Leadership: The Right Approach

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TEACHING NOTE

SUMMARY

These caselets deal with the issue of leadership. Caselet 1 discusses the impact of micromanagement on employee morale and their performance. Caselet 2 discusses the initiatives that are taken by organizations to develop leadership skills among its employees. It also discusses the need for succession planning in organizations.

TEACHING OBJECTIVES & TARGET AUDIENCE

These caselets are structured to enable students to

- Understand the autocratic style of leadership.
- Examine the impact of autocratic style of leadership on organizations.
- Understand the concept of micromanagement.
- Examine the impact of micromanagement on employee behavior.
- Understand the skills necessary to be an effective leader.

These caselets are aimed at undergraduate and postgraduate students, and are intended to be a part of the Organizational Behavior course.

TEACHING APPROACH & STRATEGY

These caselets can be used effectively in classroom discussions as well as in distance learning programs. The moderator can begin the class discussion by introducing the following topics:

- The difference between leadership behavior and traits in an individual.
- Various theories explaining the concept of leadership.

ANALYSIS

Caselet 1

1.

Leadership involves directing people’s behavior towards attainment of a particular goal or objective. Different leadership styles can be seen in organizations depending upon the extent to which employees in the organization are allowed to participate in crucial decision making processes. The leadership style exhibited by Ashish Gupta was that of autocracy, wherein the leader makes the decision based on the information available to him, without consulting his team.
members. In such a style of leadership, the leader is the sole decision maker and pays no heed to the suggestions of the organizational members who are likely to be affected by the decisions.

An autocratic style of leadership has the following outcomes –

- The information which the decision maker possesses may or may not be sufficient. Therefore, the decision made may or may not be an informed one, as the knowledge of the decision maker is limited. Besides, no suggestions are taken from those who would be affected by the decision.

- Sometimes, autocratic leaders do invite suggestions from employees without revealing the actual problem on hand. The decisions, however, are made only by the leaders.

- Such a style of leadership results in a demotivated workforce. Since no suggestions are invited from the employees, their participation in the organizational processes is minimal. This demotivates them as they are only required to perform routine and mundane jobs, which are neither challenging nor exciting.

- The performance of employees is appraised based on the extent to which an employee conforms to organizational rules and policies. They are thus discouraged from experimenting with innovative ways of doing routine jobs. Thus, their creativity is curbed and innovation ceases within the organization.

The autocratic style of leadership that Gupta exhibited is thus not advisable in the current business scenario. It is recommended instead that organizations seek the enhanced participation of their employees in organizational processes.

2.

Micromanagement arises out of a manager’s tendency to keep every organizational process and system under his complete control. A micromanager is one who delegates a job to his employees but minutely inspects the way it is being done. Thus, in his attempt to ensure that the job is performed in the right way, he keeps interfering and meddling with the way it is being done. He feels that employees work effectively only when they are being constantly monitored. So, he not only keeps a constant watch on the employees while they are on the job, but also expects them to do it the way he wants it done. This kind of manager ends up over-analyzing things and subconsciously frustrates his/her subordinates by disempowering them. The employees are also demotivated as they perceive that their superior thinks they are inefficient. They get the impression that the manager doesn’t trust their capability.

In the present case, just because the targets for a week weren’t met, the manager, Ashish Gupta, forced his subordinates to follow the procedure laid down by him, saying that only then would the targets be achieved. The procedure designed by Gupta, however, did not consider the real market situation in which the sales representatives had to work. This demotivated the staff as they felt that they were in a better position to design an effective procedure to achieve their targets. Further, Gupta observed and monitored the actions of each employee on a continuous basis. This further reduced the autonomy of the employees and served to demotivate them. This continuous monitoring and reduced autonomy even in the case of routine tasks resulted in Mehra and his colleagues deciding to quit their jobs.

If Gupta had just explained the problem to his subordinates (in this case, achievement of a huge target) and left it to them to work out how to achieve the target, he would have got better results. This is because the employees would have been encouraged to participate more in problem solving. Thus, micromanagement has a negative impact on employee behavior and motivation.
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Caselet 2

1. According to behavioral expert, Robert Katz, in order to be effective, leaders should possess the three skills – technical, human and conceptual. Technical skill refers to the knowledge and ability of a leader to effectively use a particular process or technique. Employees working at the operational level or individuals offering professional services are expected to possess good technical skills. However, as one goes up in the organizational hierarchy, these skills lose their importance and other managerial skills become more relevant.

The ability of an individual to cooperate with other employees and work in teams determines his human skills. Effective human skills, which develop with a willingness to help other people in the organization, and involves maintaining good interpersonal relationships, helps a leader gain the acceptance of employees. This acceptance plays an important role in determining an individual’s success as a leader.

An individual’s ability to analyze, process, and interpret complex situations and contingencies describes his conceptual skills. Conceptual skills are of more significance to individuals at the top of the organizational hierarchy. These skills enable an individual to analyze an existing problem, process the information available, and make effective and informed decisions in a problem solving situation. Good conceptual skills enable leaders to predict the consequences of decisions.

Thus, while all the three skills are important to individuals in organizations, the relevance of each depends upon the position the person occupies in the organizational hierarchy. Organizations today are trying to inculcate these skills in their emerging leaders by establishing training and learning centers for organizational members.

2. The trait theory of leadership, one of the earliest theories on leadership, stated that leaders are born, not made. In other words, the qualities of leaders cannot be learnt or developed. They are inherent abilities that only a few individuals possess. Therefore, only people with a particular set of traits can become leaders. According to this theory, a great leader would have been great even under different circumstances.

However, studies in the field of behavioral management showed that leadership was a skill and an art that could be learnt and developed. Behavioral theory stated that leaders demonstrated a particular trait which played a role in making them leaders. These studies identified behaviors associated with successful leaders.

Later, with the development of the contingency theory of leadership, it was believed that leadership qualities changed according to the situation or contingency facing an organization. In other words, a particular style of leadership, which was successful in a particular situation might or might not be successful in another. Therefore, leaders should analyze the current situation and evaluate the suitability of that style in the current situation.

Thus, behavioral studies propounded that leadership was a quality that could be developed over time with appropriate orientation and training. However, the individual must be open-minded, and must accept and welcome new ideas. Taking this into consideration, organizations now strive to provide their members with excellent learning opportunities. Satyam’s Learning Center, Wipro’s leadership workshops, and Tata Consultancy Services’ leadership development system, are examples of how some organizations are attempting to nurture leadership qualities within their employees.