

#### Unit IV

#### LEADERSHIP

Leaders help themselves and others to do the right things. They set direction, build an inspiring vision, and create something new. As well as providing direction, inspiration, and guidance, good leaders exhibit courage, passion, confidence, commitment, and ambition. They nurture the strengths and talents of their people and build teams committed to achieving common goals. A leader's most important role is to provide clear and compelling direction. Leaders ensure that all followers understand, embrace, and work toward achieving those objectives. And they provide momentum, sharing and celebrating progress toward achieving company goals, setting new targets, and providing needed resources.

#### Five Qualities of Effective Leaders

- They are self-aware and prioritize personal development.
- They focus on developing others.
- They encourage strategic thinking, innovation, and action.
- They are ethical and civic-minded.
- They practice effective cross-cultural communication.

**Leadership** is about mapping out where you need to go to "win" as a team or an organization; and it is dynamic, exciting, and inspiring.

**Leadership** is the art of motivating a group of people to act toward achieving a common goal. In a business setting, this can mean directing workers and colleagues with a strategy to meet the company's needs.

**Leadership** is a process of social influence, which maximizes the efforts of others, towards the achievement of a goal. **Leadership** stems from social influence, not authority or power. **Leadership** is the process of persuasion or example by which an individual (or **leadership** team) induces a group to pursue objectives held by the leader or shared by the leader and his or her followers."

**Leadership** means creating and planning, securing resources, and looking out for and improving errors. **Leadership** is about motivating people to work together and cooperate with themselves and in some cases, other teams, to achieve a certain goal.

**Leadership** motivates the people to a higher level of performance through their strong human relations. It is an **important** function of management which helps to maximize efficiency and to achieve organizational goals, so managers must have traits of a **leader**.

**Leadership** is an important element of the directing function of management. Wherever, there is an organized group of people working towards a common goal, some type of leadership becomes essential.

"The power of leadership is the power of integrating. The leader stimulates what is best in us he unites and concentrates what we feel only gropingly and shatteringly. He is a person who gives form to the uncoarctate energy in every man. The person who influences me most is not he who does great Deeds, but he who makes me feel that I can do great deeds." Marry Parker Follet.

**Leadership** is the ability to build up confidence and zeal among people and to create an urge in them to be led. To be a successful leader, a manager must possess the qualities of foresight, drive, initiative, self-confidence and personal integrity. Different situations may demand different types of leadership.

According to Koontz and O'Donnell, Leadership is the ability of a manager to induce subordinates to work with confidence and zeal.

#### **Nature and Characteristics of Leadership:**

1. Leadership is a personal quality.
2. It exists only with followers. If there are no followers, there is no leadership.
3. It is the willingness of people to follow that makes person a leader.
4. Leadership is a process of influence. A leader must be able to influence the behaviour, attitude and beliefs of his subordinates.
5. It exists only for the realization of common goals.
6. It involves readiness to accept complete responsibility in all situations.
7. Leadership is the function of stimulating the followers to strive willingly to attain organizational objectives.
8. Leadership styles do change under different circumstances.
9. Leadership is neither bossism nor synonymous with; management.

#### **Formal and informal Leaders:**

From the view point of official recognition from top management, leaders may be classified as formal and informal leaders. A formal leader is one who is formally appointed or elected to direct and control the activities of the subordinates. He is a person created by the formal structure, enjoys organizational authority and is accountable to those who have elected him in a formal way. The formal leader has a two-fold responsibility. On the one hand, he has to fulfill the demands of the organization, while on the other he is also supposed to help, guide and direct his subordinates in satisfying their needs and aspirations.

Informal leaders are not formally recognized. They derive authority from the people who are under their influence. In any organization we can always find some persons who command respect and who are approached to help, guide and protect the informal leaders have only one task to perform, i.e., to help their followers in achieving their individual and group goals. Informal leaders are created to satisfy those needs which are not satisfied by the formal leaders. An organization can make effective use of informal leaders to strengthen the formal leadership.

#### **Leadership Functions:**

**Following are the important functions of a leader:**

##### **1. Setting Goals:**

A leader is expected to perform creative function of laying out goals and policies to persuade the subordinates to work with zeal and confidence.

##### **2. Organizing:**

The second function of a leader is to create and shape the organization on scientific lines by assigning roles appropriate to individual abilities with the view to make its various components to operate sensitively towards the achievement of enterprise goals.

##### **3. Initiating Action:**



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The next function of a leader is to take the initiative in all matters of interest to the group. He should not depend upon others for decision and judgment. He should float new ideas and his decisions should reflect original thinking.

#### **4. Co-Ordination:**

A leader has to reconcile the interests of the individual members of the group with that of the organization. He has to ensure voluntary co-operation from the group in realizing the common objectives.

#### **5. Direction and Motivation:**

It is the primary function of a leader to guide and direct his group and motivate people to do their best in the achievement of desired goals, he should build up confidence and zeal in the work group.

#### **6. Link between Management and Workers:**

A leader works as a necessary link between the management and the workers. He interprets the policies and programmes of the management to his subordinates and represents the subordinates' interests before the management. He can prove effective only when he can act as the true guardian of the interests of his subordinates.

### **Importance of Leadership**

#### **1. It Improves Motivation and Morale:**

Through dynamic leadership managers can improve motivation and morale of their subordinates. A good leader influences the behaviour of an individual in such a manner that he voluntarily works towards the achievement of enterprise goals.

#### **2. It Acts as a Motive Power to Group Efforts:**

Leadership serves as a motive power to group efforts. It leads the group to a higher level of performance through its persistent efforts and impact on human relations.

#### **3. It Acts as an Aid to Authority:**

The use of authority alone cannot always bring the desired results. Leadership acts as an aid to authority by influencing, inspiring and initiating action.

#### **4. It is Needed at All Levels of Management:**

Leadership plays a pivotal role at all levels of management because in the absence of effective leadership no management can achieve the desired results.

#### **5. It Rectifies the Imperfectness of the Formal Organisational Relationships:**

No organizational structure can provide all types of relationships and people with common interest may work beyond the confines of formal relationships. Such informal relationships are more effective in controlling and regulating the behaviour of the subordinates. Effective leadership uses these informal relationships to accomplish the enterprise goals.

#### **6. It Provides the Basis for Co-operation:**

Effective leadership increases the understanding between the subordinates and the management and promotes co-operation among them.