose gets sick, is injured or gets tired, And he must leave the formation.....Other geese leave the formation too, and they fly with him to help him out and protect him. They remain with him until he dies or he is able to fly again. They reach their bevy or they just make another "V" formation.

Lesson
Let's stay beside each other no matter what the differences. Especially in times of difficulty and great challenges….

If we bond together and support each other……If we make true the spirit of teamwork….Regardless of our differences, we can rise to meet our challenge. If we understand the real value of teamwork…..If we are aware of the feeling of sharing…..LIFE WILL BE EASIER, THE PASSING OF YEARS MORE FULFILLING AND A TEAM SUCESSFUL ..

Dear Students,
Let's Be Like These Geese!!!

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What Can We Learn From Such Examples?

- Learning
- Cooperation
- Staying united
- Staying beside each others
- Supporting
- Mutual respect
- Combining abilities, talent and resources
- Encouraging
- Team work
- Coaching
- Leadership

Let's Start Understanding, Learning, implementing the concepts of Leadership and Team Management.

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