



LEADERSHIP AND MANAGEMENT

Fall 2023

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Course Code: GELM 275, Course Name: Leadership and Management

Credit Hour: 2.00, **Contact Hour:** 2.00; **Course Curriculum:** Outcome Based Education (OBE)

Objectives:

1. To introduce different management functions and approaches
2. To expose students to different views and styles of leadership
3. To understand how an organization functions collaboratively with managers and engineers
4. To understand various personality traits and its impact on leadership and management
5. To solve real-world management problems as an engineer

Course Learning Outcome:

- **CO1** – Familiarize with the fundamental concepts of leadership and management skills
- **CO2** – Explain the role and contribution of a leader in achieving organizational goals
- **CO3** – Outline the contribution of leadership traits and management skills in decision making and solving real life problems

Marks Distribution for a 2.00 Cr Hr Theory Course

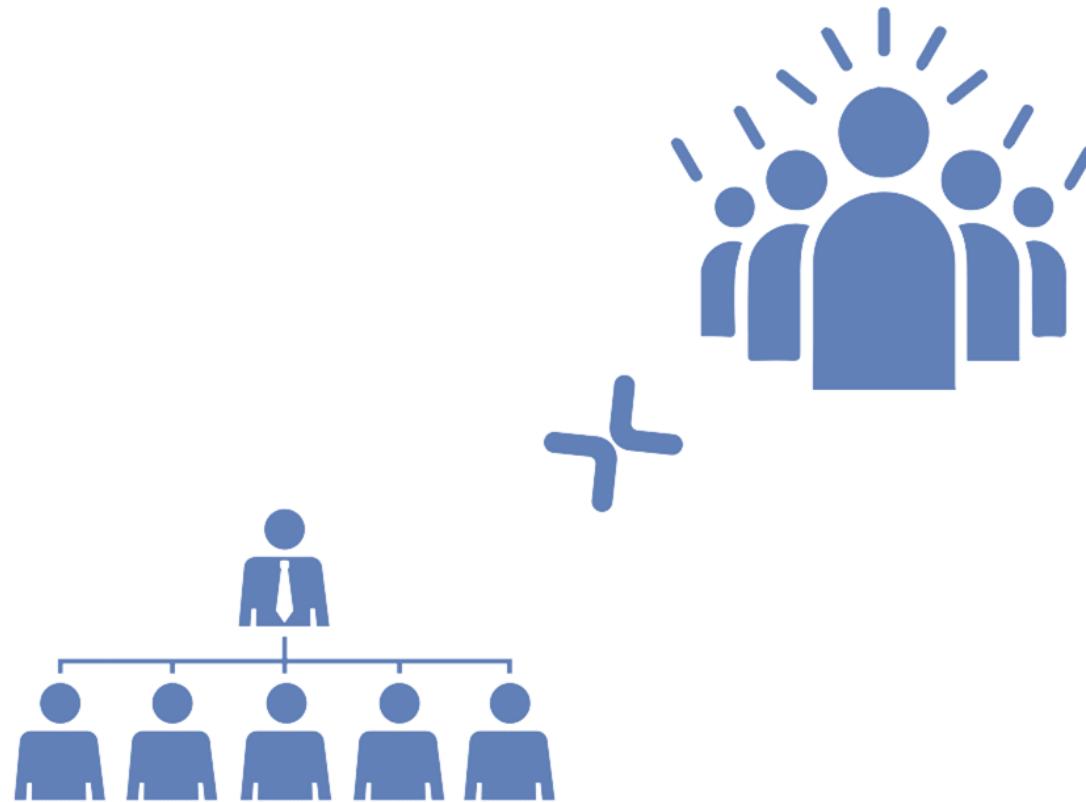
Criteria	% Marks	Marks in 200
Class Test	20%	40
Mid-term Exam	10%	20
Class Performance	5%	10
Class Attendance	5%	10
Final Exam	60%	120
Total	100%	200

Study References:

1. Management Principles and Practices- Ricky W. Griffin -11th edn.
2. Essentials of Management Harold Koontz, Heinz Weihrich, 9th edn.
3. Leadership in Organizations – Gary Yukl.
4. On Becoming A Leader – Warren G. Bennis
5. *Engineering Management (Revised Edition)* – A.K. Gupta
6. *Industrial Engineering and Production Management* - Martand T. Telsang
7. *Developing Management Skills* – David A. Whetten and Kim S. Came.



Introduction to Leadership and Management





Outline

- ➔ Understanding Leadership and Management
- ➔ Leadership & Management – Basic Differences
- ➔ Efficiency & Effectiveness
- ➔ Qualities of Leaders and Managers

What is Leadership?

- ▶ It is the behavior of an individual directing the activities of a group toward a shared goal
- ▶ It is the process of influencing the activities of an organized group toward goal achievement
- ▶ It is about articulating visions, embodying values, and creating the environment within which things can be accomplished
- ▶ It is a process of giving purpose (meaningful direction) to collective effort, and causing willing effort to be expended to achieve purpose

What is Leadership?

- ▶ It is the ability of an individual to influence, motivate, and enable others to contribute toward the effectiveness and success of the organization
- ▶ It is the process of influencing others to understand and agree about what needs to be done and how to do it, and the process of facilitating individual collective efforts to accomplish shared objectives effectively
- ▶ It is the art of influencing others to their maximum performance to accomplish any task, objective or project

⇒ ***The leader, The follower(s), The goal/task & Resources***

To Summarise...

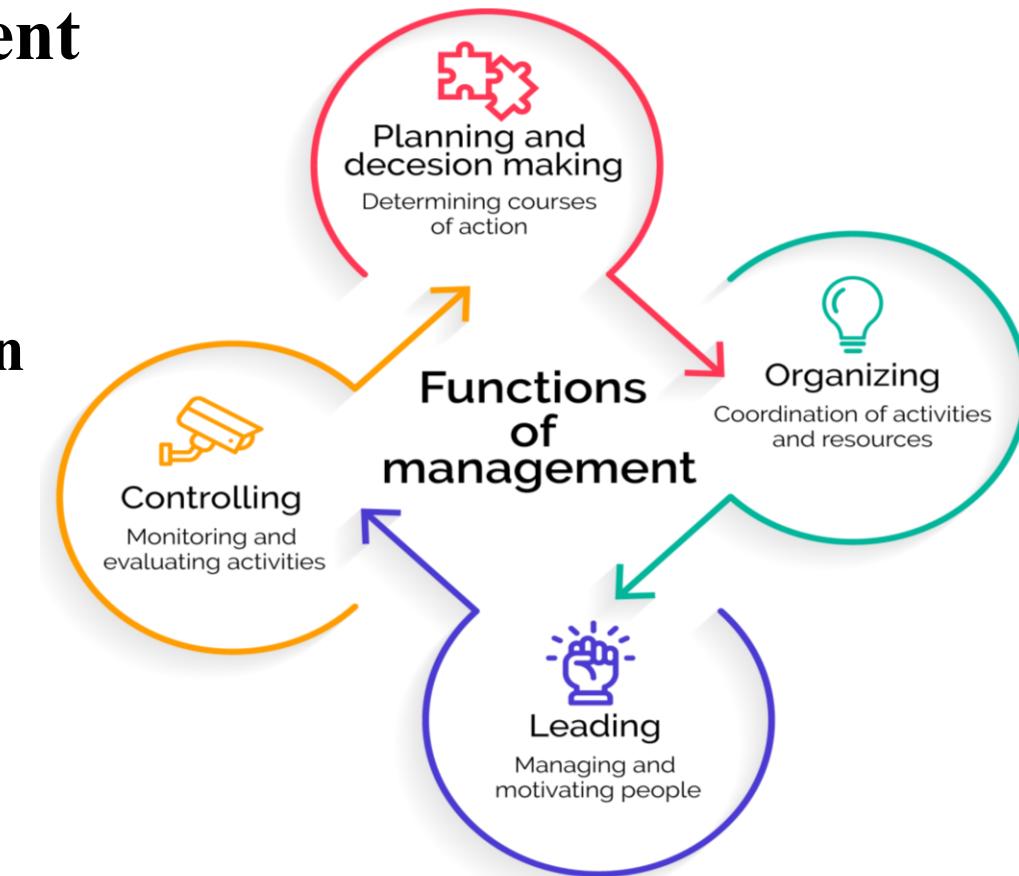
LEADERSHIP

- Ability of an individual to influence others towards a goal
- Process of influencing and motivating people to achieve success
- Formal/ informal **goal-influential process** between a leader and follower/ organization
- Art of influencing others to perform maximally to accomplish an objective
- Leadership is an effective function of:

The leader, The follower(s), The goal/ task & Resources

Management

Process of planning, organizing, staffing, leading, and controlling an organization's human, financial, physical, and information resources to achieve organizational goals efficiently and effectively



It is the **process of designing and maintaining an environment** in which individuals, working together in groups, efficiently accomplish selected aims



Management

- As viewed by the economist, management is one of the factors of production together with *land, labour and capital*.
- The managerial resources of a firm largely determine its productivity and profitability
- As viewed by a specialist in administration and organization, management is a system of authority

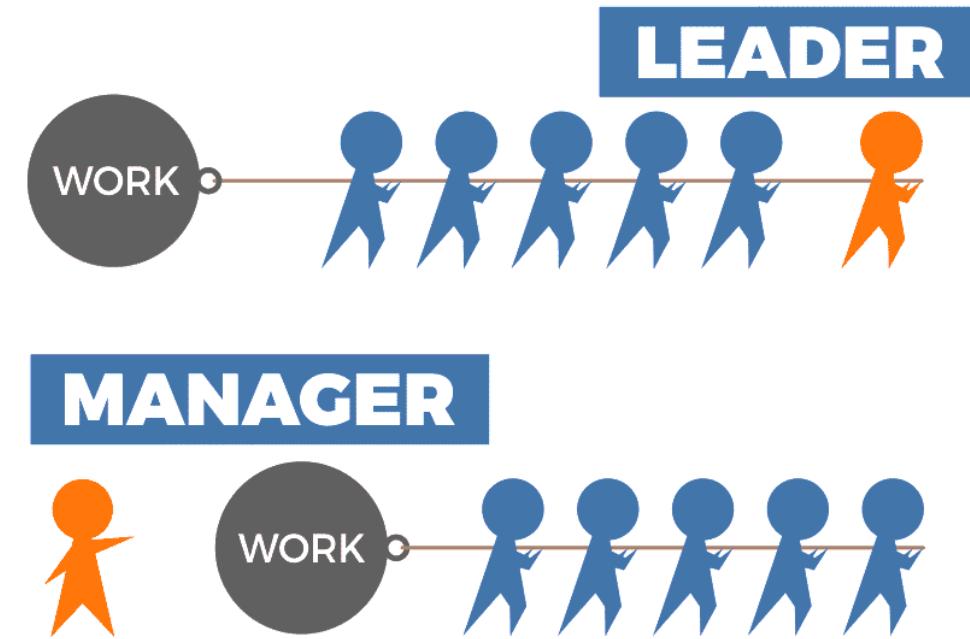
The manager, The staff and teams, The organizational goal, Elements of production/ resources

Management

- Management is concerned with productivity, implying efficiency and effectiveness
- Management is both **Science and Art!**
- Management is an effective and efficient function of:

The manager, The staff and teams, The organizational goal, Elements of production/resources, The system involving planning, organizing, staffing, leading & controlling

Leadership vs. Management



Comparing Leadership & Management

There are important distinctions between managing and leading people. The most important differences that set leaders apart:

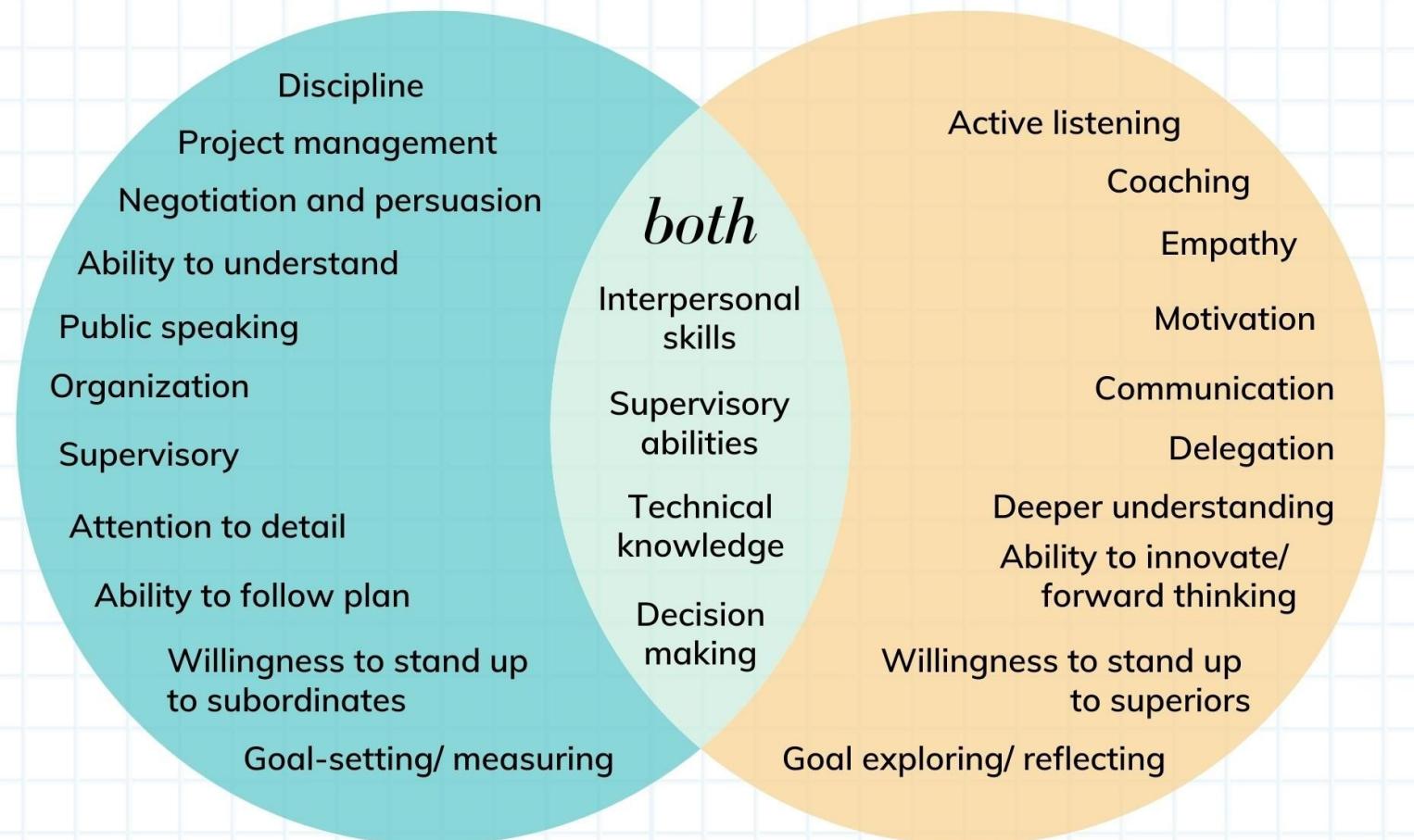
- Leaders create a vision, managers create goals
- Leaders are change agents; managers maintain the status quo
- Leaders take risks, managers control risk
- Leaders are in it for the long haul, managers think short-term
- Leaders grow personally, managers rely on existing, proven skills.
- Leaders build relationships, managers build systems and processes
- Leaders create fans, managers have employees

Comparing Leadership & Management

	Managers	Leaders
Focus	Transactional Meeting objectives and delegating tasks	Transformational Developing a vision and a way forward
Priority	Work Goal is to get things done; task management	People Care about you and want you to succeed; behavioural focus
Team	Subordinates Lead through authority and task management; telling	Followers Lead through inspiring and circles of influence; involve & motivate
Ethics	Do things right Follow the rules and maintain status quo	Do the right things Shape the culture and act with integrity, break rules if required

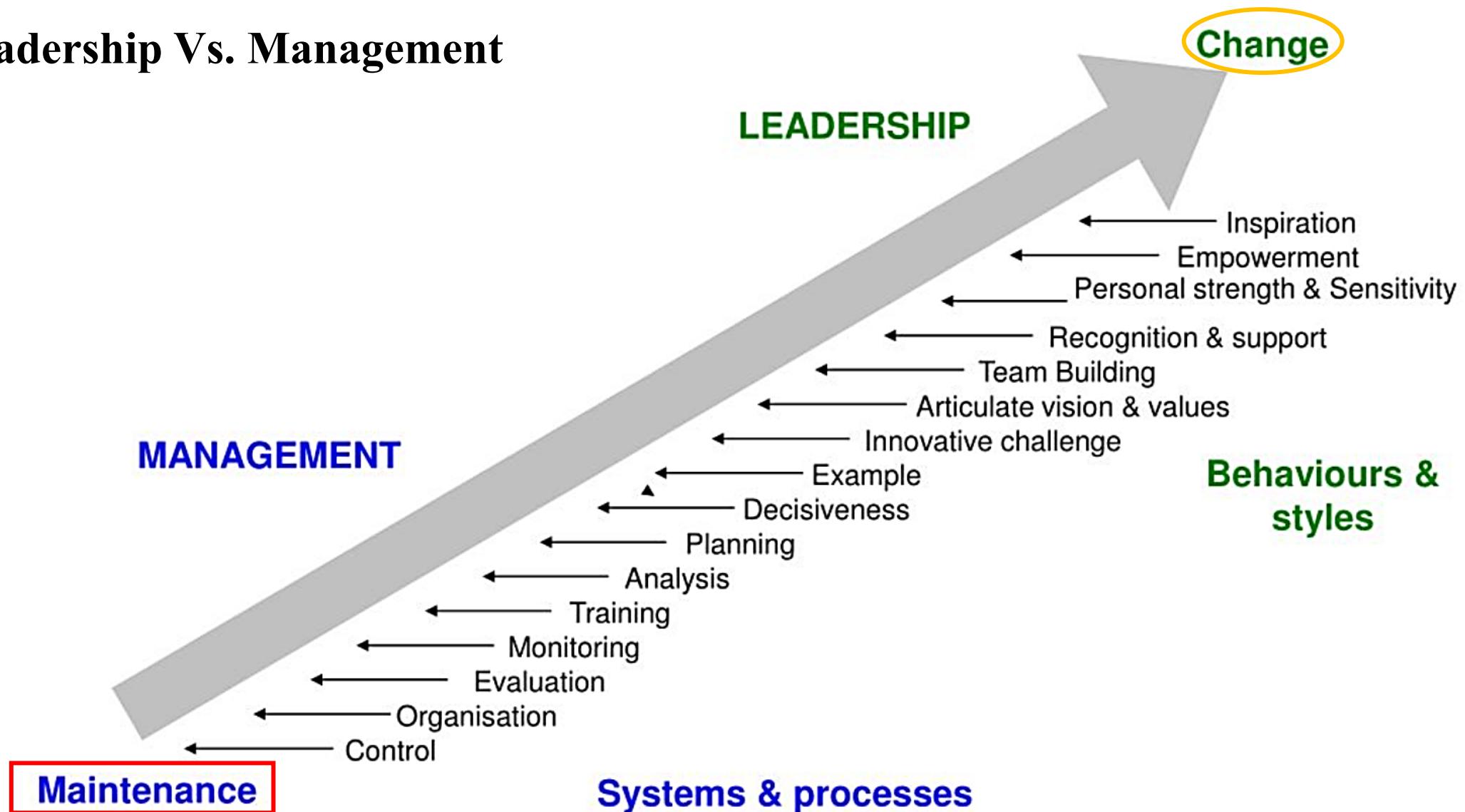
MANAGEMENT VS LEADERSHIP

SKILLS SKILLS



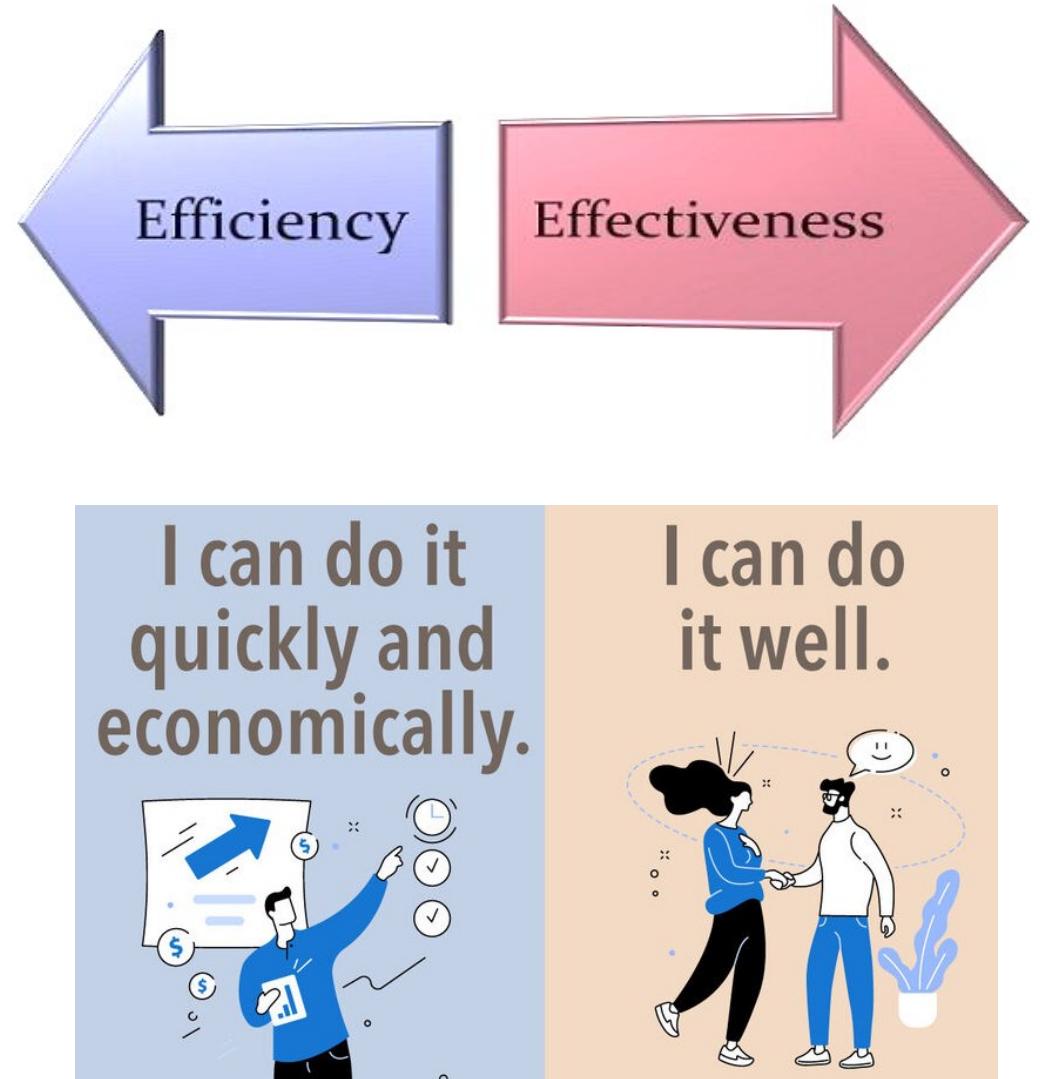
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Leadership Vs. Management



Comparing Leadership & Management – Effectiveness vs Efficiency

- **Efficiency** is the ability to produce an intended result in the way that results in the **least waste of time, effort, and resources**
- **Effectiveness** is the ability to produce a better result, one that delivers more value or **achieves a better outcome**



Comparing Leadership & Management – Effectiveness vs. Efficiency

Effectiveness	Efficiency
Doing the right things	Doing things right
Being Adequate to accomplish a purpose; producing the intended or expected result	Performing or functioning in the best possible manner with the least waste of time and effort
Focus	Focus
<ul style="list-style-type: none">• To Achieve Goal• Alignment with Goals• Optimize Vs. Minimize• Increase Opportunities• Long-term / Broad Scope	<ul style="list-style-type: none">• To Enhance Process• Speed• Minimize Resource Usage• Reduce Costs & Efforts• Short-term / Narrow Scope

LEADER

MANGER

Comparing Leadership & Management – Efficiency and Effectiveness Matrix

		Effectiveness (Right way)	
		Low Effectiveness	High Effectiveness
Efficiency (Right things)	High Efficiency	High Efficiency Low Effectiveness	High Efficiency High Effectiveness
	Low Efficiency	Right Thing, Wrong Way	Right Thing, Right Way
		Low Efficiency Low Effectiveness	Low Efficiency High Effectiveness
		Wrong Thing, Wrong Way	Wrong Thing, Right Way
		Low Effectiveness	High Effectiveness
Effectiveness (Right way)			

Comparing Leadership & Management – Qualities

L E A D E R S	 Be humble	 Lead by example	 Communicate effectively
	 Know your limits	 Keep meetings productive	 Be emotionally aware
	 Learn from the past	 Never stop improving	



Leader	vs	Manager	M A N A G E R S
		 Expect excellence	 Communicate regularly by providing meaningful feedback in real time
		 Don't avoid conflict, but deal with it directly and fairly	 Be open to new ways of looking at things
		 Accept that you still have a lot to learn	 Set a good example
		 Be decisive	 Be patient with yourself



Examples from History

Henry Ford (1863-1947)

- Didn't cross **8th grade** in school but was Chief Engineer in Edison Illuminating Company of Detroit
- Innovations: introducing cars affordable for middle to lower middle class
- Had great publicity and media handling ideas
- A pioneer of "welfare capitalism", designed to improve the workers' lifestyle and also increase efficiency
- Introduced 5 working days in a week but boosted productivity
- One of the greatest entrepreneurs

Examples from History

Fazlur Rahman Khan (1929-1982)

- Civil engineer, specialized in structural engineering
- Known as the “Einstein of structural engineering”
- A pioneer to introduce tubular design in skyscraper design and construction
- Great innovator
- Famous quote: “The technical man must not be lost in his own technology; he must be able to appreciate life, and life is art, drama, music, and most importantly, people.”



Examples from History



(15 November 1942 – 28 April 2020)

Dr Jamilur Reza Choudhury

- Ekushey Padak (2017), Sheltech Award (2010)
- Bangladesh Engineering Institution Gold medal (1998)
- Dr. Rashid Gold medal
- Lions International (District-315) Gold Medal
- Received an honorary doctorate degree from the University of Manchester. Only Bangladeshi, who received a doctorate degree in Engineering from a British university
- JICA Recognition Award
- Ribbon bar Order of the Rising Sun, Gold Rays

Management Fundamentals



Outline

- ➔ Management and Manager
- ➔ Levels of Management
- ➔ Management Functions and Skills
- ➔ Mintzberg's Managerial Roles
- ➔ Fayol's Management Principles
- ➔ Strategic Management



What is Management?

Management is a process of **planning, decision making, organizing, leading, motivating and controlling the human resources, financial, physical, and information resources** of an organization to reach its **goals efficiently and effectively**

Management

It is **art and science of organising and directing human efforts applied to control forces and utilise the material of nature for the benefit of mankind**



Management: Science or Art?

The Science of Management

- Problems can be approached using **rational, logical, objective, and systematically**
- Use of **technical, diagnostic, and decision-making skills and techniques** to solve problems

The Art of Management

- Making decisions/ solving problems **using a blend of intuition, experience, instinct, & personal insights**
- Using **conceptual, communication, interpersonal, and time- management skills** to accomplish the tasks associated with managerial activities

Managers

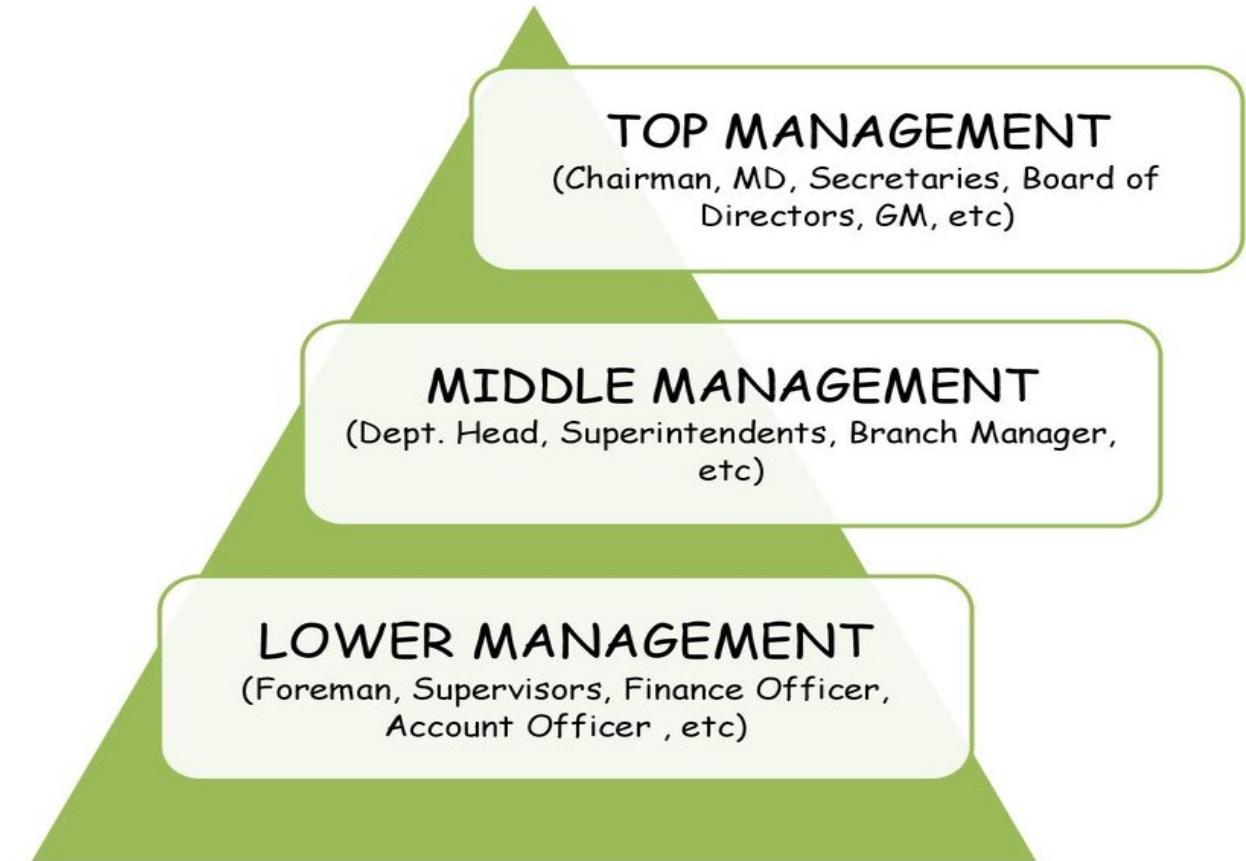
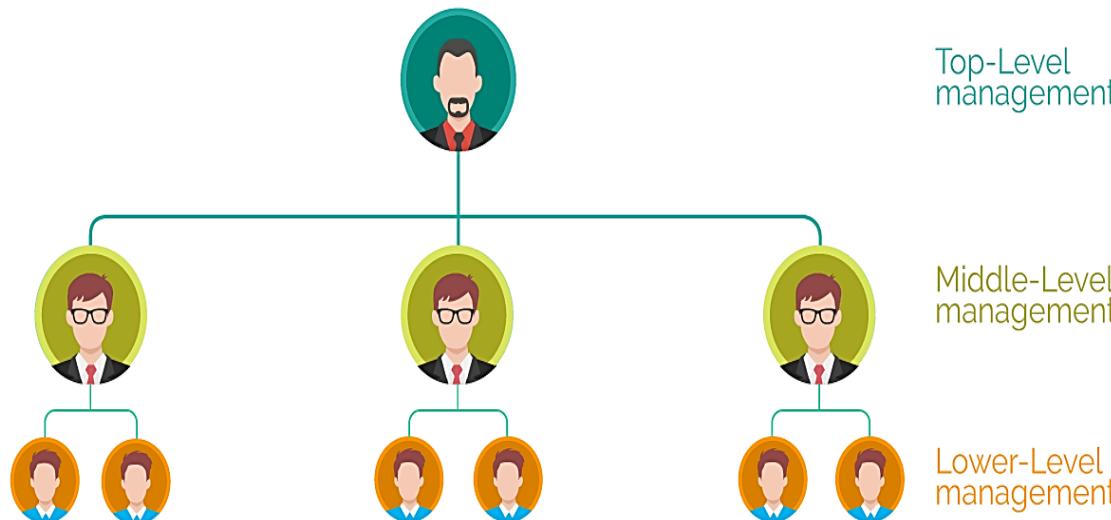
One who handles, controls, or directs, especially:

- One who directs a business or other enterprise.
- One who controls resources and expenditures, as of a household.

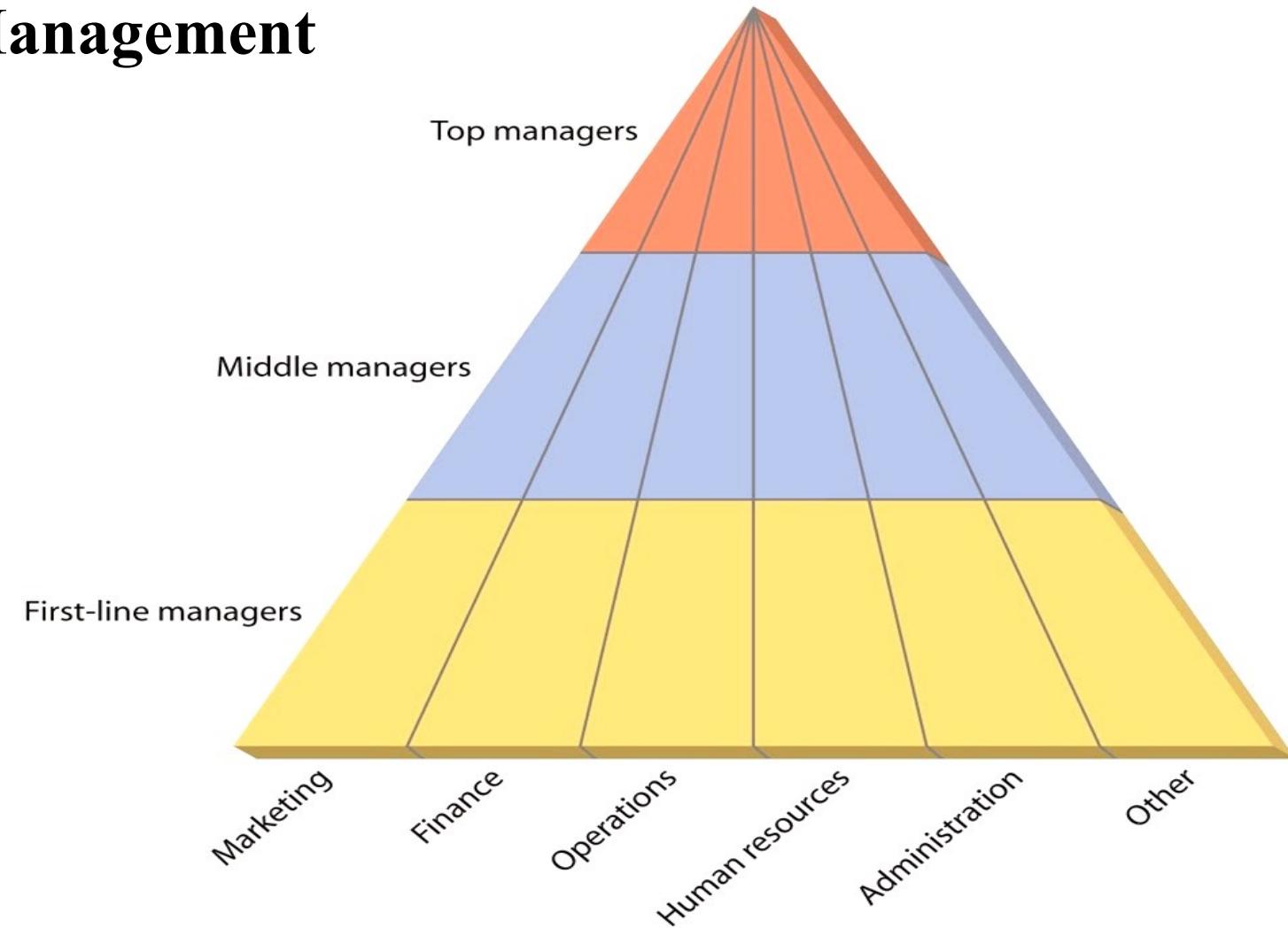
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A manager is a person responsible for supervising and motivating employees and for directing the progress of an organization

Levels of Management

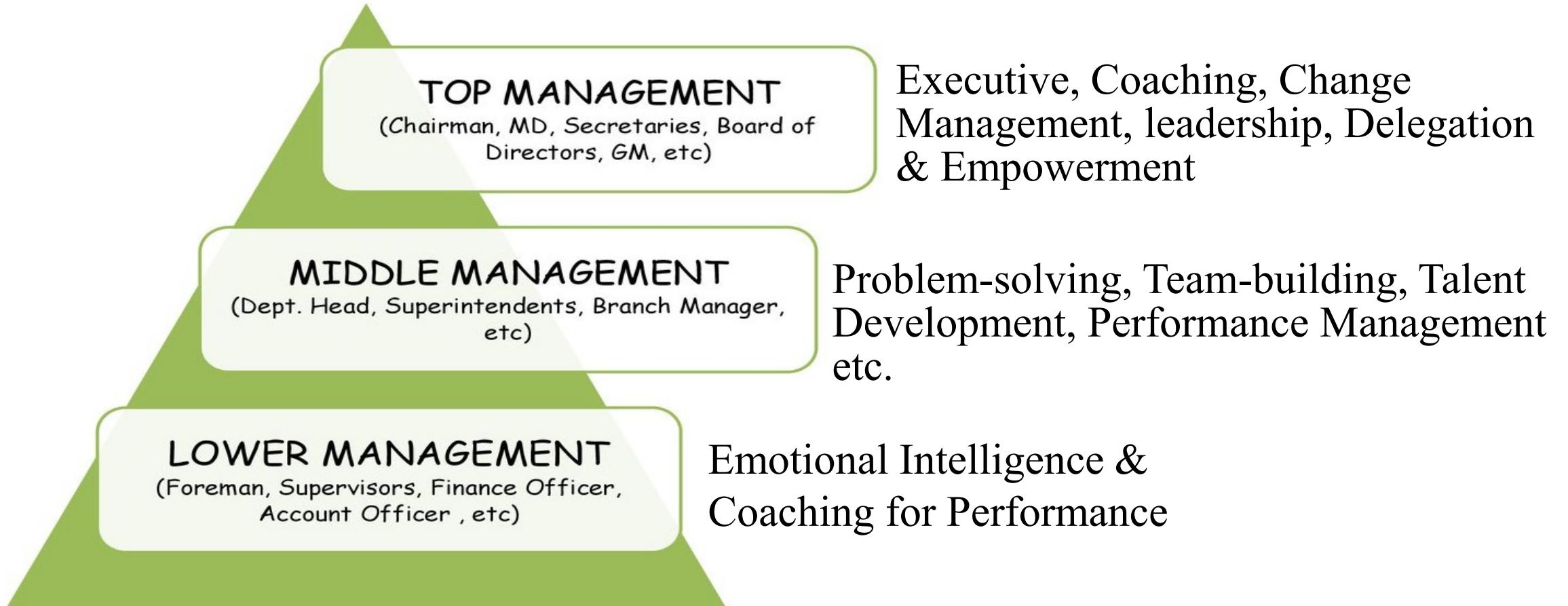


Levels and Areas of Management

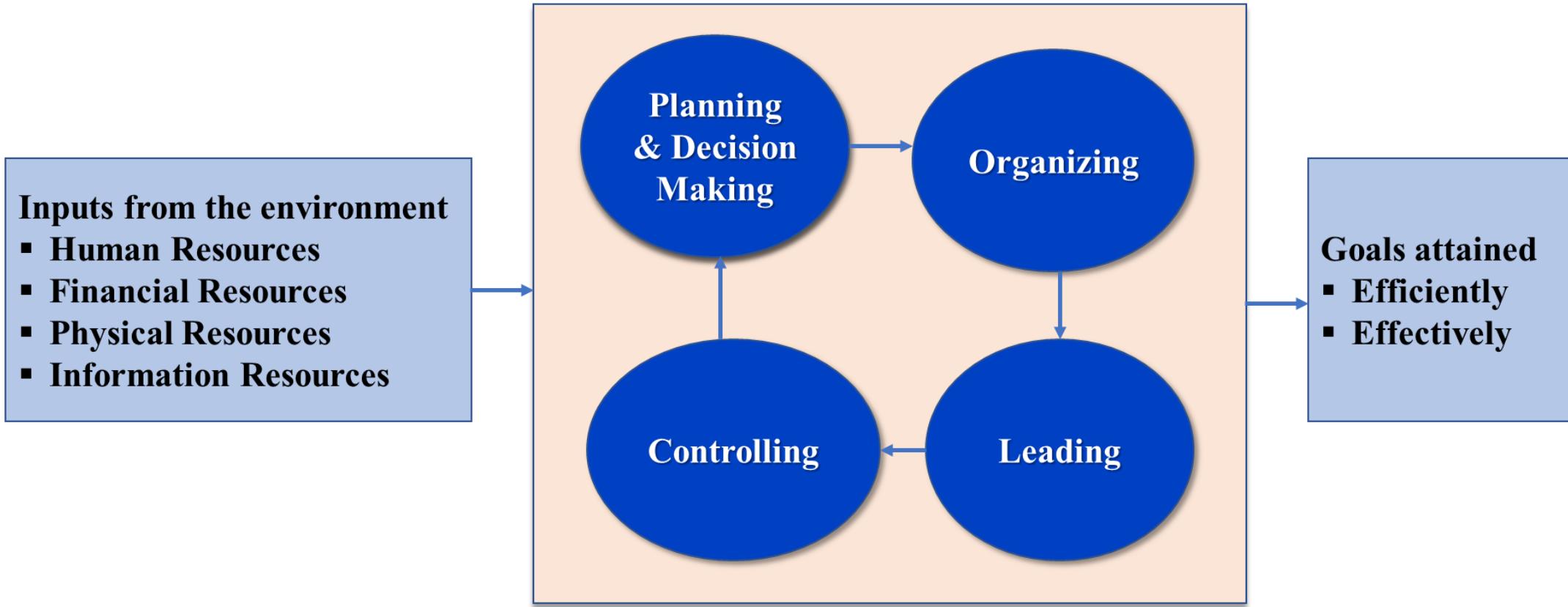


Areas of Management

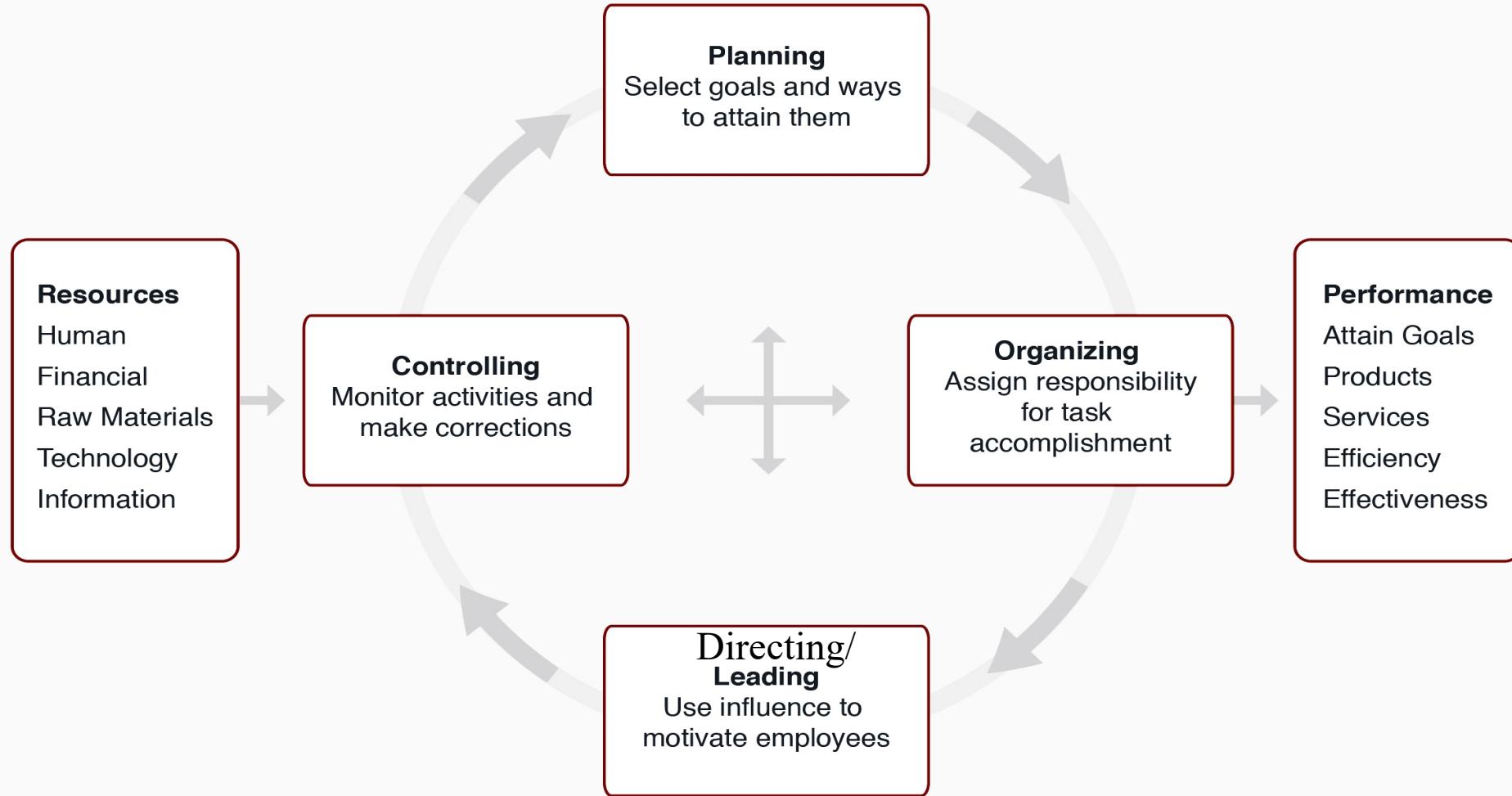
Management Functions



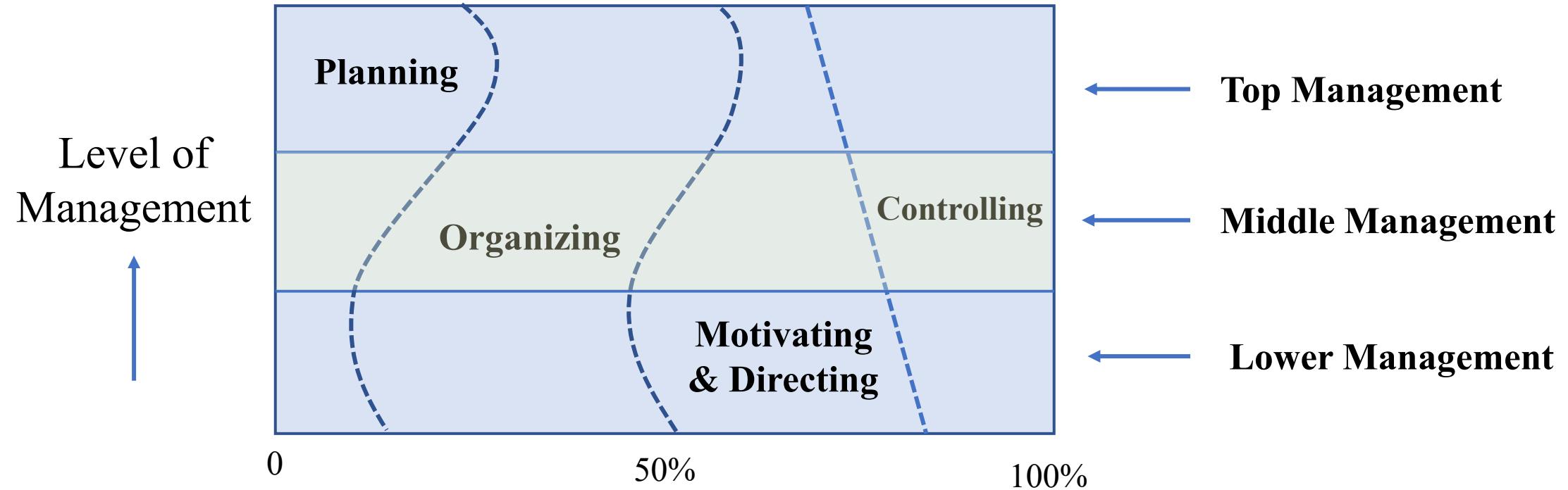
Basic Management Functions



Management Functions

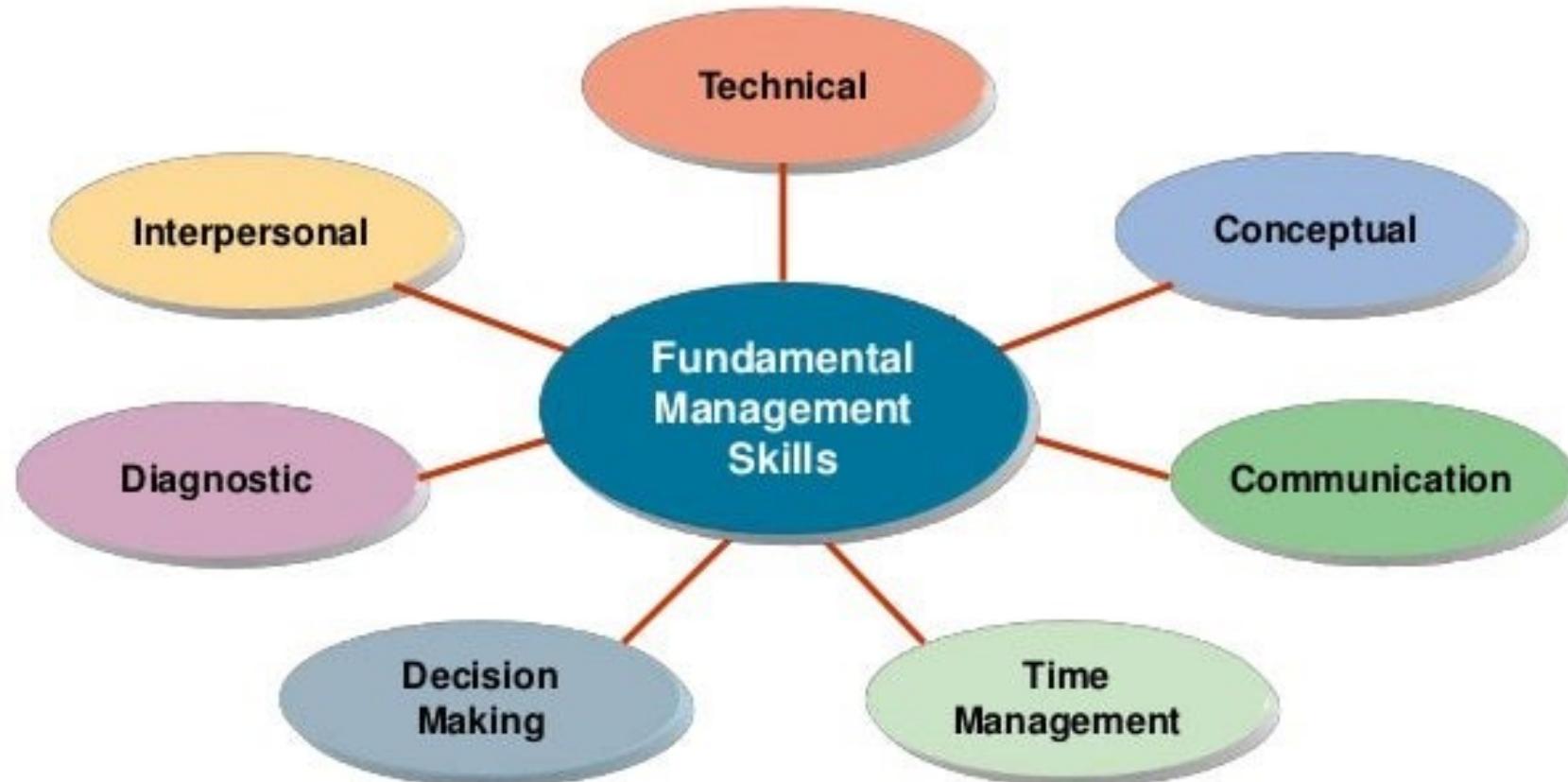


Management Functions

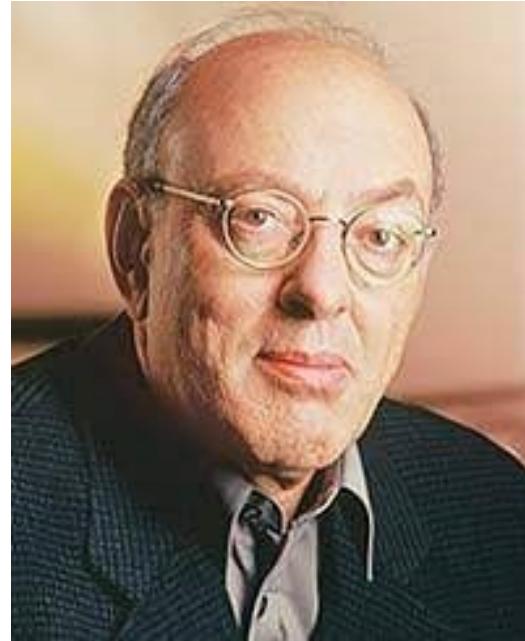


Percentage of time spent in particular management functions

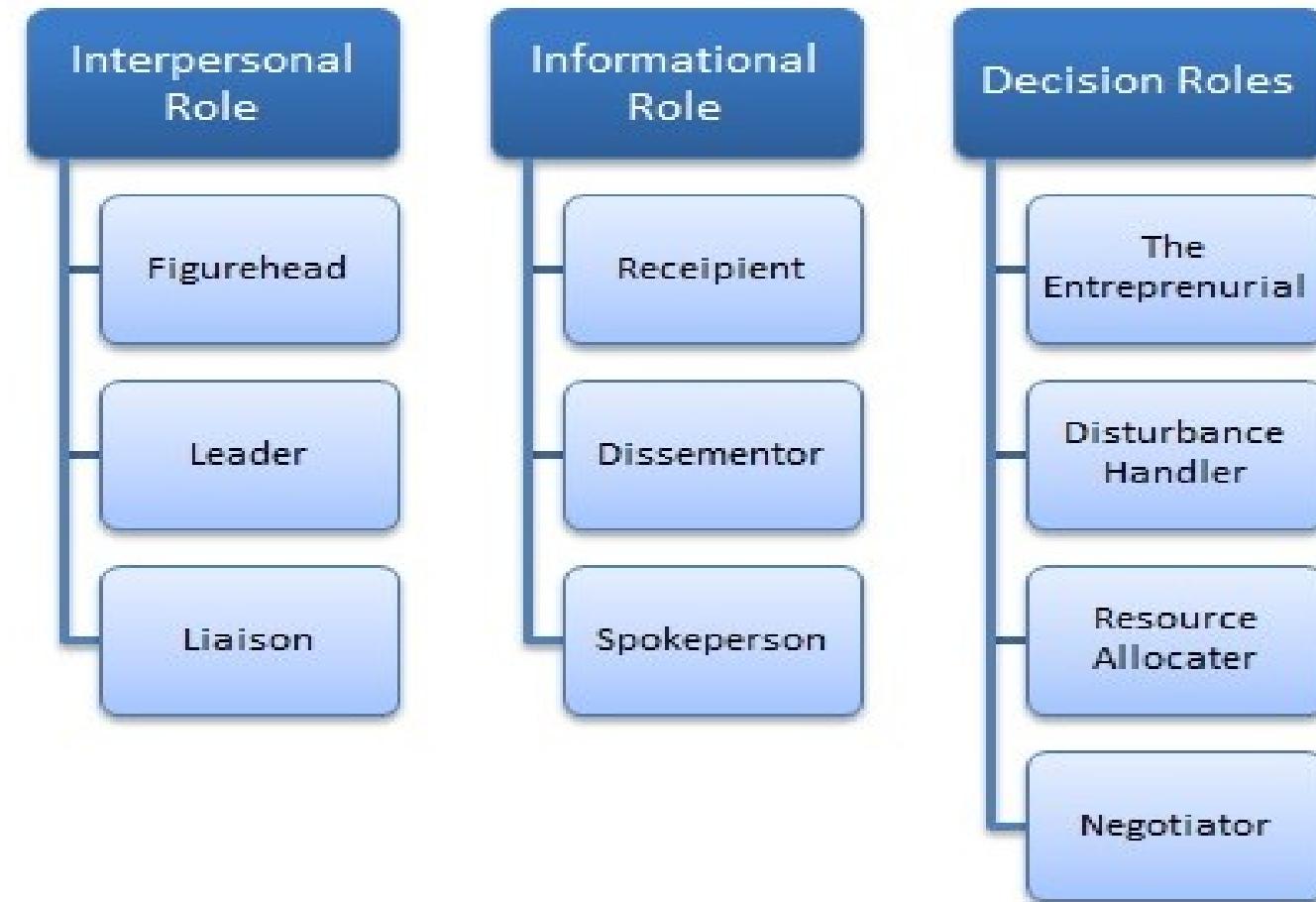
Fundamental Management Skills



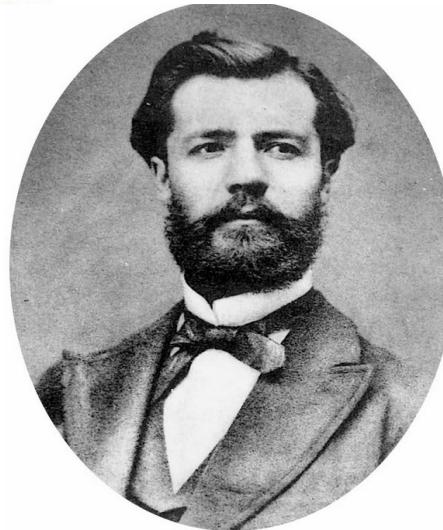
Mintzberg's Managerial Roles



Henry Mintzberg, Canadian academic and author on business and management



Henry Fayol's 14 Principles of Management



Henri Fayol, French mining engineer.
Developed a general theory of Business Administration

Division of Labor or specialization

Authority and Responsibility

Discipline

Unity of Command

Unity of Direction

General Interest

Renumeration

Centralization

Scalar Chain of Command

General Order

Equity

Stability of Tenure

Initiative

Espirit De Corps

Henri Fayol's 14 Management Principles

1. **Division of Work** – improves productivity, efficiency, accuracy and speed of the workers
2. **Authority and Responsibility** – Facilitates the management to work efficiently, and responsibility makes them responsible for the work done under their guidance or leadership
3. **Discipline** – Core value for any any management; good performance employees' good behaviour
4. **Unity of Command** – Employee should have only one boss and follow his command
5. **Unity of Direction** – Whoever is engaged in the same activity should have a unified goal
6. **Individual Interest** – Unitedly towards the interest of a company rather than personal interest.
7. **Remuneration** – Remuneration can be monetary or non-monetary according to an individual's efforts

Henri Fayol's 14 Management Principles

8. **Centralization** – Decision-making is neutral, balanced between the hierarchy and division of power
9. **Scalar Chain** – Hierarchy steps should be from the top to the lowest
10. **Order** – Should maintain a well-defined work order to have a favourable work culture
11. **Equity** – All employees should be treated equally and respectfully
12. **Stability** – Duty of the management to offer job security to their employees.
13. **Initiative** – The management should support and encourage the employees to take initiatives
14. **Esprit de Corps** – Developing trust and mutual understanding will lead to a positive outcome and work environment

Strategic Management

- Strategic management is the *ongoing planning, monitoring, analysis and assessment of all necessities an organization needs to meet its goals and objectives.*
- It helps organizations take **stock of their present situation, chalk out strategies, deploy them and analyze the effectiveness of the implemented management strategies.**



Steps in Strategic Management



- ▶ Assessing the organization's current strategic goals/ direction
- ▶ Identifying and analyzing internal and external strengths and weaknesses
- ▶ Formulating action plans
- ▶ Executing action plans
- ▶ Evaluating plans and making changes when desired results are not being produced

Strategic Management



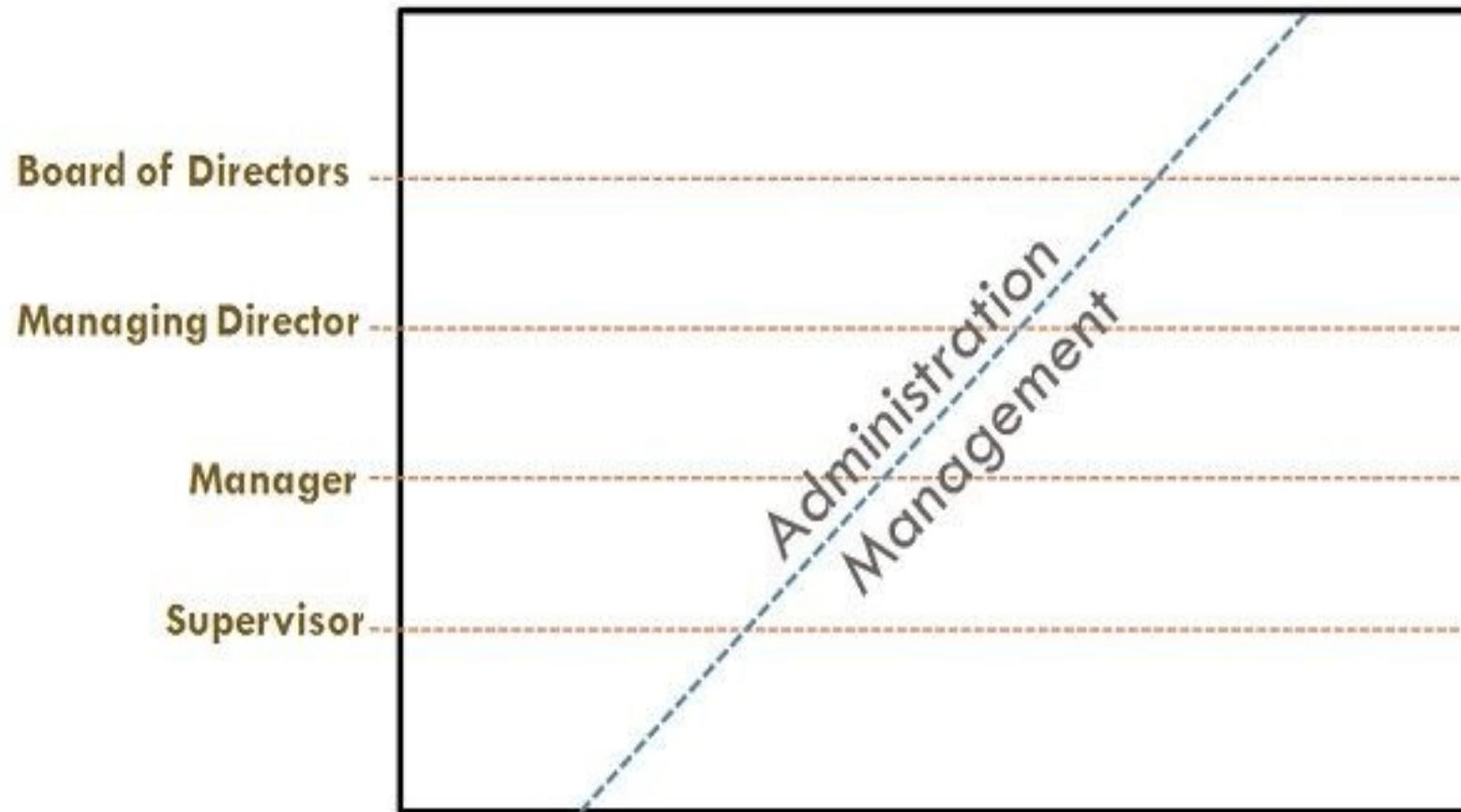
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A SWOT Analysis is one of the Strategic Management frameworks to build and test business strategies

Administration Vs. Management

- ▶ **Management** - the skill of getting the work done from others. It is not exactly same as **administration**, which indicates to a process of effectively administering the entire organization.
- ▶ Management is concerned with **directing or guiding** the operations of the organization
- ▶ Administration **stresses on laying down the policies and establishing the objectives** of the organization

Administration Vs. Management

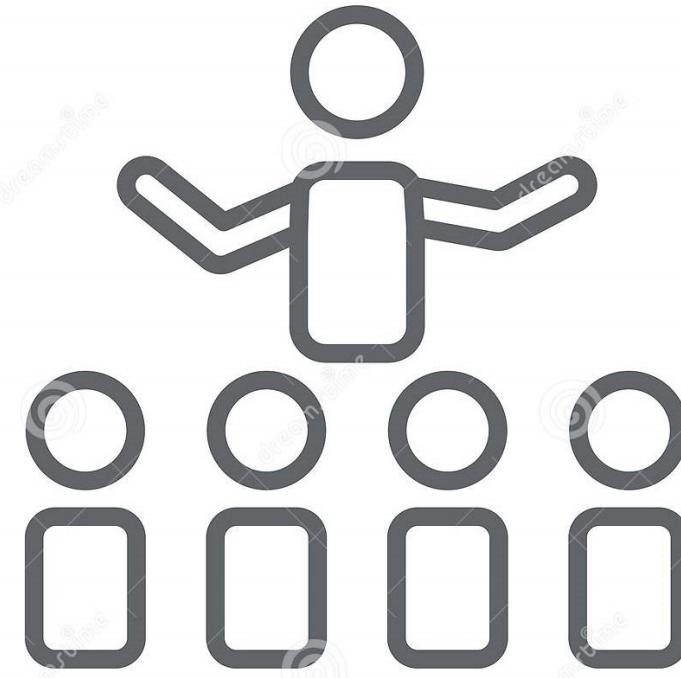


Administration Vs. Management

Basic Difference	Administration	Management
Level	<i>Top</i>	<i>Middle & Lower</i>
Major focus	<i>Policy, Objective</i>	<i>Policy execution & Objective achievement</i>
Nature of Functions	<i>Determinative</i>	<i>Executive</i>
Scope of functions	<i>Broad & Conceptional</i>	<i>Narrow & Operational</i>
Factors affecting decisions	<i>Mostly external</i>	<i>Mostly internal</i>
Employer-Employee	<i>Entrepreneurs</i>	<i>Employee</i>

Questions

Leadership



Mahboob Sarwar

Sep 2023



Outline

- ▶ Leadership
- ▶ Evolution of Theories
- ▶ Related Terms
- ▶ Contemporary Theories
- ▶ Contemporary Leadership Styles
- ▶ Conflicts Negotiations
- ▶ Leadership Issues in 21st Century
- ▶ Cross-cultural Leadership
- ▶ Engineer as a Leader
- ▶ Positive and Toxic Leadership

Two sessions

Etymology of the Word ‘Leadership’

- ▶ Old German ‘*Lidan*’ | TO GO
- ▶ Old English ‘*Lithan*’ | TO TRAVEL
- ▶ Imply:
 - To show the way, to guide
 - To cause to act, think, feel or behave in a certain way
 - To initiate action
 - To go at the head
 - The principal role



Historical Context of Leadership

- ♦ The search for the characteristics of leaders continued for centuries
- ♦ Ancient Chinese doctrine, '**Mandate of Heaven**' suggested **rulers to govern justly**
- ♦ Pro-aristocracy thinkers viewed leadership of '**Blue Blood**' or genes
- ♦ Monarchies viewed leadership requiring **Divine Sanction!**
- ♦ Plato believed only a '**selected few with superior wisdom**' should be leaders
- ♦ Aristotle contended, "**From the moment of their birth, some are marked for subjugation and others for command.**"

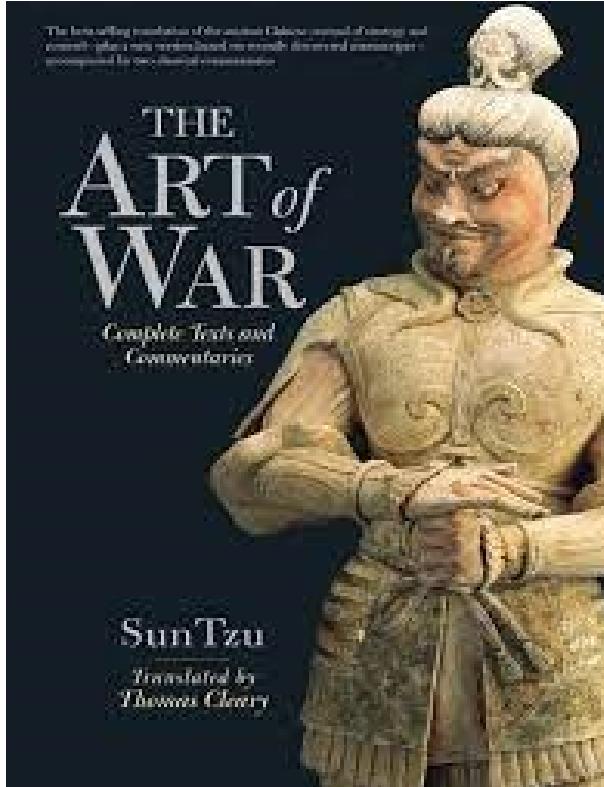
Historical Context of Leadership

- ▶ This early theorist attempted to explain leadership based on **inheritance**
- ▶ Machiavelli felt that those princes **who had the cunning and the ability** to organize power and knowledge in the defense of the state **should be followed.**
- ▶ St. Paul said, “**Only those deemed worthy through divine blessing could truly lead** (1st century)”
- ▶ Many believed God chose leaders through royal or aristocratic birth, and since indeed these men did secure positions of power, the theory seemed credible.

Hereditary Genius, by Galton (1890)

Democratically inclined theorists have pointed to examples of **meritocratic leaders**, profiting from careers open to talent

Historical Context of Leadership

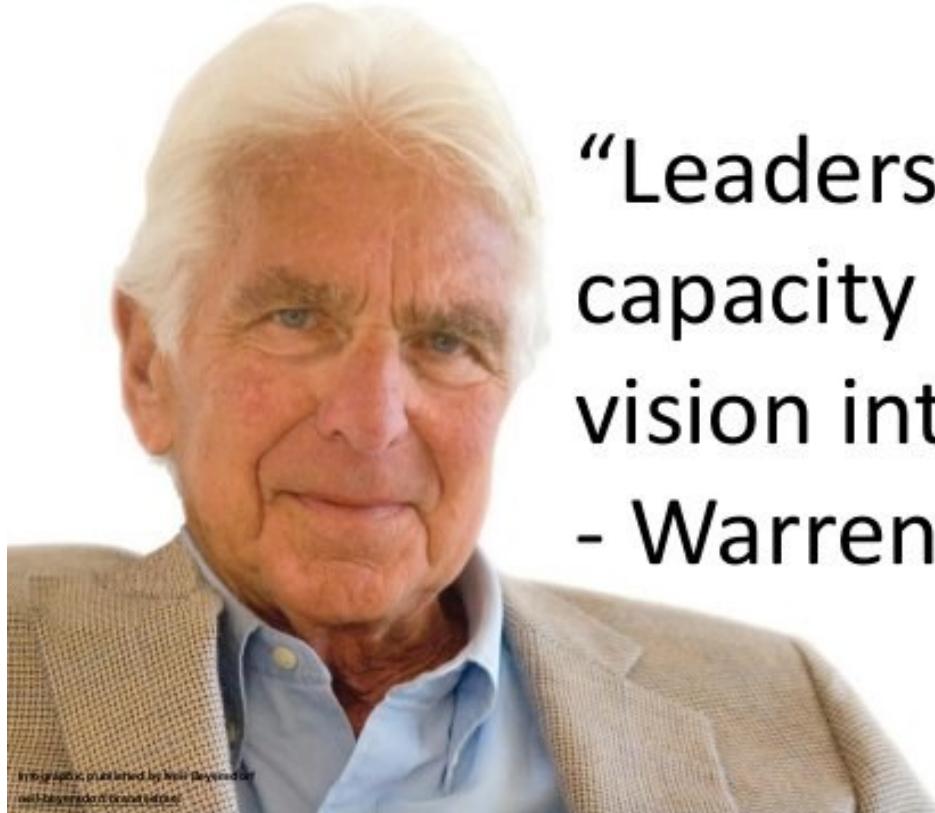


“Leadership is a matter of intelligence, humaneness, trustworthiness, courage, and discipline ... Reliance on intelligence alone results in rebelliousness. Exercise of humaneness alone results in weakness. Fixation on trust results in folly. Dependence on the strength of courage results in violence. Excessive discipline and sternness in command result in cruelty”

When one has all five virtues together, each appropriate to its function, then one can be a leader.

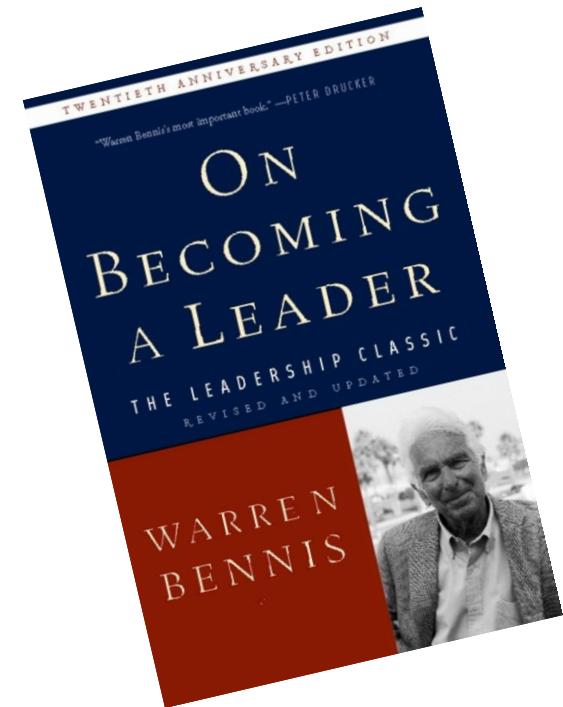
Jia Lin, in commentary on Sun Tzu, Art of War (500 B.C.)

What is Leadership?



“Leadership is the capacity to translate vision into reality.”
- Warren G. Bennis

American scholar, and author, a pioneer of the contemporary field of Leadership studies



“Academic analysis has given us more than 850 definitions of leadership.”

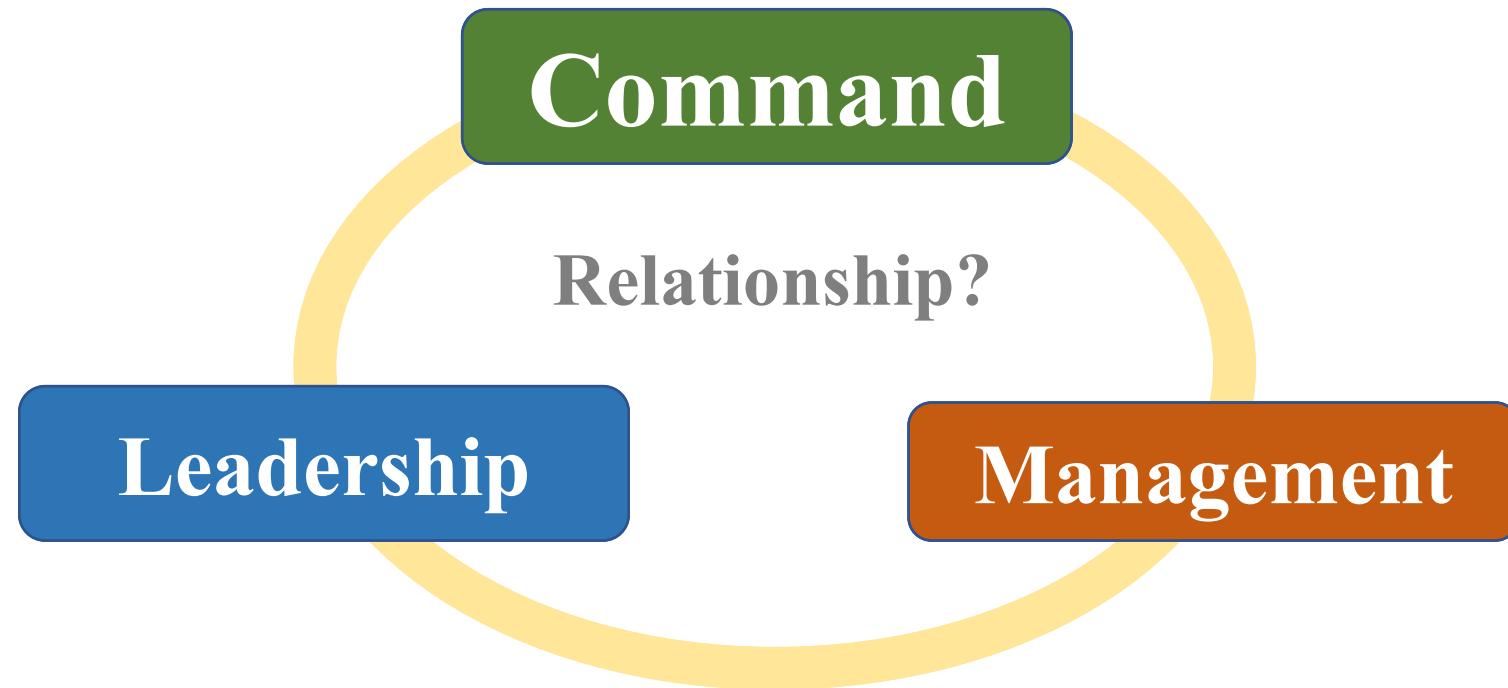
Definitions...

- It is the **process of influencing the activities** of an organized group toward goal achievement
- It is about **articulating visions, embodying values, and creating the environment** within which things can be accomplished
- It is the **ability of an individual to influence, motivate, and enable others to contribute** toward the effectiveness and success of the organization
- It is the **art of influencing others to their maximum performance** to accomplish any task, objective or project
- Process of **influencing and motivating people to achieve success**

Basic Ingredients of Leadership

- **A Guiding Vision** – A clear idea of what the leader wants to do and the strength to persist in the face of setbacks/ failures. **Unless you know where and why you're going, you cannot get there**
- **Passion** – The leader loves what he or she does and loves doing it. The leader who communicates passion gives hope and inspiration to other people.
- **Integrity** – Essential parts of integrity: **self-knowledge, candour, and maturity**. When you know what you consist of and what you want to make of it, then you can invent yourself.
- **Curiosity** – Leaders wonder about everything, want to learn as much as they can, are willing to take risks, experiment, try new things
- **Daring** – Leaders do not worry about failure, but embrace errors and learn from them

Command, Leadership and Management Links





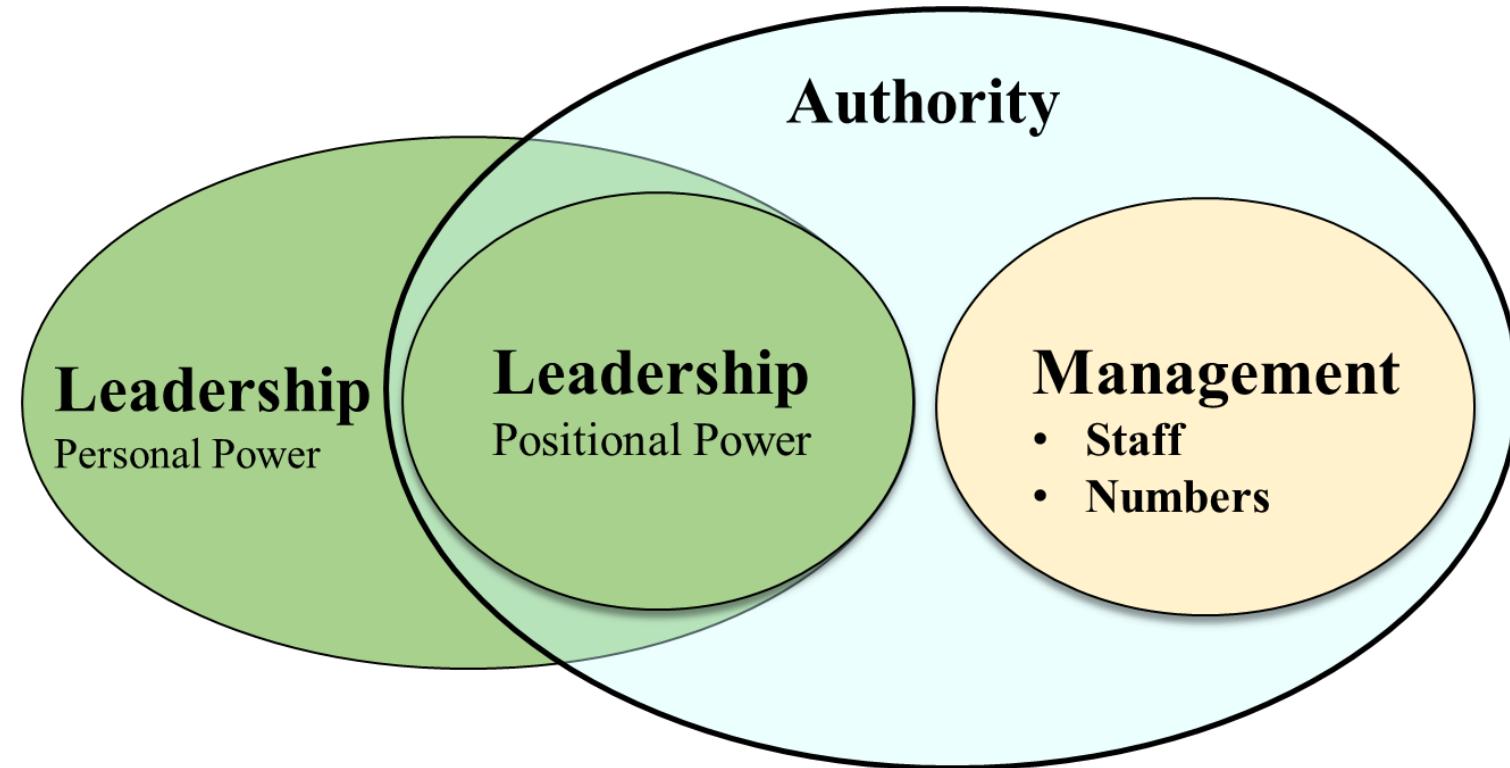
COMMAND

The **authority** vested in a '**MILITARY Leader/ Commander**' for Direction, coordination and control of military forces/ personnel

- Command has a '**LEGAL STATUS**' and denotes **functional and knowledgeable exercise of military authority** to attain **military objectives** or goals
- Inherent in command is the authority that **a military commander lawfully exercise** over subordinates including authority to **assign missions and accountability for their successful completion**

COMMAND

The whole complex business and a position enshrined in law





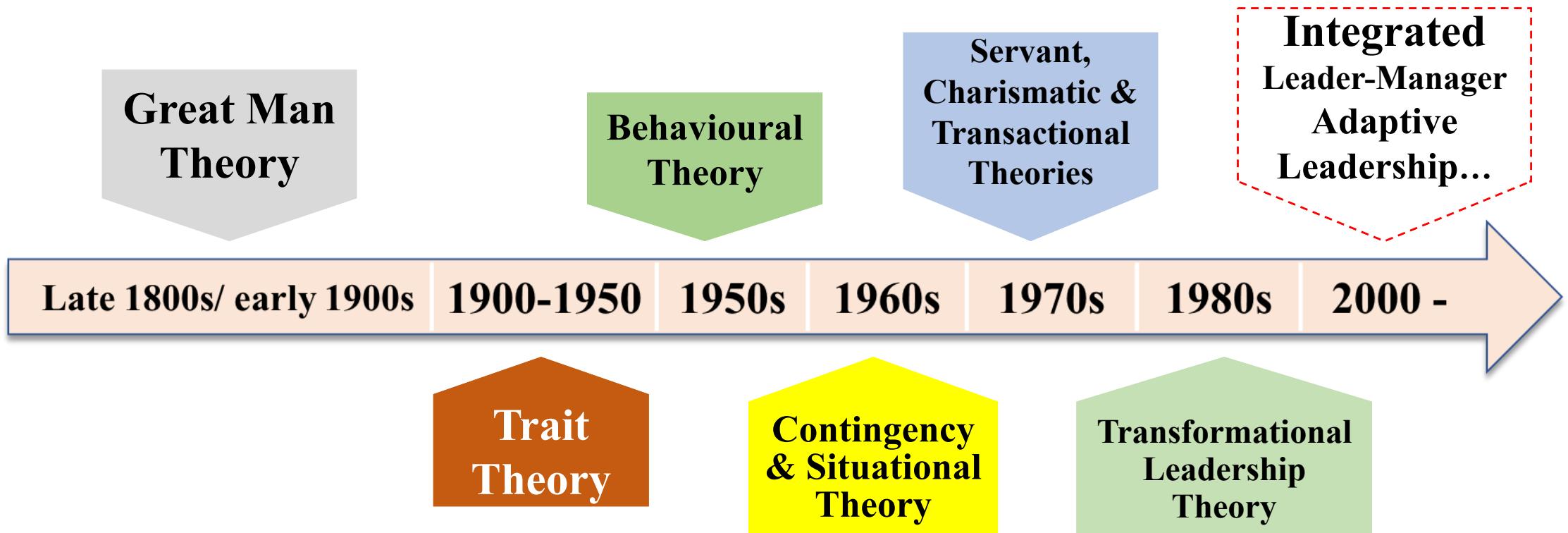
Evolution of Leadership Theories

Why to study leadership theories?

- Leadership theories are the **explanations of how and why** certain people become leaders
- They **focus on the traits and behaviors that people can adopt** to increase their leadership capabilities



Evolution of Leadership Theories



Leadership Thinking

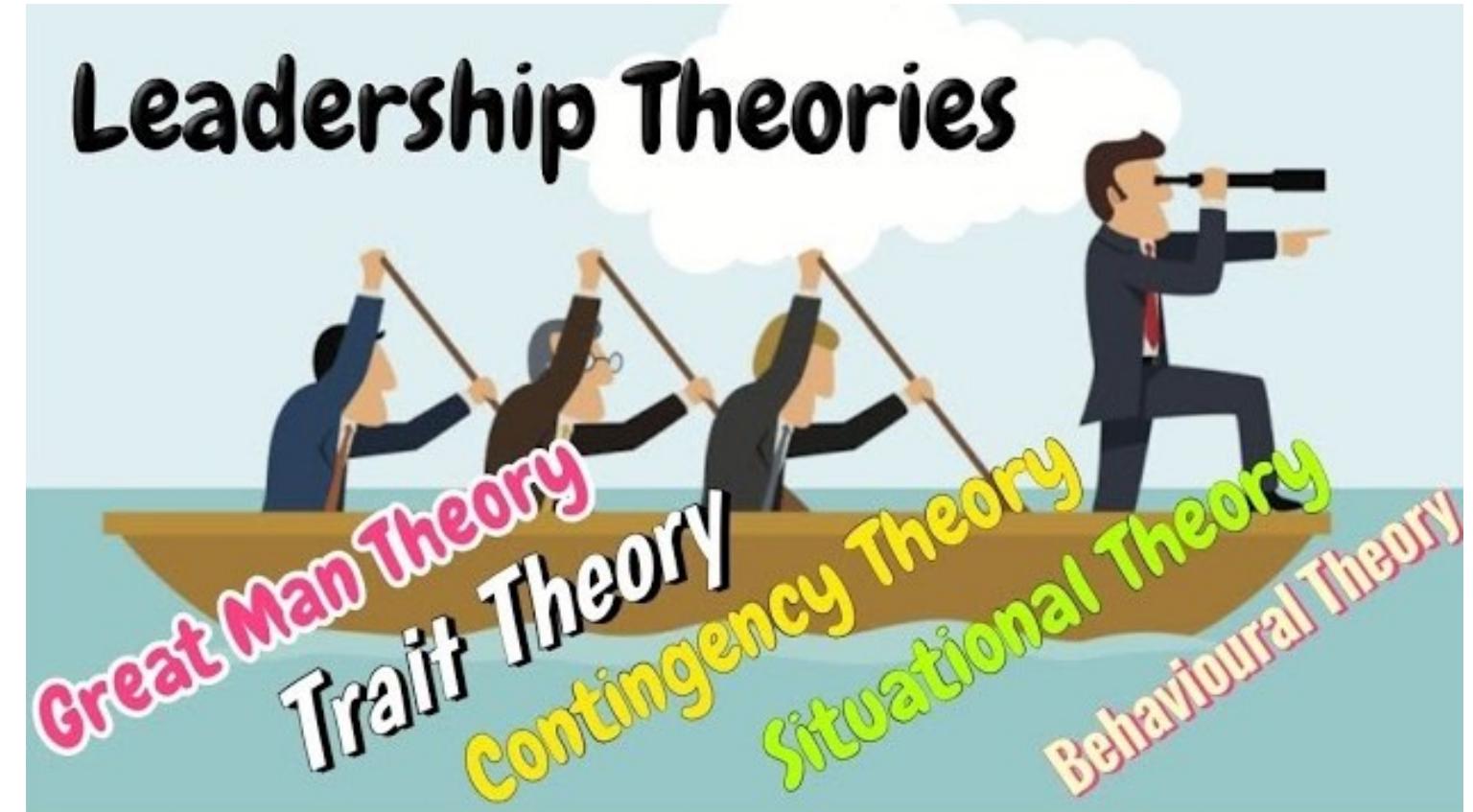
Two traditions of theories:

- **The Great Man Tradition** – Opinions of gurus, generals & former CEOs
 - *Entertaining but unscientific*

- **The Academic Tradition** – Empirical research, largely from the U.S.
 - *Scientific but often difficult to understand or see immediate relevance.*
 - *Differences between the disciplines*

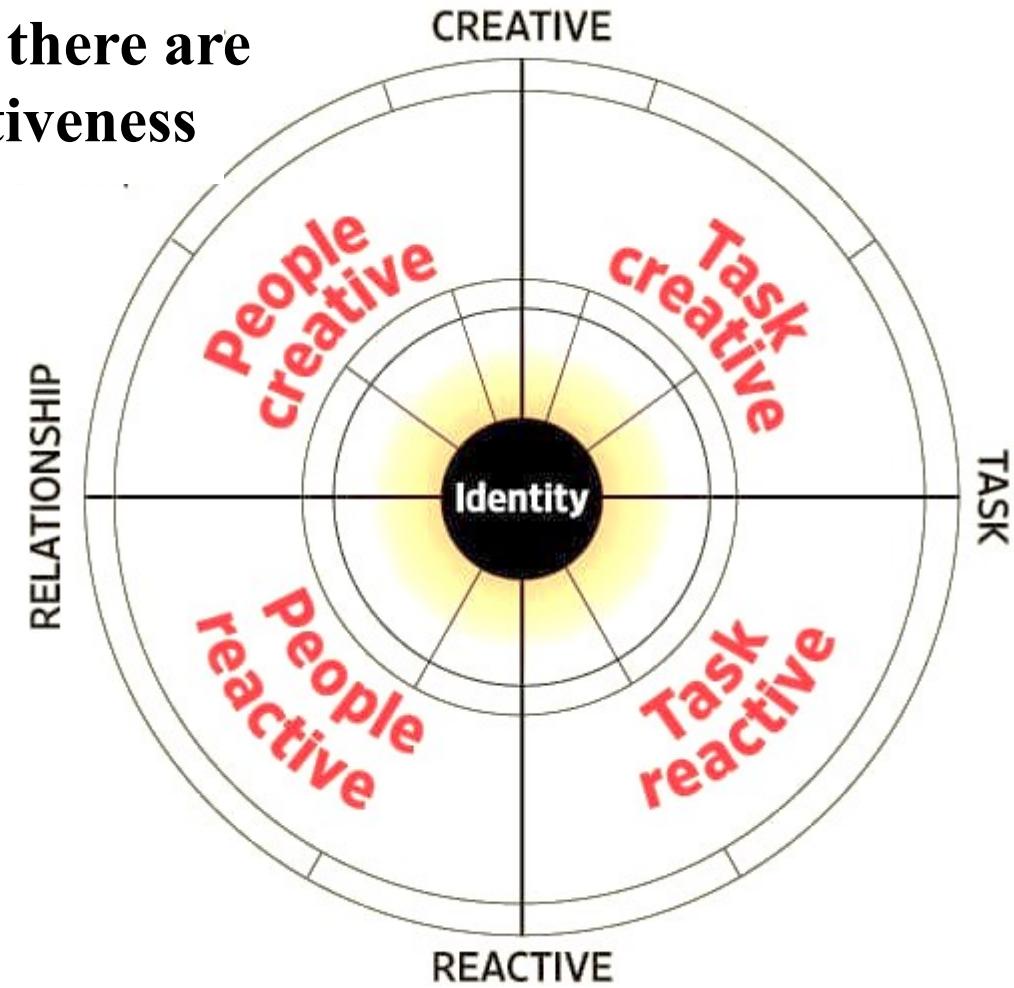
Major Theories of Leadership

-
- Great Man Theory
 - Trait Theory
 - Contingency Theory
 - Situational Theory
 - The behavioral theory
 - Transactional theory
 - Transformational theory



Universal Leadership Model

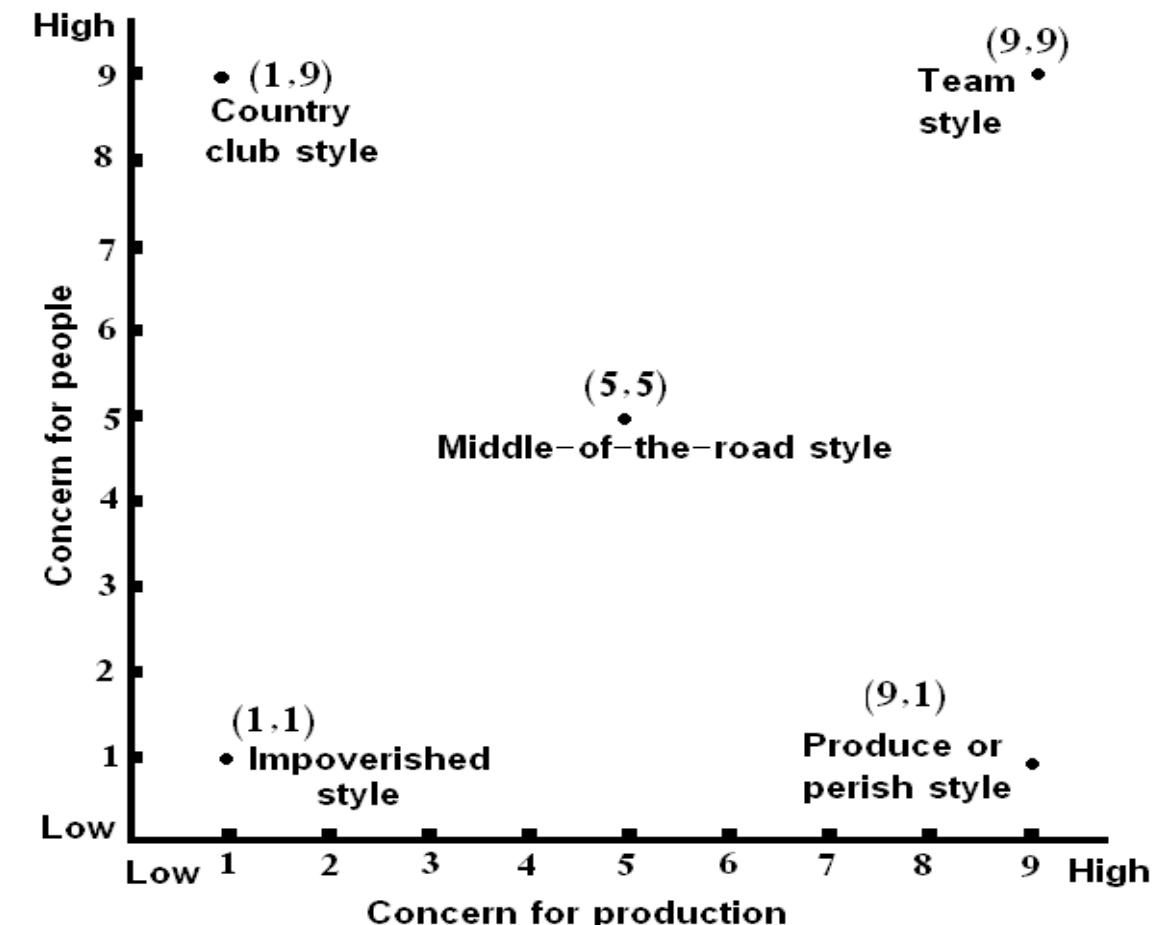
- The universal theory of leadership is the belief that **there are certain traits that contribute to leadership effectiveness in many situations.**
- The elements to this theory are:
 - Personal characteristics
 - Motives
 - Cognitive factors



Managerial Grid

Robert Blake and Jane Mouton (1960s) proposed a **graphic portrayal of leadership styles** through a managerial grid (sometimes called leadership grid)

Blake Mouton Grid identifies five different combinations of the two and the leadership styles they produce



1

Great Man Theory

In the 1840s Thomas Carlyle suggests **great leaders are born, not made.**

INTRINSIC LEADERSHIP TRAITS DEFINING A DESTINED LEADER:



Intelligence



Sociability



Confidence



Charisma

The Great Man Theory

The theory suggests that **great leaders are born and not made**. This theory believes that qualities like **appeal, judgement, courage, intelligence, action orientation and aggressiveness** are all characteristics that **cannot be taught!**



The Trait Theory

Similar in some ways to ‘**Great Man**’ theory, it considers **personality, social, physical, of intellectual traits** to differentiate leaders from non-leaders

- ▶ The theory assumes that people **inherit certain qualities** and traits that make them better leaders
- ▶ Often identify personality or behavioral characteristics shared by leaders
- ▶ Unlike the Great Man theory, it argues that leadership qualities can be acquired
- ▶ A good leader has certain characteristics that allow learning the skills to be much easier

The Great Man Theory Later Evolved Into the Trait Theories

- ***Great Man Theory of Leadership:*** Suggests that great leaders are born and not made. This theory believes that qualities like appeal, judgement, courage, intelligence, action orientation and aggressiveness are all **characteristics that cannot be taught.**



- **Trait Theory:** The theory argues that leadership qualities can be acquired. However, a good leader has certain characteristics that allow learning the skills easily

The Trait Theory

Physiological traits	Socioeconomic characteristics	Personality traits	Intellectual traits	Task - related traits	Social characteristics
					
<ul style="list-style-type: none">› Height› Weight› Structure› Color› Appearance	<ul style="list-style-type: none">› Gender› Religion› Marital status› Age› Occupation› Literacy› Earnings	<ul style="list-style-type: none">› Extraversion› Self-confidence› Patience› Agreeable› Reliable› Honesty› Leadership motivation	<ul style="list-style-type: none">› Decisiveness› Intelligence› Judgmental ability› Knowledge› Emotional attribute	<ul style="list-style-type: none">› Attainment drive› Dedication› Initiative› Determination› Business expertise	<ul style="list-style-type: none">› Socially active› Cordiality› Cooperation

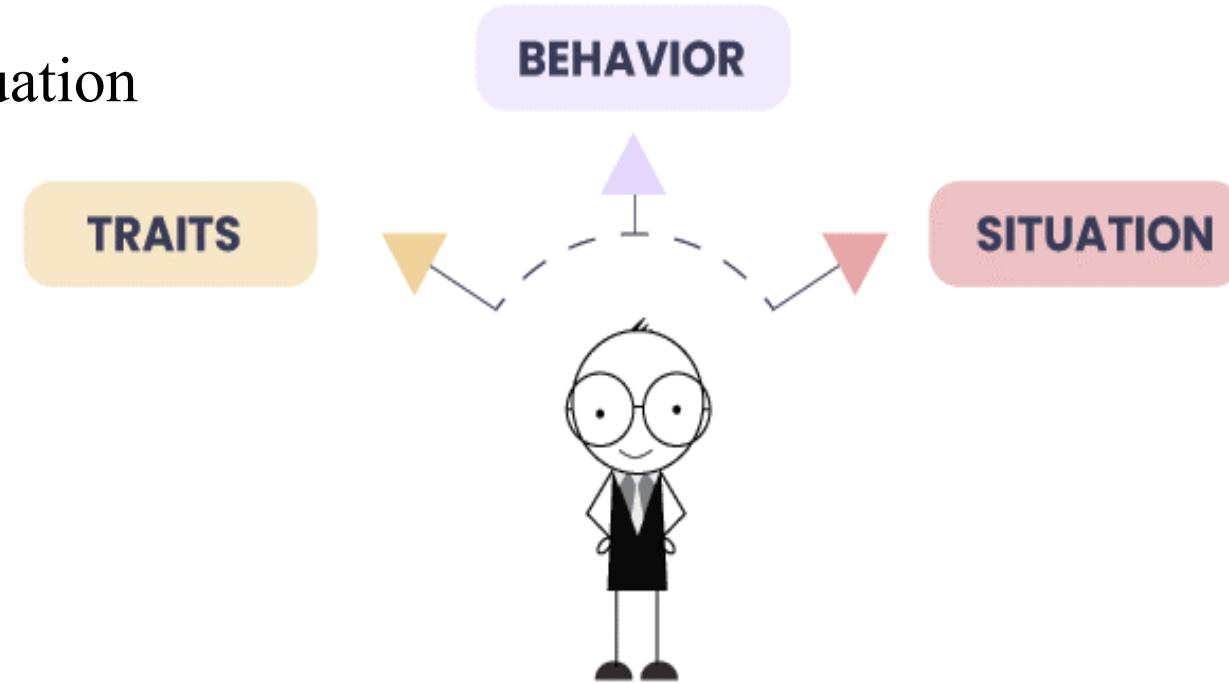
Leadership Characteristics

The **trait model of leadership** is based on the characteristics of many leaders and is used to predict leadership effectiveness

- **Achievement drive:** High level of effort, high levels of ambition, energy and initiative
- **Leadership motivation:** an intense desire to lead others to reach shared goals
- **Honesty and integrity:** trustworthy, reliable, and open
- **Self-confidence:** Belief in oneself, ideas, and ability
- **Cognitive ability:** Good judgment, strong analytical abilities, and conceptually skilled
- **Knowledge of business:** Knowledge of industry and other technical matters
- **Emotional Maturity:** well adjusted, no psychological disorders.
- **Others:** charisma, creativity and flexibility

Contingency Theory of Leadership

- ▶ The theory states that your effectiveness as a leader is determined by how well your style matched with the situation.
- ▶ Leadership styles are **dependent** (contingent) on the **situation**
- ▶ You must put leaders who matched the situation
- ▶ Contingency theory highlights **three main factors** to determine distinct leadership styles



Leadership Styles According to Fiedler's Contingency Model

Fred Edward **Fiedler**, an Austrian in 1967 he introduced the contingency modeling of leadership, and the now-famous Fiedler contingency model



Relationship-oriented leaders = High LPC Score
= Good at building good relationships and managing conflict to get things done



Task-oriented leaders = Low LPC Score =
Good at organizing teams and projects and getting things done

Fiedler identified two different styles of leadership behavior based on a test called the **Least Preferred Coworker (LPC)** scale

Fiedler's Contingency Model

Step 1: Determining your LPC score

Interpretation of your score :

- If you scored **73 and above** (a high LPC score), you are a **relationship-oriented leader**.
- If you scored **54 and below** (a low LPC score), you are a **task-oriented leader**.
- **55 and 72**, have the qualities of both a relationship-oriented and a task-oriented leader

Least preferred coworker (LPC) scale

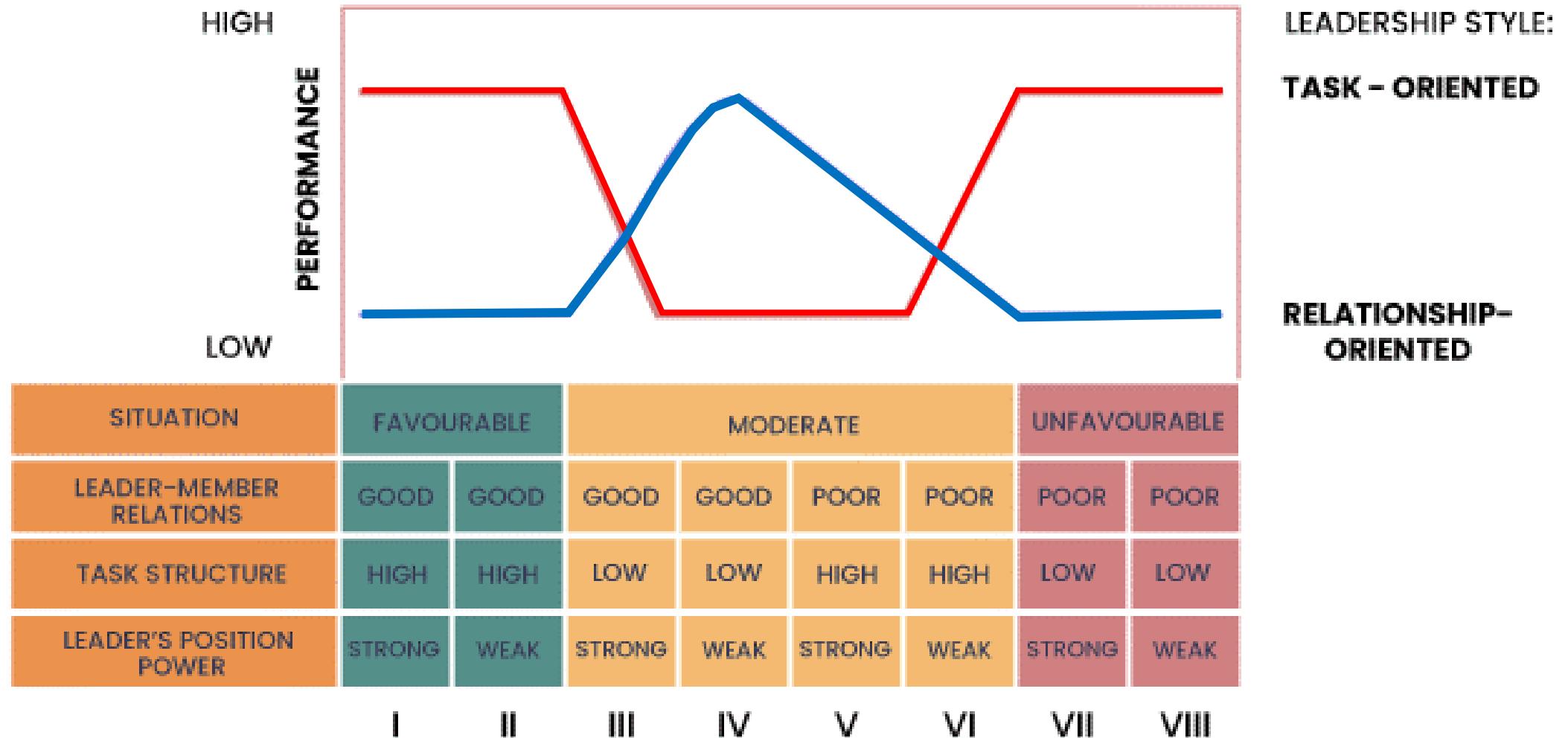
Negative	Score	Positive
Unpleasant	1 2 3 4 5 6 7 8	Pleasant
Rejecting	1 2 3 4 5 6 7 8	Accepting
Tense	1 2 3 4 5 6 7 8	Relaxed
Cold	1 2 3 4 5 6 7 8	Warm
Boring	1 2 3 4 5 6 7 8	Interesting
Backbiting	1 2 3 4 5 6 7 8	Loyal
Uncooperative	1 2 3 4 5 6 7 8	Cooperative
Hostile	1 2 3 4 5 6 7 8	Supportive
Guarded	1 2 3 4 5 6 7 8	Open
Insincere	1 2 3 4 5 6 7 8	Sincere
Unkind	1 2 3 4 5 6 7 8	Kind
Inconsiderate	1 2 3 4 5 6 7 8	Considerate
Untrustworthy	1 2 3 4 5 6 7 8	Trustworthy
Gloomy	1 2 3 4 5 6 7 8	Cheerful
Quarrelsome	1 2 3 4 5 6 7 8	Harmonious

Fiedler's Contingency Model

Step 2: Assess the situation

- ▶ To assess situational favorableness and leadership effectiveness, Fiedler poses 3 questions
- ▶ On a scale of one to 10, with 10 representing the highest value...
 - Are leader-member relations **good and trustworthy (10)** or poor & untrustworthy (1)?
 - Are the tasks at hand **clear and structured (10)** or confusing and unstructured (1)?
 - Is your authority and **influence over your team strong (10)** or weak (1)?

Fiedler's Contingency Model

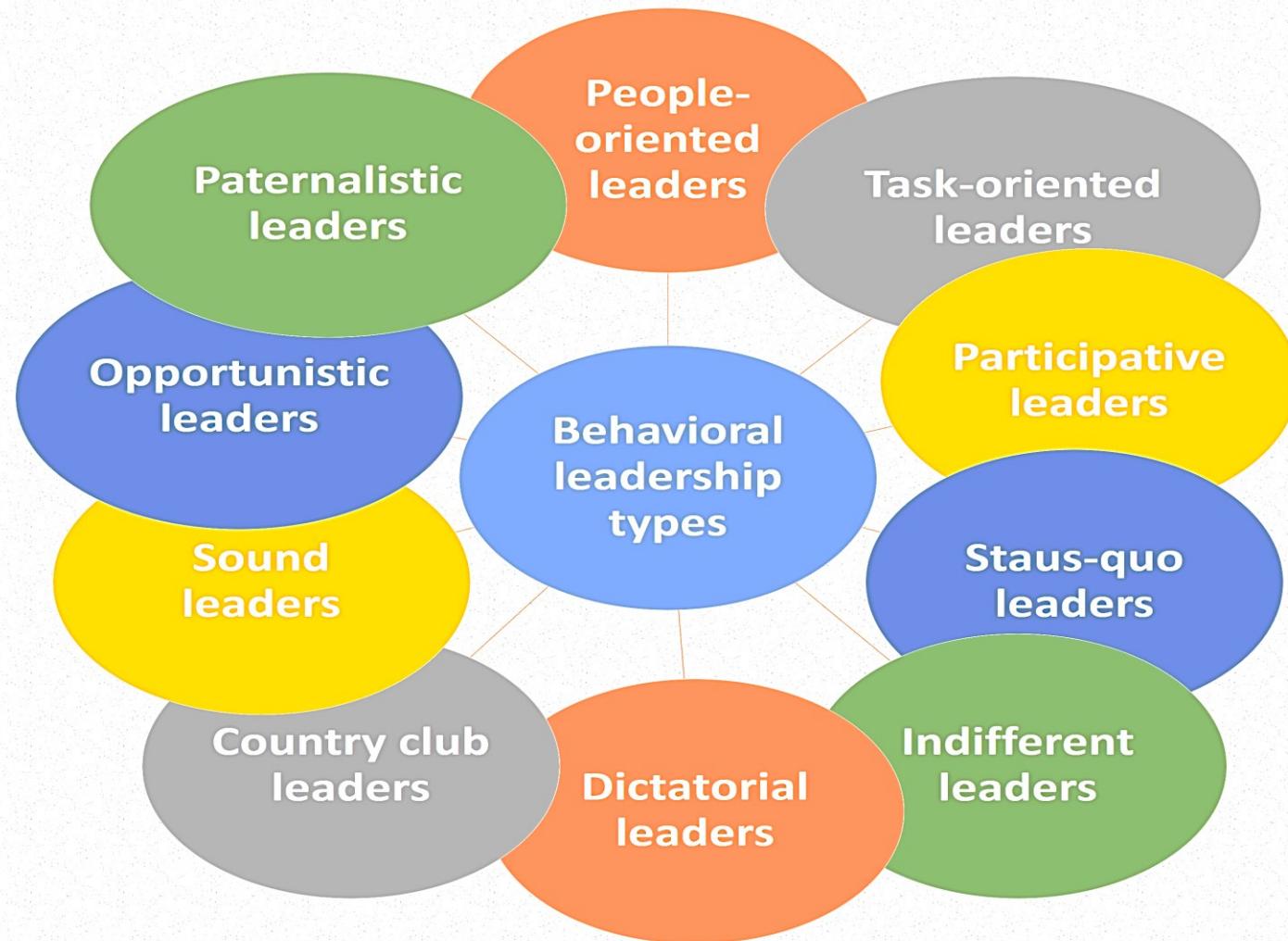


Behavioural Theory of Leadership

- ▶ Theory argues that the **success of a leader is based on their behavior** rather than their natural attributes
- ▶ The theory involves observing and evaluating a leader's actions and behaviors when they are responding to a specific situation
- ▶ **Anyone can become an effective leader if they can learn certain behaviors**
- ▶ Leaders to be self-aware of their behavior and to recognize how it affects the productivity and morale of their team

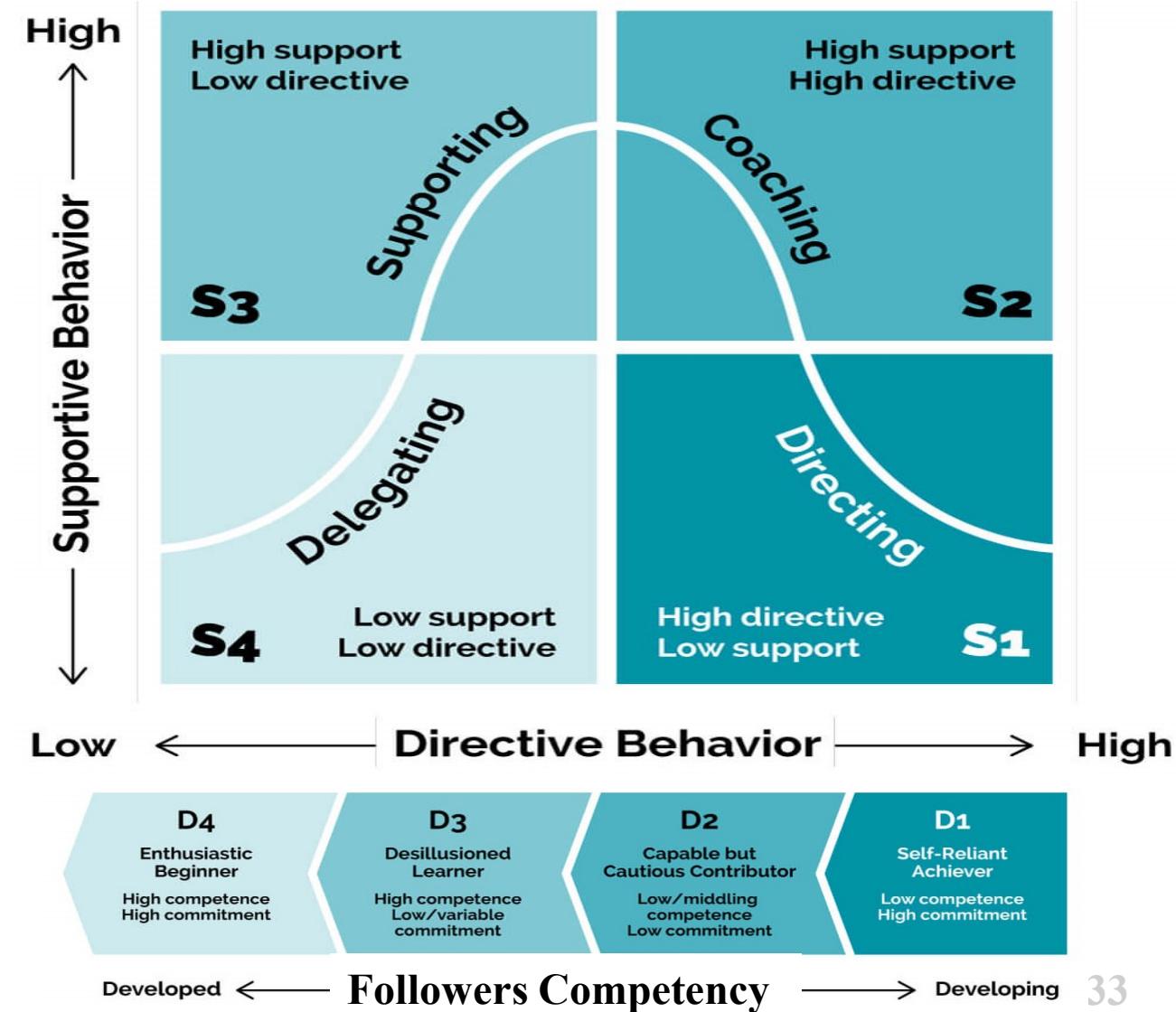


Behavioural Theory of Leadership

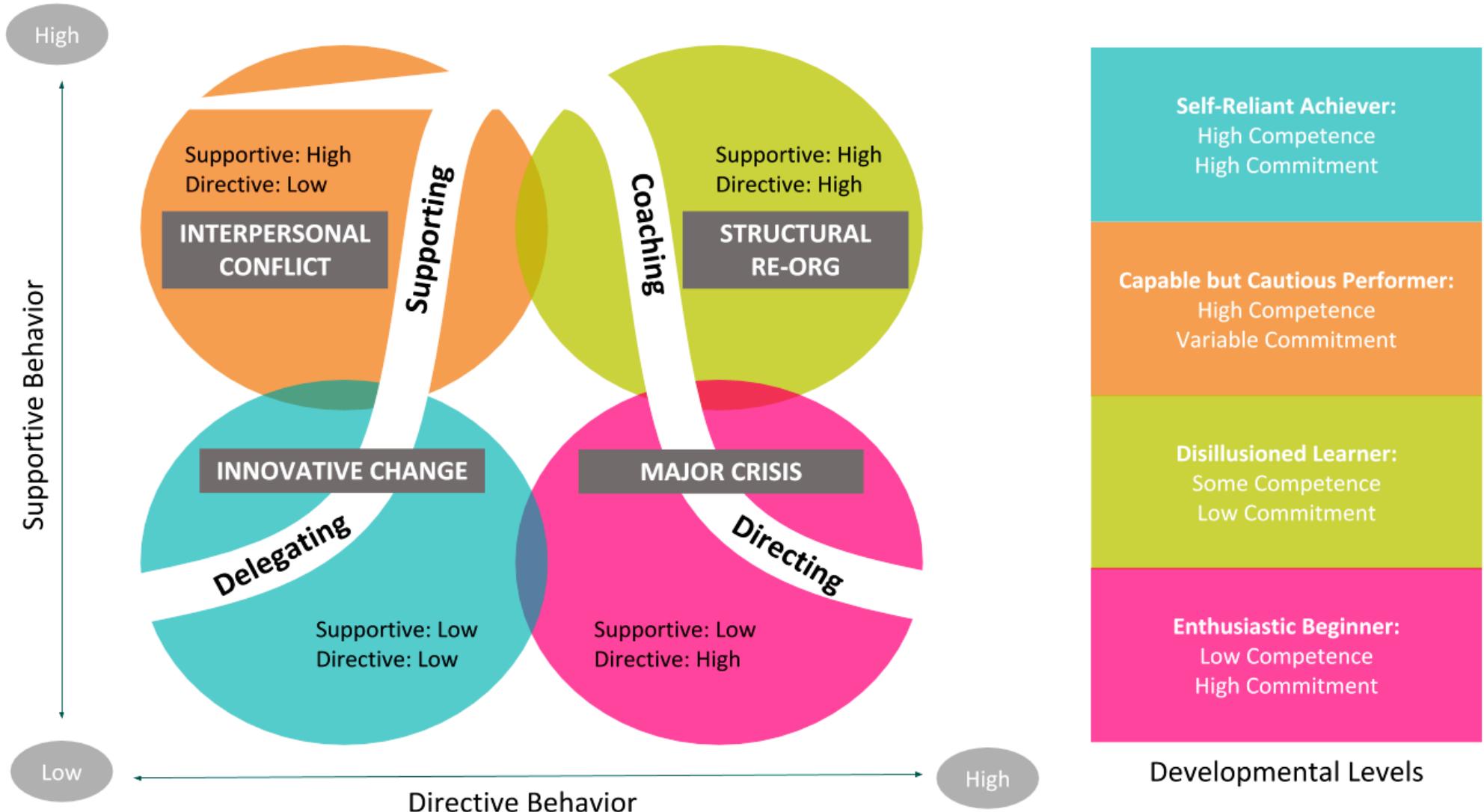


Situational Leadership Theory

- ▶ Created by **Dr Paul Hersey, and Ken Blanchard** (1969)
- ▶ A Situational Leader employs one of four leadership styles
- ▶ **Directive Behavior** – extent to which leader tells the follower what to do
- ▶ **Supportive Behavior** – the extent to which the leader engages in open dialog with the follower



What happens when we consider situations?



Transactional Leadership

Transactional leadership, also known as managerial leadership, is a leadership style where the executive **relies on rewards and punishments** to achieve optimal job performance from subordinates.

- Conditional Reward
- No mutuality or pursuit of a higher purpose
- Not likely to be enduring
- Realization of goals through meeting ‘wants’
- Honesty, fairness & honouring of commitments



Transformational leadership

A leadership approach that causes change in individuals and social systems. In its ideal form, it **creates valuable and positive change in the followers** with the end goal of developing followers into leaders

- Concerned with end values: liberty, justice, equality
- Charismatic leadership or Idealized Influence
- Inspirational motivation
- Individualised consideration
- Intellectual stimulation, higher plane of arousal





The four I's of Transformational leadership

|

Transactional Vs. Transformational Leaderships



Transactional Leaders

occur when followers are moved to complete their roles as agreed with a leader in exchange for a reward.

- ▶ **Focus on goals**
- ▶ **Use rewards and punishments for motivation**
- ▶ **Are reactive in nature**



Transformational Leaders

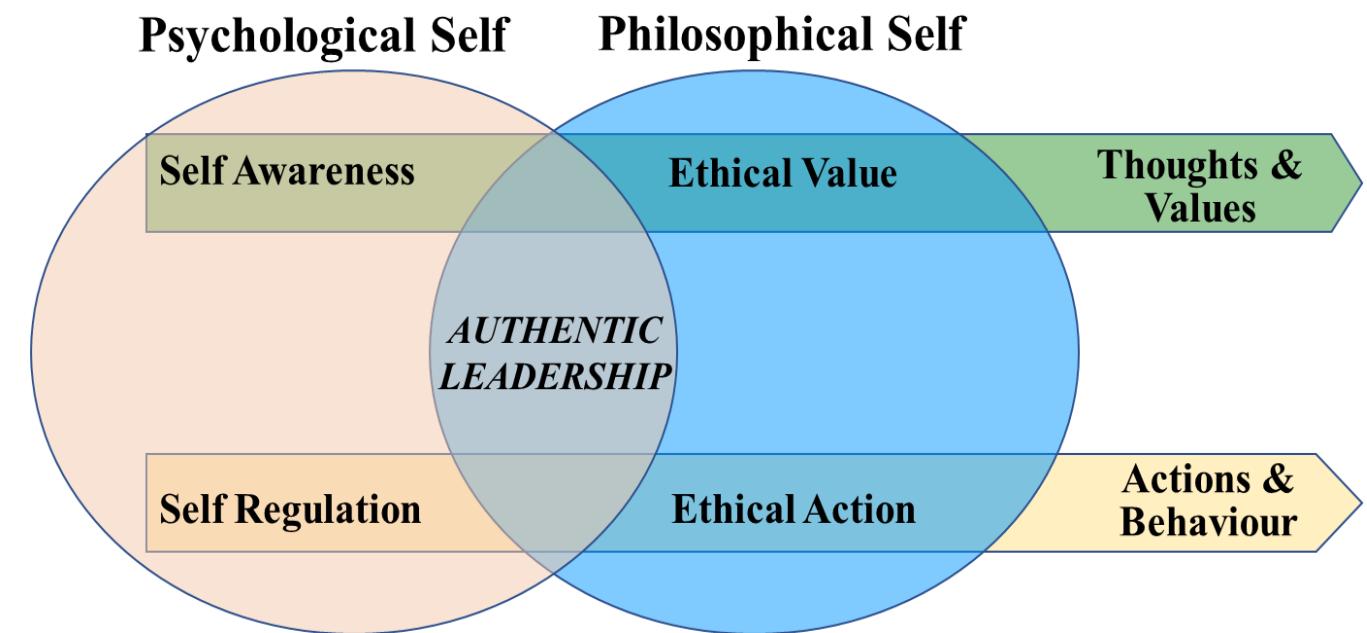
move followers to awareness about what is important, and away from own self-interests.

- ▶ **Focus on vision**
- ▶ **Use charisma and enthusiasm for motivation**
- ▶ **Are proactive in nature**

Authentic Leadership

The idea is that leaders are seen as genuine and ‘real’. The theory was popularized by **Bill George** in his book *Authentic Leadership* (2003)

- Denotes **leading by example**
- Demonstrating through **actions that you practice the same values & behaviors you expect from your team**



Authentic Leadership



VISION FOR THE FUTURE

Authentic leaders have a compelling vision for the future. The vision gives themselves and others a purpose and brings the people they are leading on a journey with them.

SERVICE FOR OTHERS

Authentic leaders put others first and demonstrate this through a service mindset. This means a focus on "we" rather than "me" and helping others grow.

CONVICTION OF VALUES

Authentic leaders are deeply aware of their values. They are genuine, reliable, trustworthy and build positivity. Authentic leaders are unbiased in their decision-making and look to grow the strengths of those around them.

GENUINE RELATIONSHIPS

Authentic leaders strive for genuine, open and truthful relationships with the people around them. When leaders have positive and genuine relationships it is the greatest amplifier of their own wellbeing.

FOUNDATION OF SELF-AWARENESS

Self-awareness is the foundation of authentic leadership. This includes: knowing yourself, being true to yourself, developing a high self-efficacy, autonomy and having a positive self-concept. See the self-awareness model for more.

Leadership Styles



Context/ Styles Leadership

Autocratic	Individual control over all decisions
Democratic	Group participation in decision making
Delegative/ Laissez-Faire	Group members to make decisions
Bureaucratic	A clear chain of command, rules of business
Visionary	Inspires people and brings them towards vision
Affiliative/ Servant	Creates harmony and emotional bonds
Pacesetting	Sets high standards for performance
Coaching	Helps people develop future progress

Most Common Leadership Styles

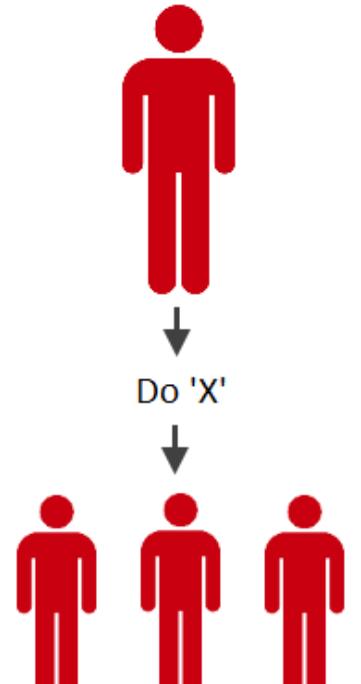
- ▶ Authoritarian/ Autocratic Leadership
- ▶ Democratic/ Participative Leadership
- ▶ Laissez- Faire/ Delegative Leadership
- ▶ Transformational Leadership
- ▶ Transactional Leadership



Source: International Institute for Management Development (IMD)

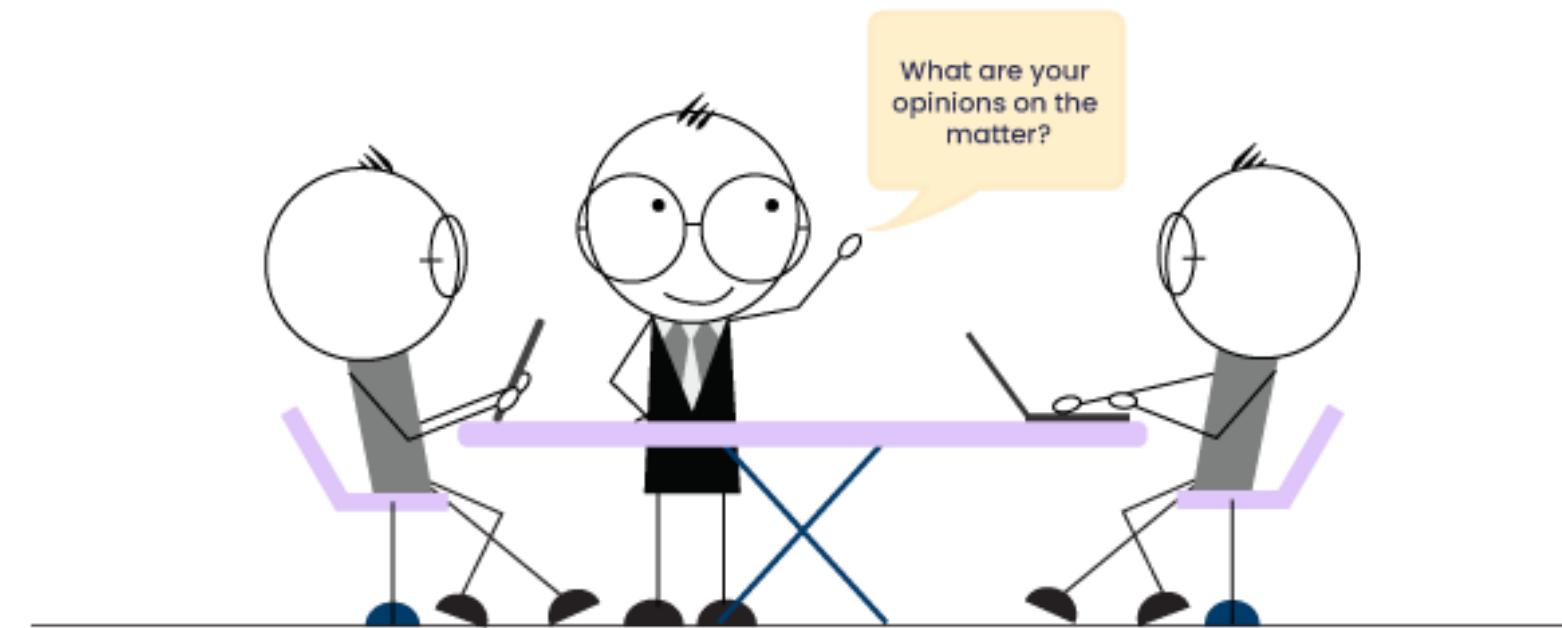
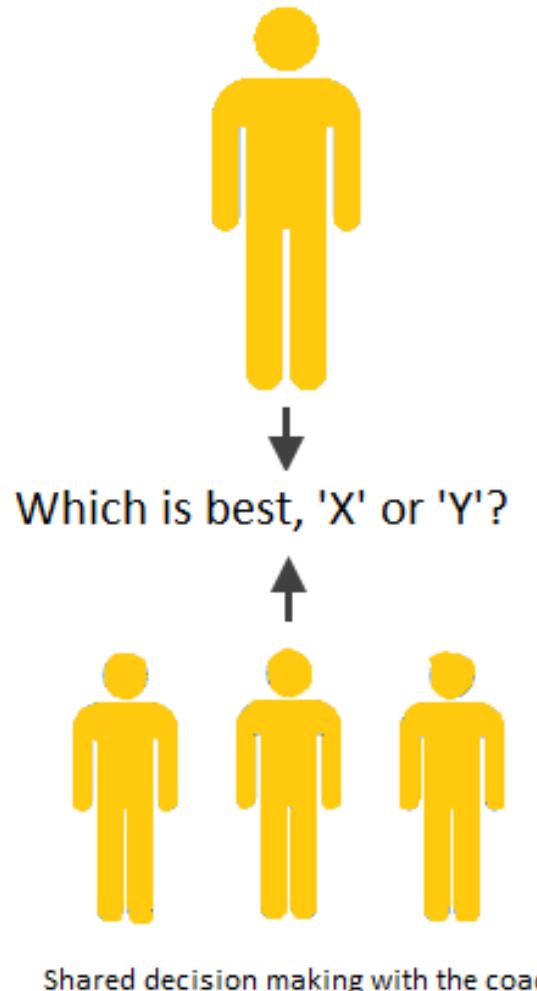
Leadership Styles

AUTOCRATIC



Leadership Styles

DEMOCRATIC

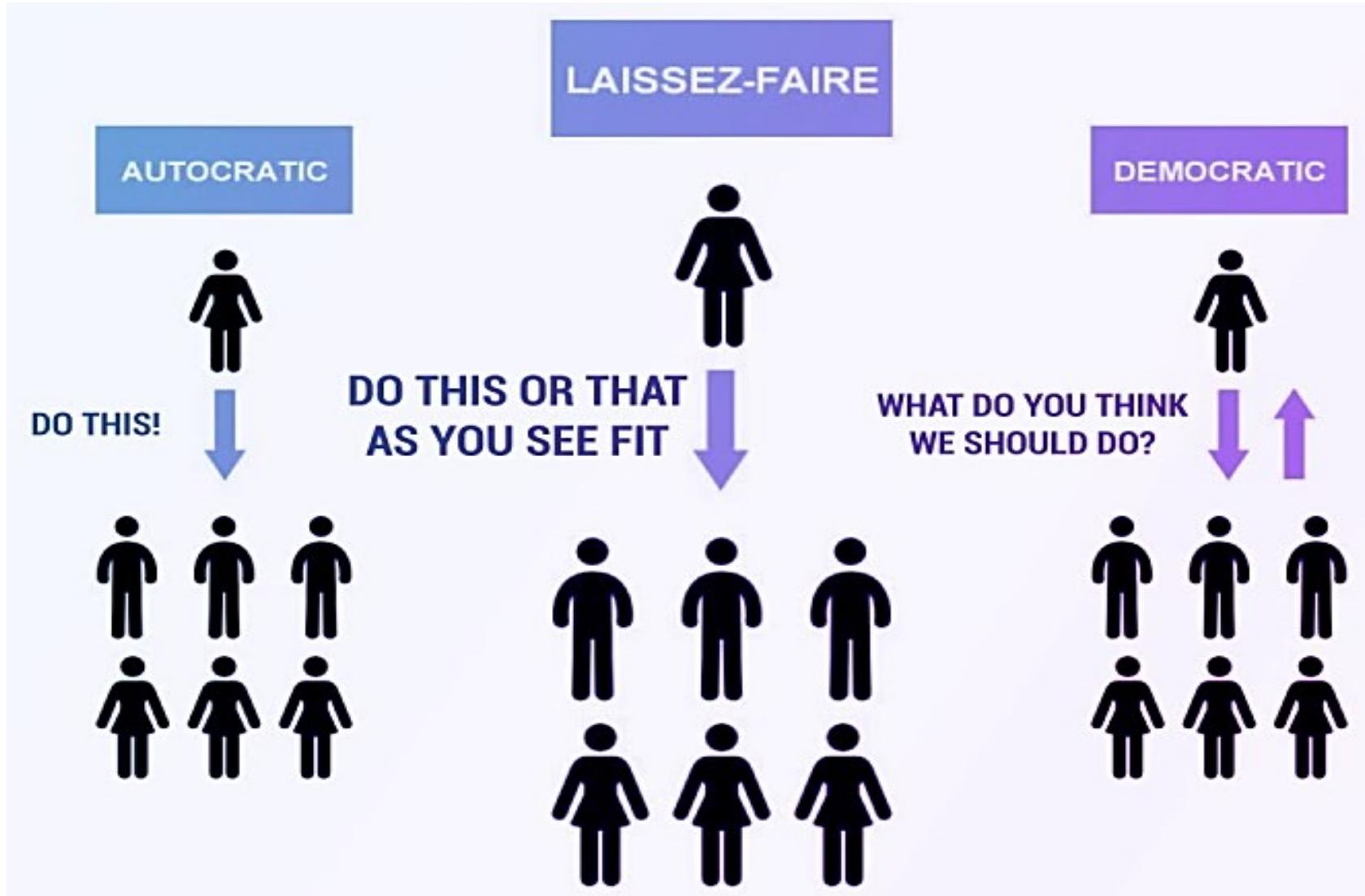


Democratic leadership allows equal participation of everyone in a decision-making process.

Leadership Styles

Delegative/ Laissez-faire





Leadership Styles

Autocratic/ Authoritarian

Advantages



Efficient for working with an inexperienced or a new team



Crucial decisions can be made on the spot in a crisis



Good for constant productivity levels

Disadvantages



Input from employees is not allowed, dependency on leader



Team morale is low due to work routine not allowing creativity



More absenteeism and turnover

Leadership Styles

Democratic/ Participative

Advantages



Improves motivation, morale and performance



Better employee engagement with reduced employee turnover



Employees' input is welcome which leads to better ideas

Disadvantages



Can take too long to reach a decision



Social pressure to conform with group think



Can result in inefficiency and low productivity

Leadership Styles

Delegative/ Laissez-faire

Advantages



Team members can develop their own leadership skills



Creates an environment of independence



Generates more individual satisfaction for the work being done

Disadvantages



Downplays the role of the leader on the team



Allows leaders to avoid leadership



It is a leadership style which employees can abuse

Leadership Styles

Transactional

Advantages



Specific, measurable and time-bound goals



Employee motivation and productivity is increased



System is easy to implement for leaders and easy to follow by employees

Disadvantages



Innovation and creativity is minimized



Creates more followers than leaders among employees

Leadership Styles

Transformational

Advantages



Leads to a lower employee turnover



High morale of employees



Use of motivation and inspiration for gaining support

Disadvantages



Needs consistent motivation and constant feedback



Tasks can't be pushed through without the agreement of employees



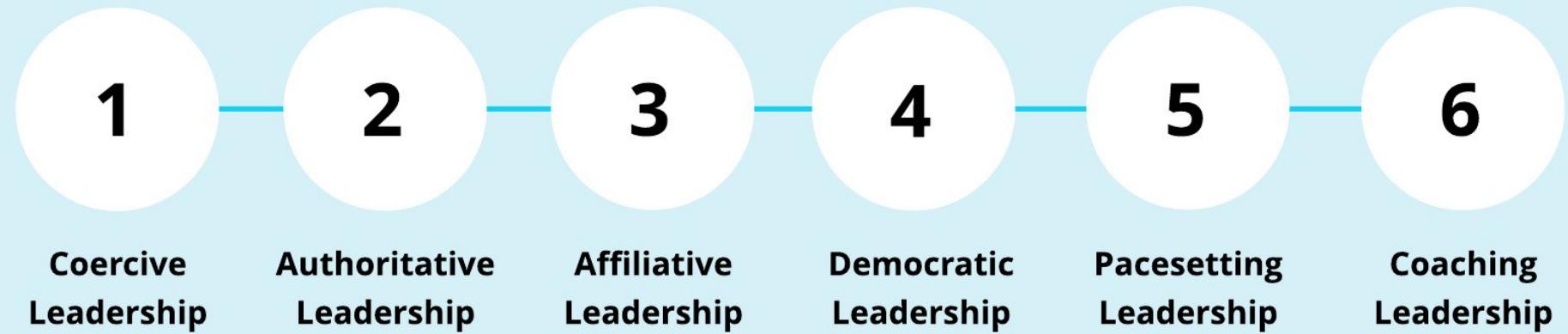
Can lead to the deviation of protocols and regulations

Emotional Leadership

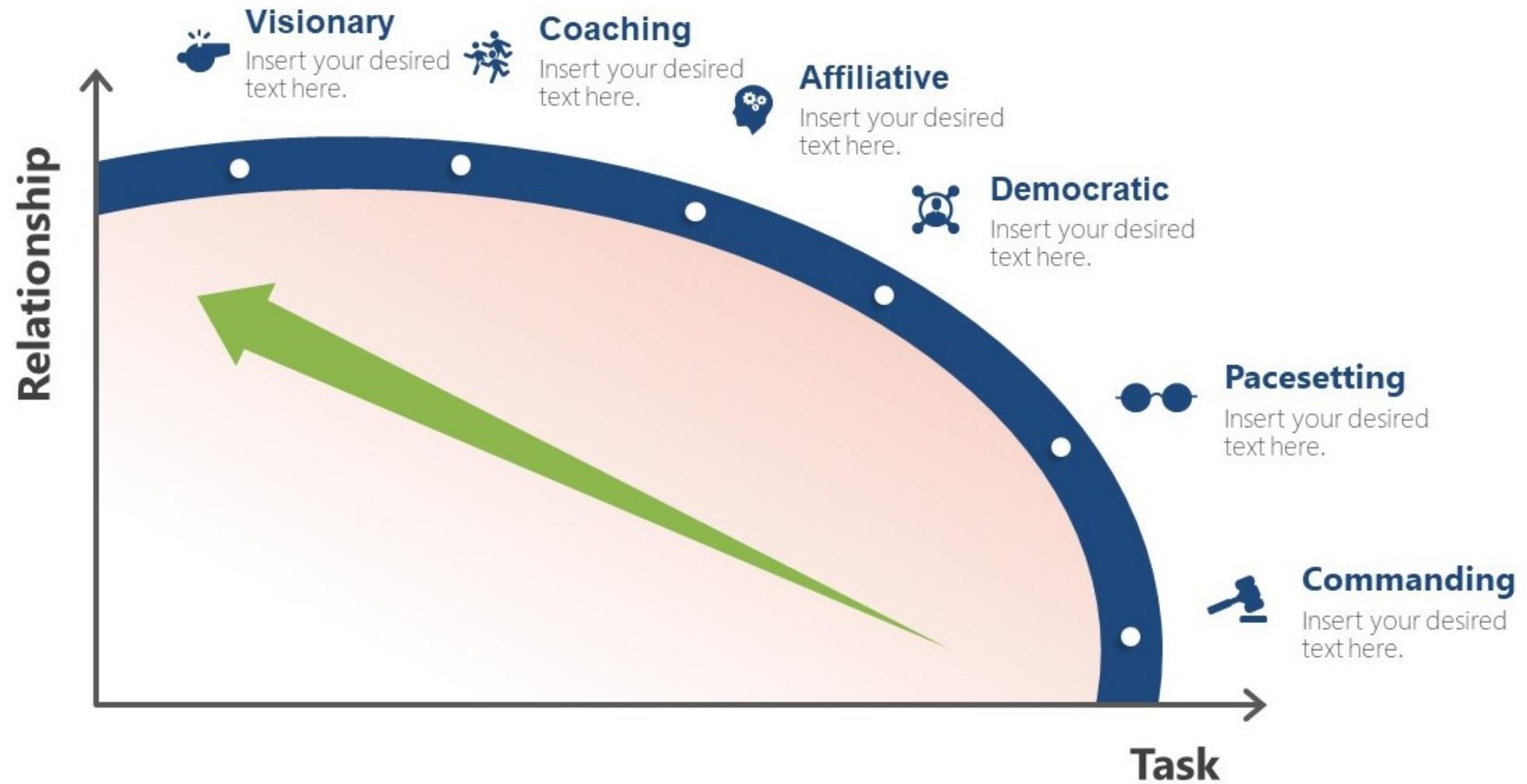
Daniel Goleman, an author and psychologist whose research (2000) led to establish the six basic styles of leadership based on different aspects of emotional intelligence.

The 6 Goleman Leadership Styles

The six basic styles of leadership proposed by Daniel Goleman



Six Leadership Styles – Relationship vs Task Curve





Shared and Servant Leadership

Robert K. Greenleaf first popularized the phrase ‘servant leadership’ in *The Servant as Leader*, published in 1970. The most important characteristic is making one's main priority to serve rather than to lead

- ▶ This new style of leader must play four new roles: **visionary, architect, coach and catalyst.**
- ▶ It unleashes the full passion and potential of people to deliver impact and value



“Good leaders must first become good servants.”
Robert K. Greenleaf



Classical vs. Contemporary Leadership Styles

Classical Leadership style:

- Mostly an **autocratic** style adopting **trait, behaviour and contingency** approaches, where the leaders are at the forefront (1960s to 1980s)
- Leader is motivated by himself
- He takes less advice from the peers or juniors. Tries to influence employees through various motivational means
- The leader keeps little confidence on subordinates and direct them as per his plan



Classical v. Contemporary Leadership Styles

Contemporary Leadership style:

- It is the **most sought-after** leadership style these days, *relying on transactional, transformational* and other approaches
- Organizations value their employees' goals and prefer to align the organizational goals
- This helps the management to **motivate their employees more easily**, and leaders don't have to work hard and micromanage day-to-day organizational activities.

Revise Your People-Centric Skills...

- Day of the '**know-everything**' leader is over
- Possessing **authority** has nothing to do with exercising leadership
- Create an environment in which every member of the team **can excel**
- Tap into an **individual** employee's capacity to self-motivate
- Orchestrate **team talents** toward competitive ends



Conflicts Negotiations

The Webster Dictionary defines conflict as '*the competitive or opposing action of incompatibles: an antagonistic state or action.*'

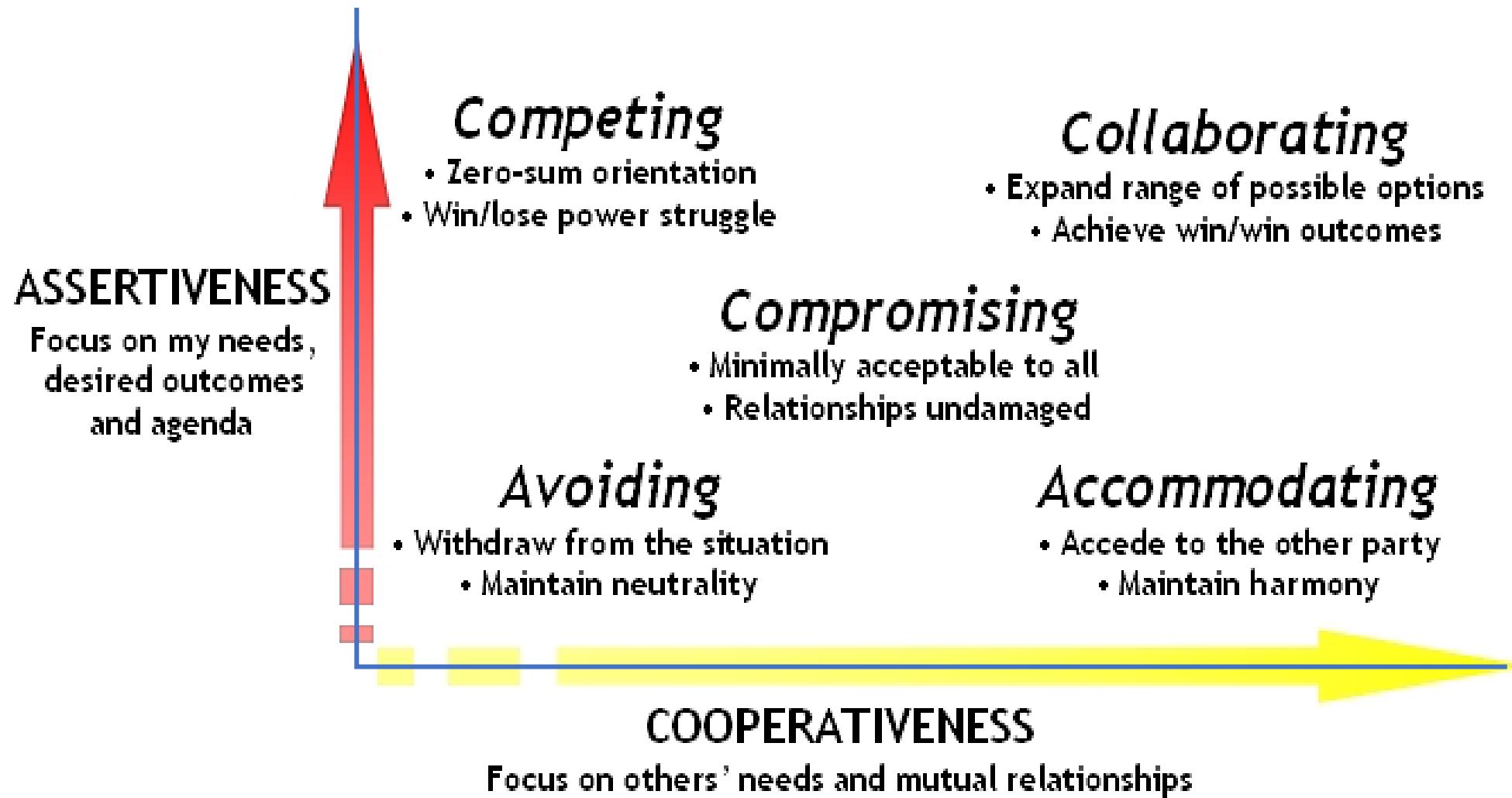
- **Economic Conflict:** Involves competing motives to attain scarce resources.
- **Value Conflict:** Involves incompatibility in the ways of life.
- **Power Conflict:** Each party tries to exert and maintain its influence in the relationship and social setting

If two or more people/ groups care about things that are contradictory to each other, then the outcome is conflict

Thomas-Kilmann Model of Conflict Resolution

- ➔ In the 1970s, **Kenneth Thomas and Ralph Kilmann** developed a conflict resolution model
- ➔ The model identifies two dimensions when choosing a course of action in a conflict situation: **Assertiveness and Cooperativeness**
 - **Assertiveness** is the degree to which you try to satisfy your own needs
 - **Cooperativeness** is the degree to which you try to satisfy the other's concerns

Thomas-Kilmann Model of Conflict Resolution



Thomas-Kilmann Model of Conflict Resolution

Thomas-Kilmann Model identifies **five conflict handling modes**:

- **Avoiding** ➔ sidestepping the conflict
- **Accommodating** ➔ Trying to satisfy each others concerns at expense of your own
- **Compromising** ➔ An acceptable settlement that partially satisfies both party's concerns
- **Competing** ➔ Trying to satisfy your concerns at the expense of others
- **Collaborating** ➔ Trying to find a win-win solution that satisfies both party's concerns

Leadership Issues in the 21st Century

Previous Situation	Current Situation
– From big and various manufacturing HQ	– To small manufacturing units
– From vertical integration	– To working with sub-contractors
– Greatness economy	– Flexibility
– High and incisive organization	– Flat and plain organization
– Bureaucratic personality	– Entrepreneurship
– Increasing market share	– New markets
– Collective marketing	– Niche marketing
– Quantitative	– Quality

Leadership Issues in the 21st Century



#1 Isolation

#2 Honest Feedback

#3 Emotional Intelligence

#4 Authority vs Influence

#5 Leading Change

#6 Breaking Silos

#7 Thinking Big Picture

Leadership Issues in 21st Century

- ▶ **Isolation.** Privacy, trust, create isolation can lead to conflict avoidance or problems resulting in delayed decision making.
- ▶ **Lack of Honest Feedback.** Often aren't asked to provide feedback, or they hold back when they do
- ▶ **Lack of Emotional Intelligence.** To have emotional intelligence is to be self-aware, be able to self-regulate, to have social awareness and social regulation.
- ▶ **Influence Vs. Authority.** Lack the skills to lead from a place of influence rather than authority.
- ▶ **Leading and Managing Change Effectively.** This is a fairly global challenge—up to 70% of all change efforts fail! Particularly mid-level managers can have a big influence on whether change is implemented effectively.
- ▶ **Breaking Silos.** Communicating and operating across teams and across the organization to work as a larger team and network to really utilize the resources of the organization.
- ▶ **Thinking Big Picture and Systematically.** But it's critical for decision making and for breaking down those silos and starting to work across the organization to harness the power contained in the resources of the entire organization.

How to Respond to These Top Leadership Challenges - 5 Tips for Leaders

1. Set goals for yourself and your team. Be proactive in setting goals and establishing the timelines necessary to keep yourself and your team members on track. One time-honored approach is the **SMART** method; **Specific, Measurable, Attainable, Realistic, Timed.**

2. Delegate more to others

3. Maximize Your Unique Value - Prioritize the most important tasks that only you can do, and delegate everything else to team members.

4. Get Role Clarity

5. Strengthen team alignment and collaboration



Cross-cultural Leadership



Cross-cultural Leadership

What is a Culture?

- ▶ It is a study that distinguishes people by age, background, beliefs, values, ethnicity, morale, attitudes, behavior etc
- ▶ Most of the time, the problem arises when we try to unite all of them by not properly understanding the cultural aspects and not suit the needed circumstances.

What is Cross-Cultural Leadership?

- ▶ The process of being able to unite everyone around a certain vision and effectively manage these cultural differences by being aware of the cultures and cultural differences of the leader and her followers

Cross-cultural Leadership

Importance of Culture

- ▶ Globalization
- ▶ Diversity in own country
- ▶ Increased interconnection between people (Intl trade, cultural exchange worldwide telecom systems)
- ▶ Need for leaders to become competent in cross-cultural awareness and practice
- ▶ Operationalization of cultural construct





ENGINEERING LEADERSHIP

Engineer as a Leader

Engineering Leadership is the **ability to lead a group of engineers and technical personnel** responsible for creating, designing, developing, implementing, and evaluating products, systems, or services



Engineer as a Leader

- ▶ An approach that influences others to effectively **collaborate and solve problems**. Engineering leadership requires:
 - **Technical expertise**
 - **Authenticity**
 - **Personal effectiveness**
 - **Ability to synthesize diverse expertise and skillsets**
- ▶ Through engineering leadership, individuals and groups implement transformative change and **innovation to positively influence technologies**, organizations, communities, society, and the world at large

Positive and Toxic Leadership

What is toxic leadership?

- ▶ Toxic leadership is a type of leadership that is destructive to members of a team and the overall workplace.
- ▶ It's a selfish abuse of power on the part of the leader.
- ▶ Under toxic leadership, it's difficult for you and your peers to thrive.
- ▶ A toxic leader will usually have their own self-interest at heart.
- ▶ This affects a team's performance, productivity, and morale to varying degrees.

Effects of Toxic leadership?

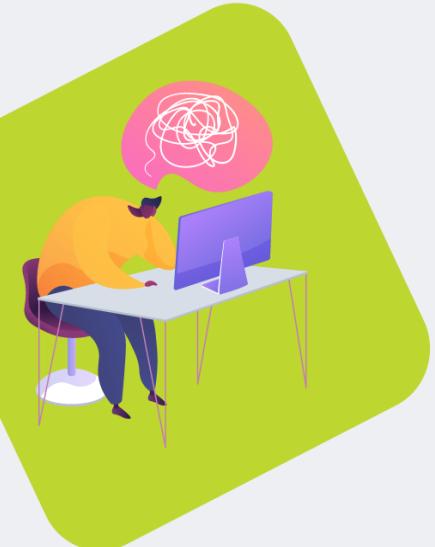
Workplace
bullying



Job dissatisfaction



Depression
and burnout



Counterproductive
work behavior



Psychological
distress

Toxic Traits that Make Bad Leadership Qualities

- ▶ Frequent lying or inconsistent expectations
- ▶ Doesn't listen to feedback
- ▶ Arrogance
- ▶ Places importance on hierarchy
- ▶ Discriminates against employees
- ▶ Lacks confidence
- ▶ Incompetent at their job
- ▶ Self-interested



SLIDEMODEL.COM

How to Deal with Toxic Leadership



Attempt to help instead of judge



Keep control of your reactions



Document everything



Set professional boundaries



Approach your manager with a candid conversation



Clarify



Focus on your job and forget the ego

Leadership and Motivation

- ▶ Motivation
- ▶ Maslow's Hierarchy Needs
- ▶ Theory of X and Y
- ▶ Motivation and Hygiene Factors
- ▶ Goal Setting Theory
- ▶ Reinforcement Theory
- ▶ Equity Theory
- ▶ Expectancy Theory

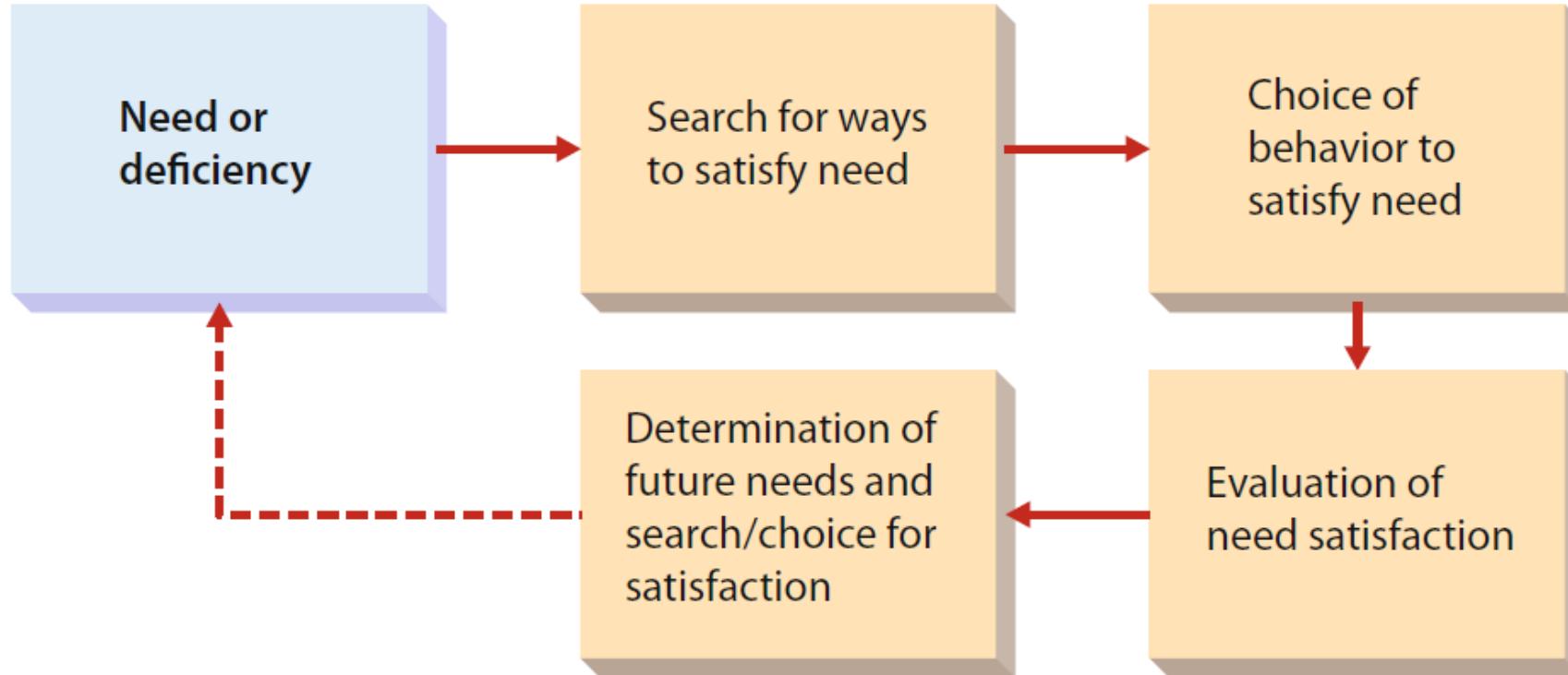
What is Motivation?

- **'Motive'** - needs, desires, wants or drives within individuals
- It is the process of stimulating people to actions to accomplish the goals
- Managers motivate their subordinates to do things that **satisfy these drives and desires** and persuade them to act in a desired manner

What is Motivation?

- ▶ Motivation is the set of forces that cause people to behave in certain ways.
- ▶ On any given day, an employee may **choose to work as hard as possible** at a job, **work just hard enough to avoid a reprimand**, or do **as little as possible**.
- ▶ Individual performance is generally determined by three things:
 - **Motivation** – the desire to do the job
 - **Ability** – the capability to do the job
 - **The work environment** – the resources needed to do the job

The Motivation Framework



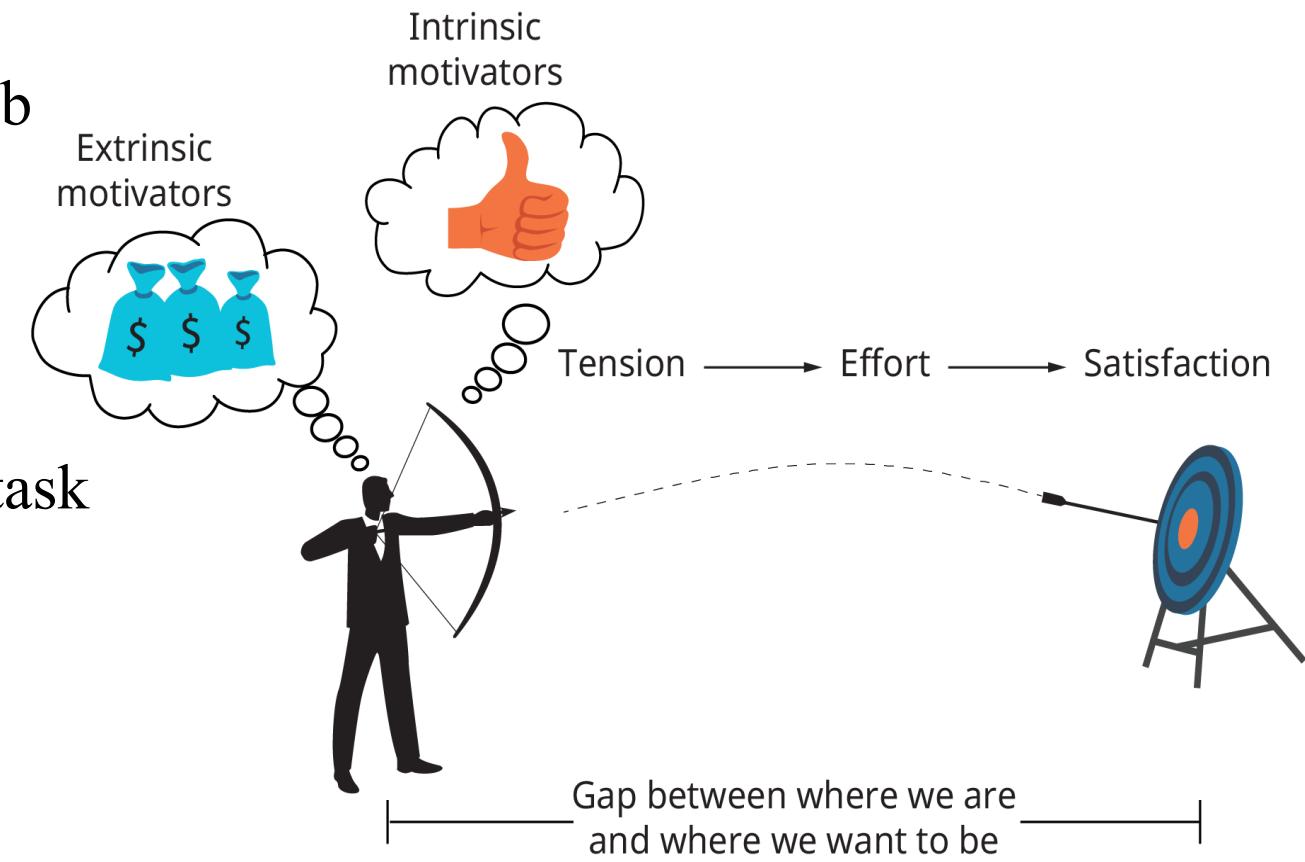
Motivation

Two major influences that affect how individuals perform in their environment:

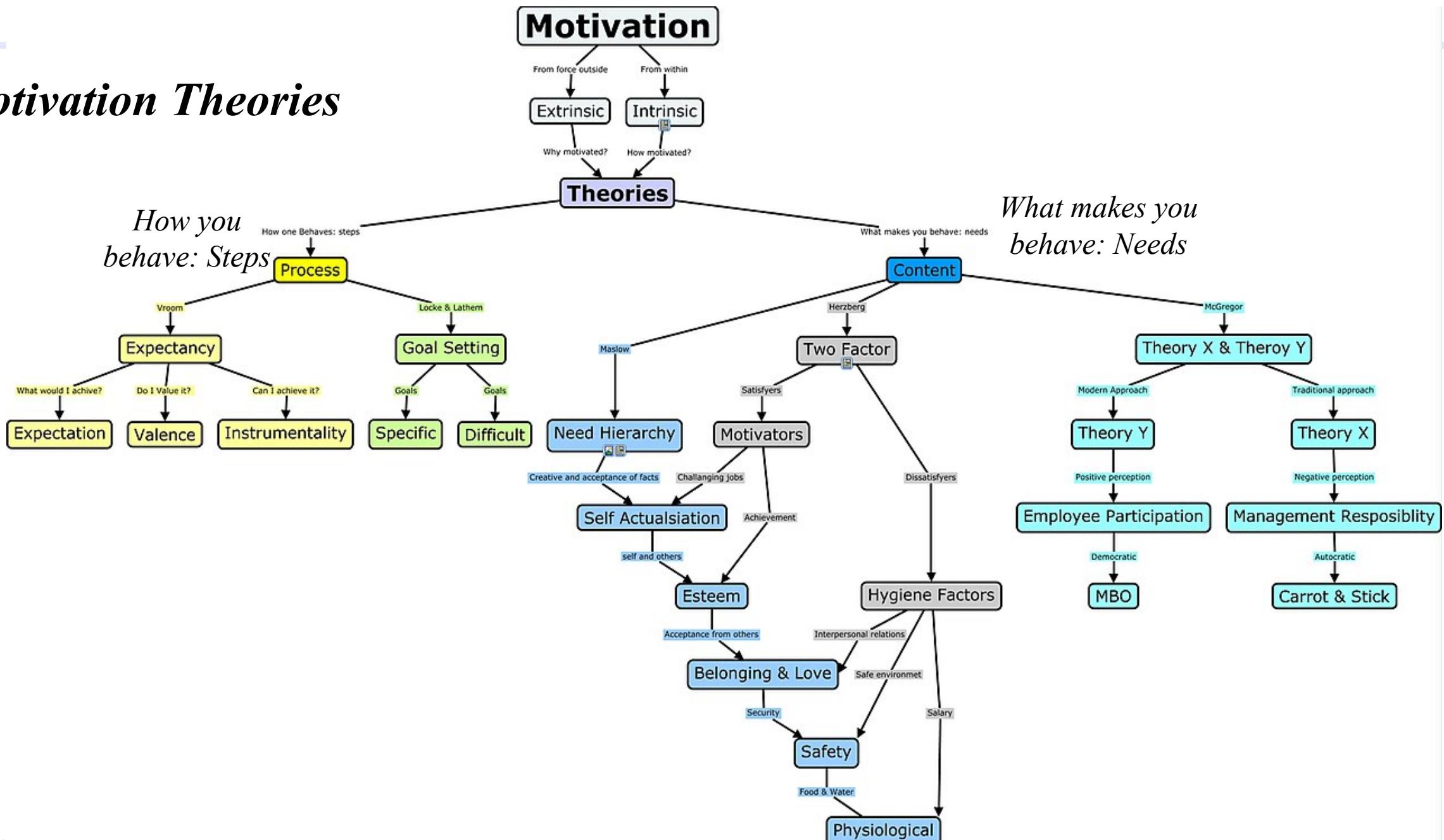
- The type of **leadership** that exists
- Personal **motivation**

Motivation

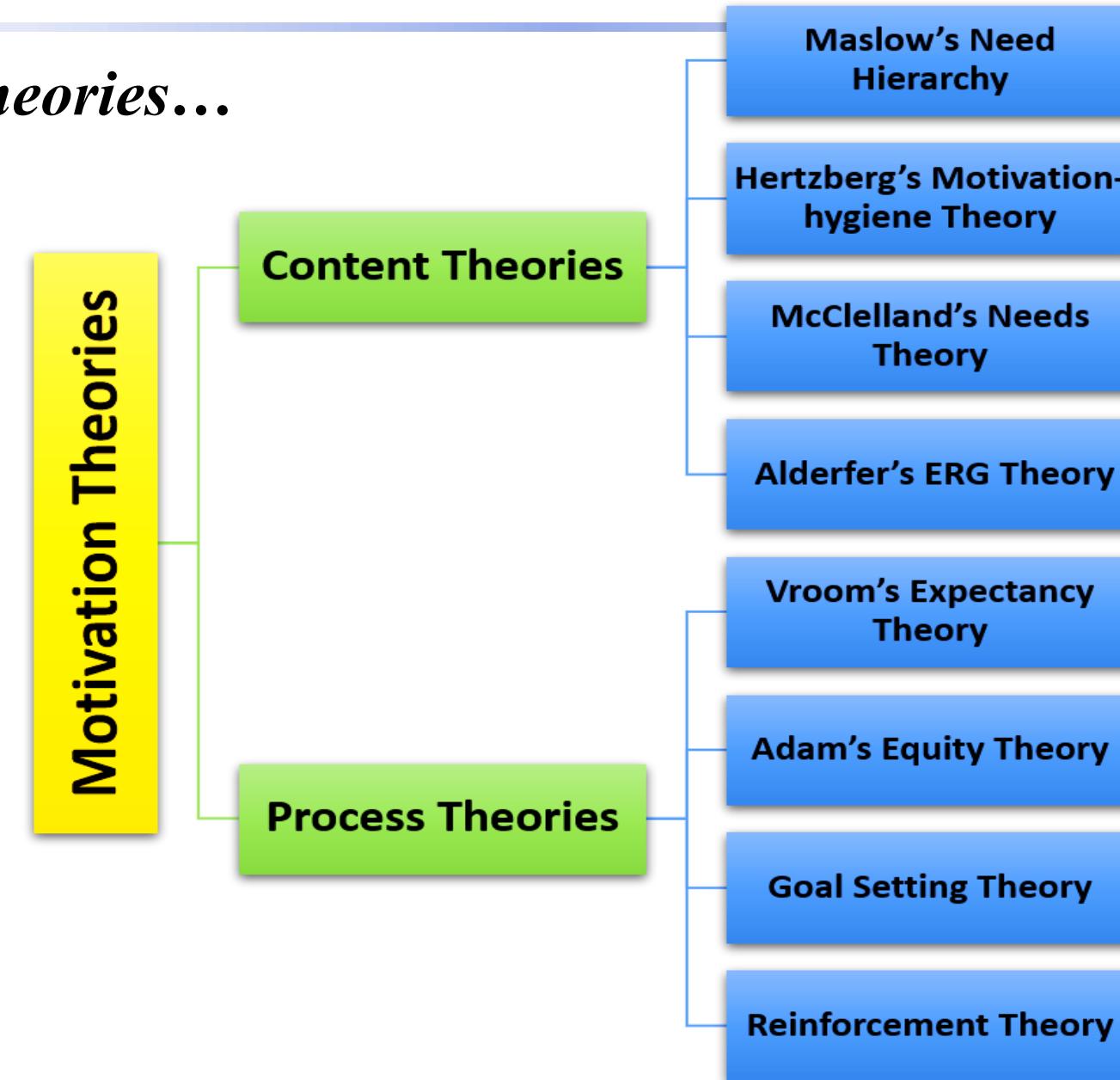
- **Extrinsic Motivation** - People may be motivated by factors in the external environment such as pay, benefits, and job perks
- **Intrinsic Motivation** - Motivated by the relationship between the worker and the task



Motivation Theories



Motivation Theories...





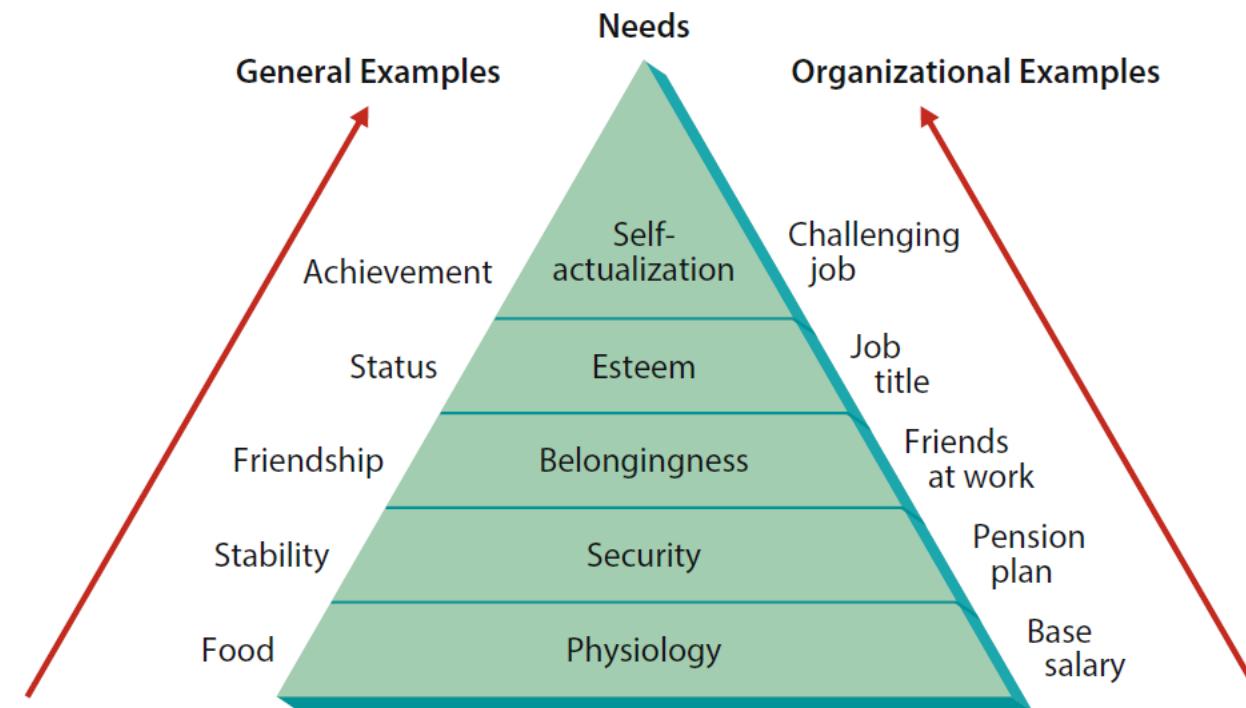
Content Perspective

The Needs Hierarchy Approach

Maslow's Hierarchy Needs

Proposed by **Abraham Maslow** in his 1943 paper ‘A Theory of Human Motivation’ in the journal Psychological Review

- Humans have five sets of ***needs arranged in a hierarchy***
- People start by trying to satisfy their **most basic or compelling needs** and progress toward the most fulfilling

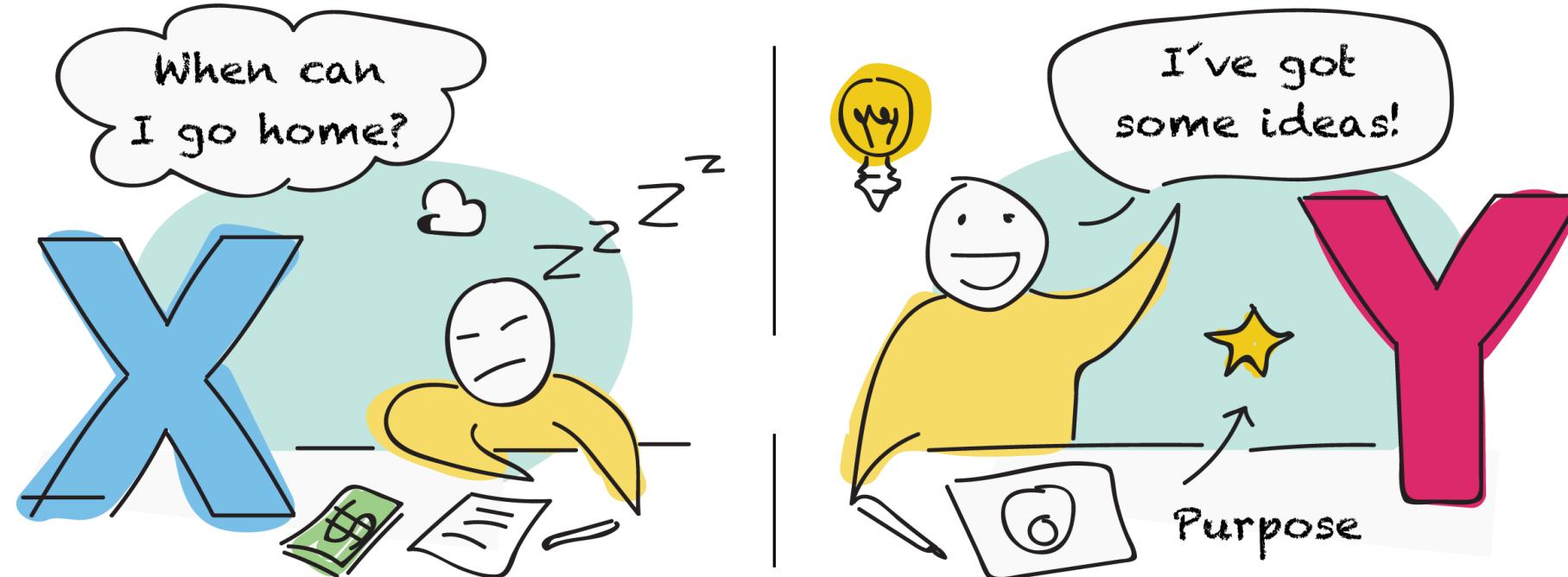


Maslow's Hierarchy Needs

Disagreements...

- Two needs basically; Biological and other needs
- At higher levels of strengths, needs varies with individuals
- Study showed no strong evidence of *Hierarchy* amongst managers

Theory X and Y

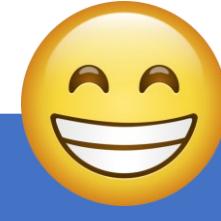


In 1960, **Douglas McGregor** formulated Theory X and Theory Y suggesting two aspects of human behaviour at work

Theory of X and Y



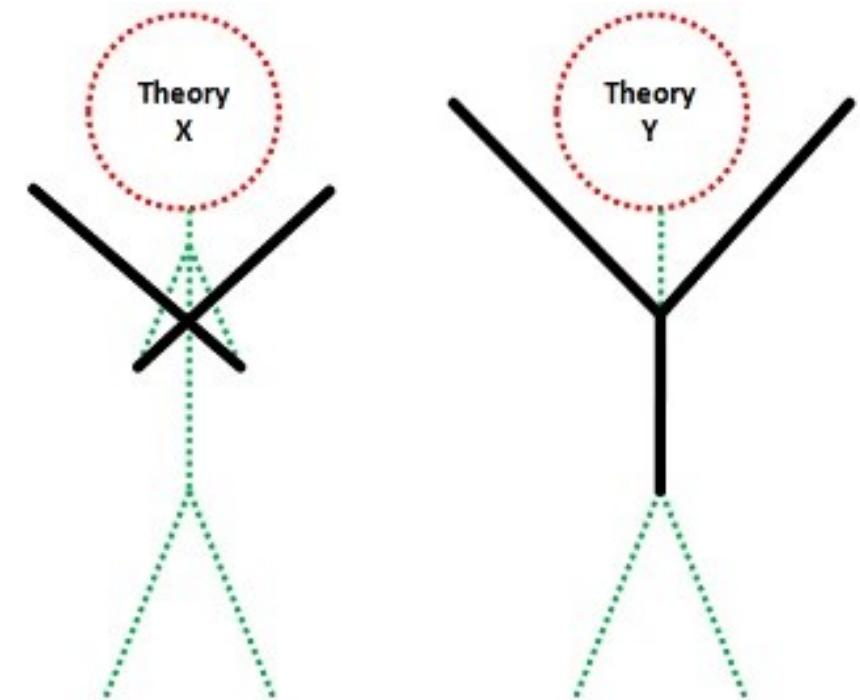
Assumptions in Theory X vs. Theory Y



Theory X	Theory Y
People need close supervision	People want independence at work
Will avoid work when possible	People seek responsibility
Will avoid responsibility	People are motivated by self-fulfilment
They desire only money	People naturally want to work
They must be pushed to perform	People will drive themselves to perform

Theory of X and Y

- *Negative* behaviour called as ‘Theory X’ and the other is *Positive*, so called as ‘Theory Y’
- Theory X gives importance to supervision.
- Theory Y stresses on rewards and recognition



Theory of X and Y

- These are assumptions only
- Variety of task and situations requires different approaches
- No **HARD** or **SOFT** management
- Risk of Hard and Soft approach remains

As an effective manager one has to recognise the dignity and limitations of people and adjust behaviour as the situation demand

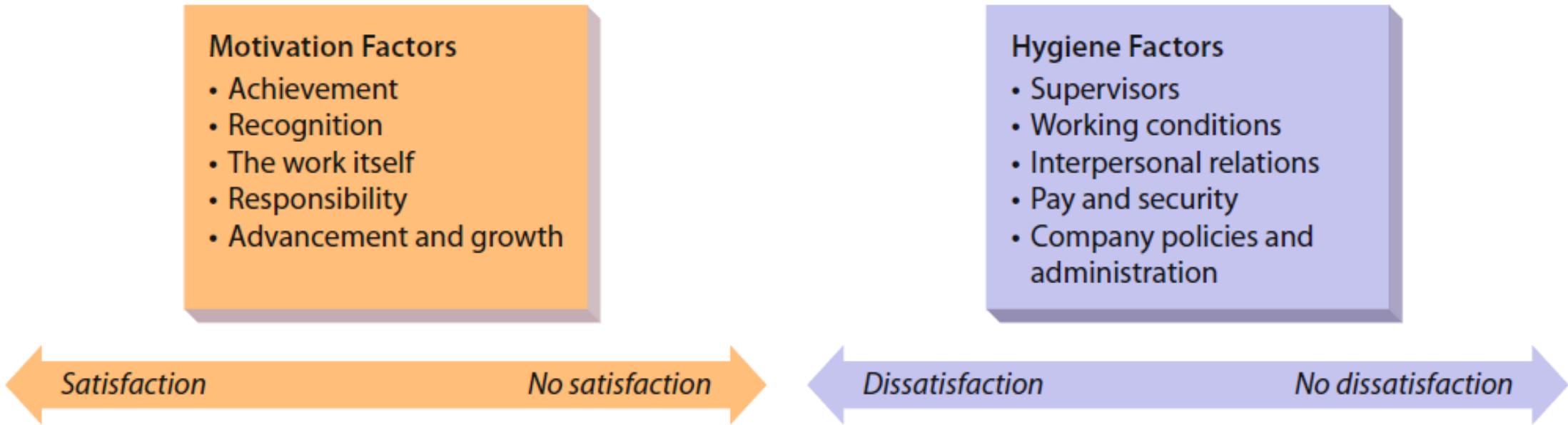
The Two Factor Theory – Motivation & Hygiene Factors

Psychologist **Fredrick Herzberg** in the 1950s and 60s proposed *dual structures* of theory of motivation



The Two Factor Theory – Motivation & Hygiene Factors

*Job Satisfaction has two dimensions namely **Motivation Factors** and **Hygiene Factors***



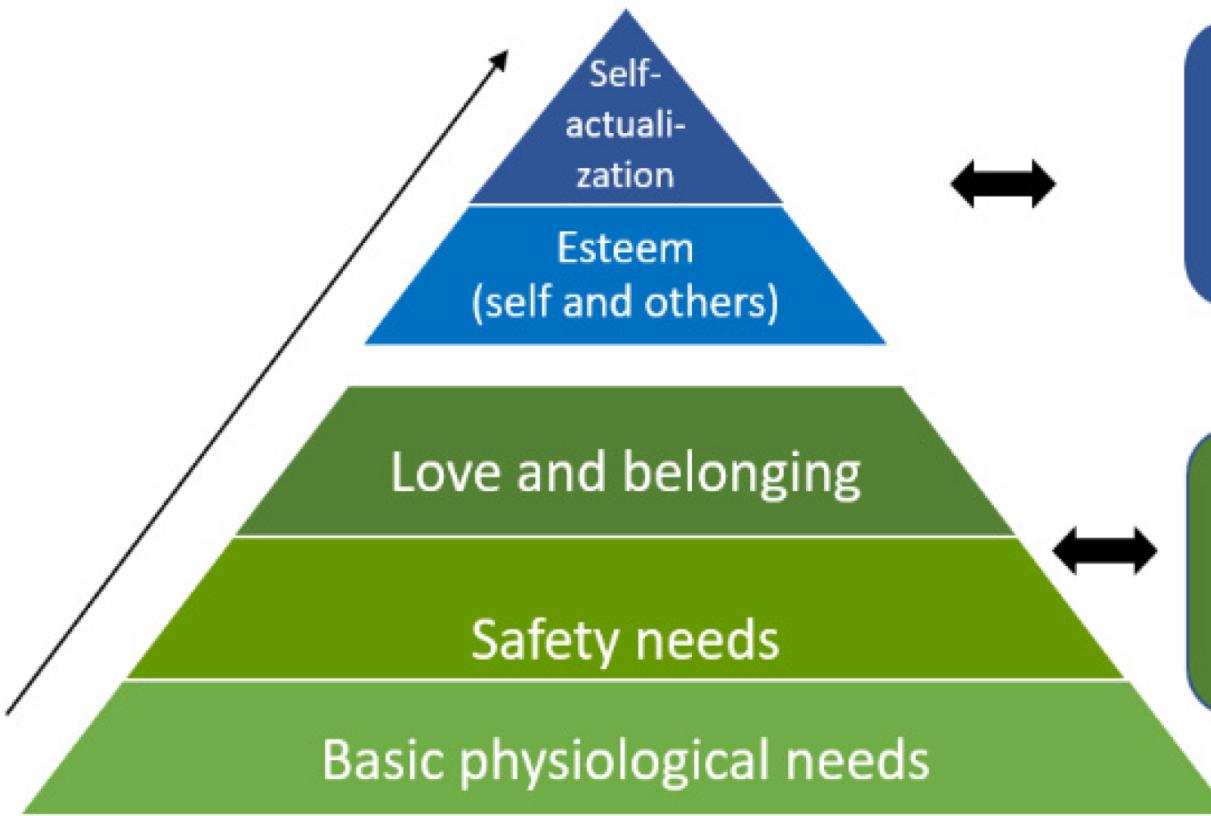
- Managers must ensure that Hygiene factors are not deficient
- By setting **Hygiene factors at certain level** managers need to stimulate the Motivation

The Two Factor Theory – Motivation & Hygiene Factors



Maslow Vs. Herzberg

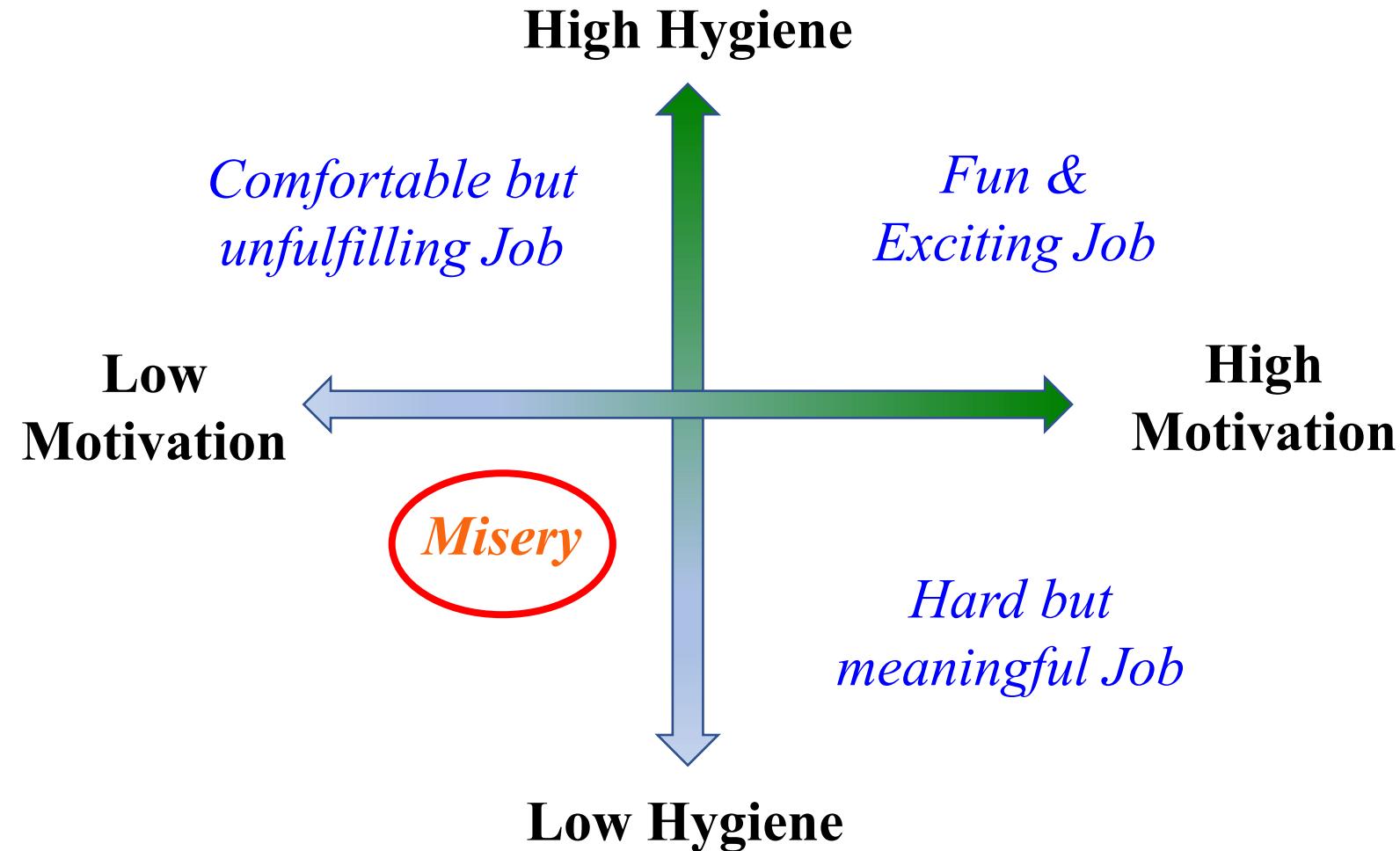
Maslow's Hierarchy of Needs



Herzberg's Two Factors

- Feeling of achievement
 - Recognition
 - Higher responsibility
 - Challenging work
 - Advancement and growth
 - Meaningful work
-
- Salary and benefits
 - Interpersonal relations
 - Working conditions
 - Job security
 - Supervision
 - Company policy

Motivation and Hygiene Factors



Limitations of Herzberg's Two-Factor Theory

- ▶ The theory overlooks situational variables
- ▶ Herzberg stressed upon satisfaction and ignored productivity
- ▶ No comprehensive measure of satisfaction was used. An employee may find his job acceptable though he/she may hate/object part of his job
- ▶ The theory ignores blue-collar workers

Despite these limitations, Herzberg's Two-Factor theory is acceptable broadly

Process Perspective

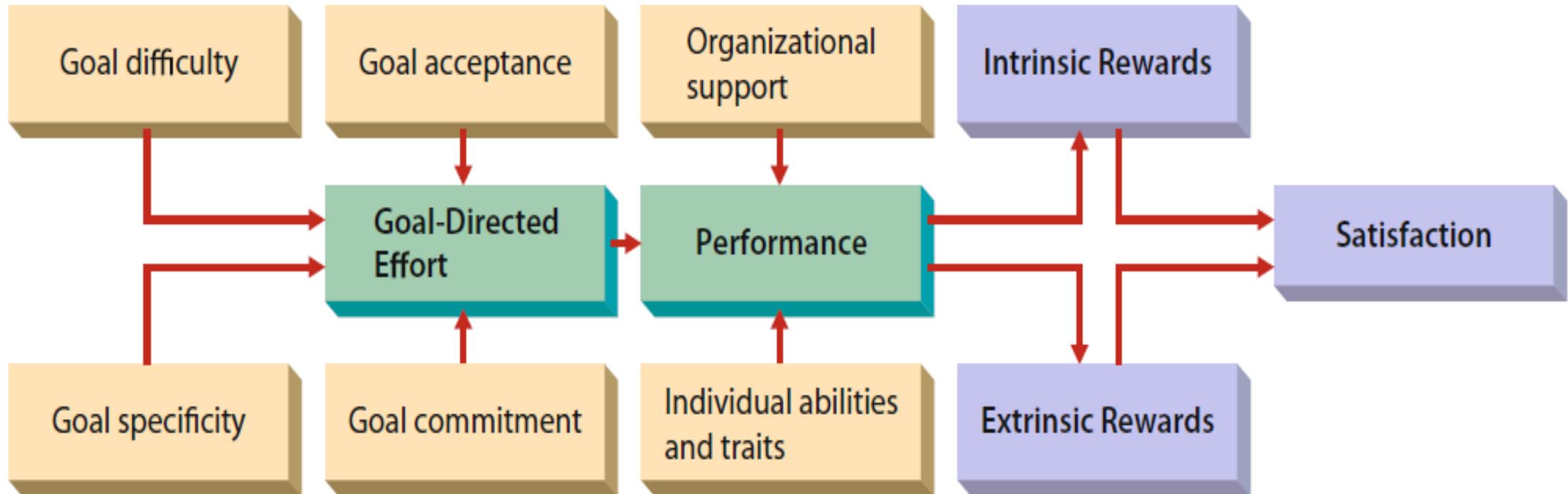


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Goal Setting Theory

- Edwin A. Locke developed this theory in 1968 in his article, "*Toward a Theory of Task Motivation and Incentive*"
- The theory assumes that **behaviour is a result of conscious goals and intentions**
- Employees are more **motivated by well-defined goals and constructive feedback** and are more likely to accomplish these goals when they are specific and measurable

Goal Setting Theory



Goal Setting Theory

There are five main principles of setting effective goals:



1. COMMITMENT

Attachment
to goal

2. CLARITY

Specificity
of goal

3. CHALLENGE

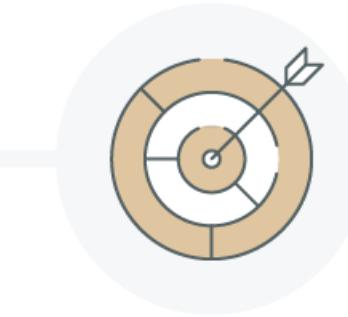
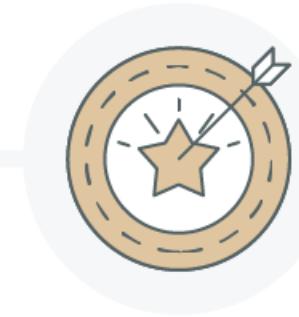
Degree of
goal's difficulty

4. COMPLEXITY

Degree of
goal's demands

5. FEEDBACK

Presence of
progress reporting



Source: Locke & Latham, 1990

Reinforcement Theory

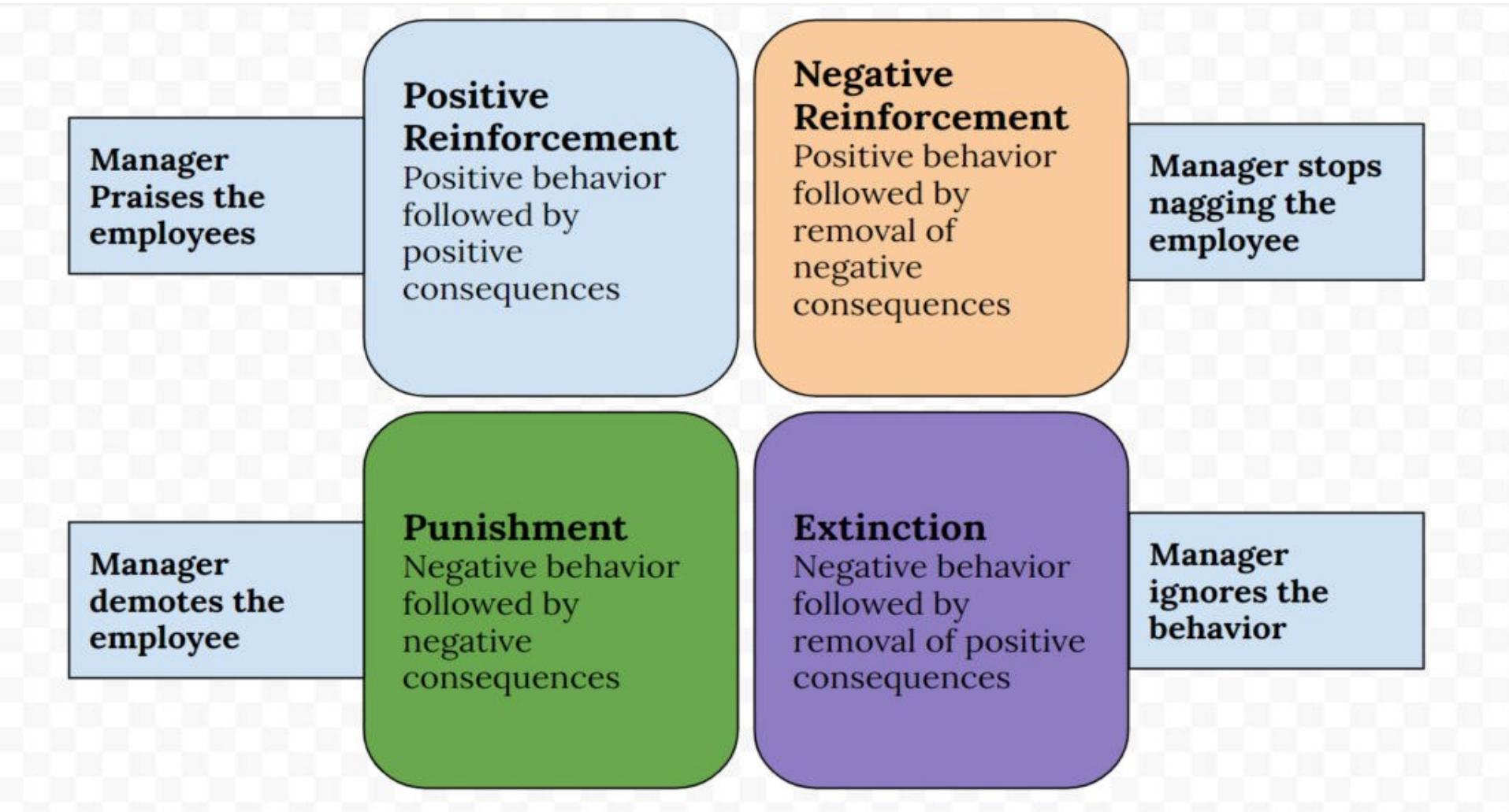
Reinforcement theory of motivation was proposed by **BF Skinner**, American psychologist, behaviorist, author and his associates.

The Reinforcement theory argues that behaviour that results in rewarding consequences is likely to be repeated, whereas behaviour that results in punishing consequence is less likely to be repeated

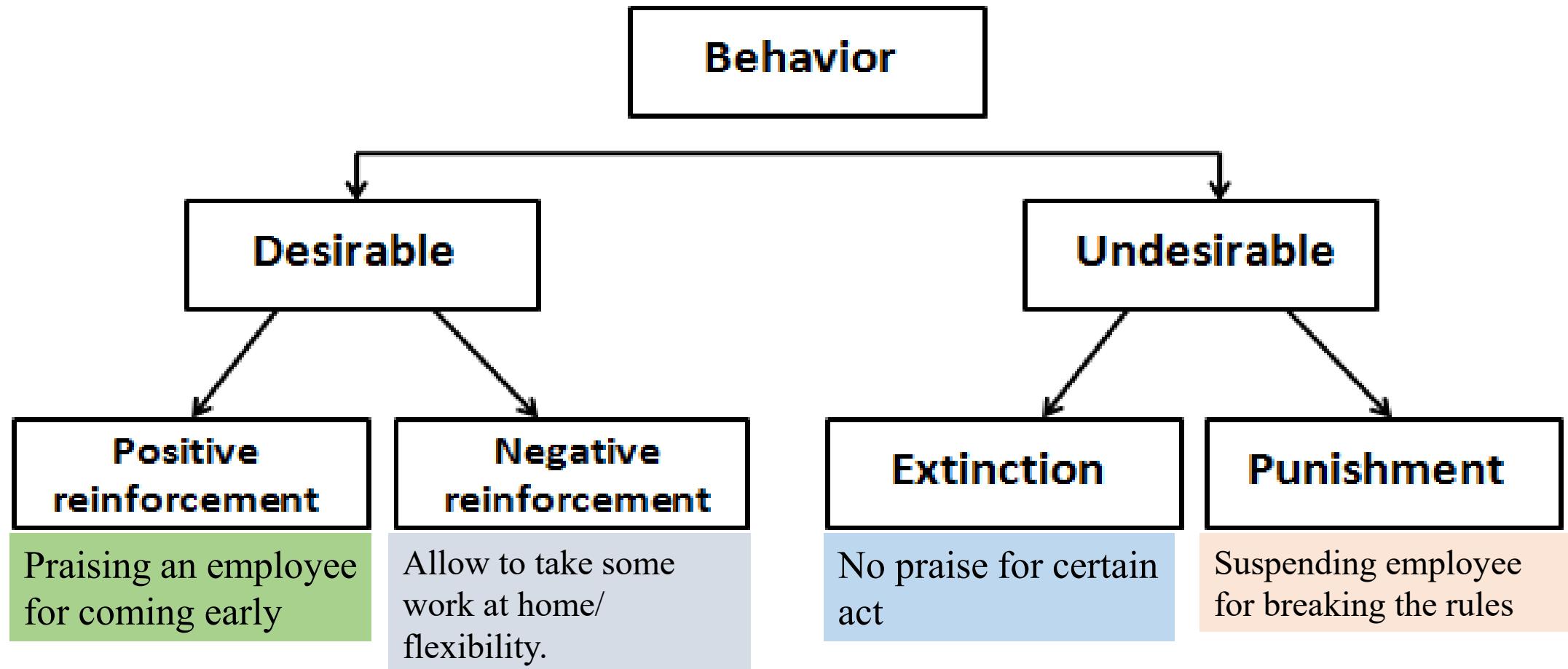
Reinforcement Theory -Methods for Controlling the Behaviour

- **Positive Reinforcement-** A positive response when an individual shows required behaviour. *Praising an employee for coming early for job will increase probability*
- **Negative Reinforcement-** Rewards by removing negative/ undesirable consequences. If someone from your team wraps up early because of a long commute back home, you can ask them to take some projects home and allow them some flexibility.
- **Punishment-** Removing positive consequences to lower the probability of undesirable behaviour in future. *Suspending an employee for breaking the organizational rules*
- **Extinction-** Absence of reinforcements. It implies lowering the probability of undesired behaviour by removing reward for that kind of behaviour. *An employee no longer receives praise and admiration for certain act*

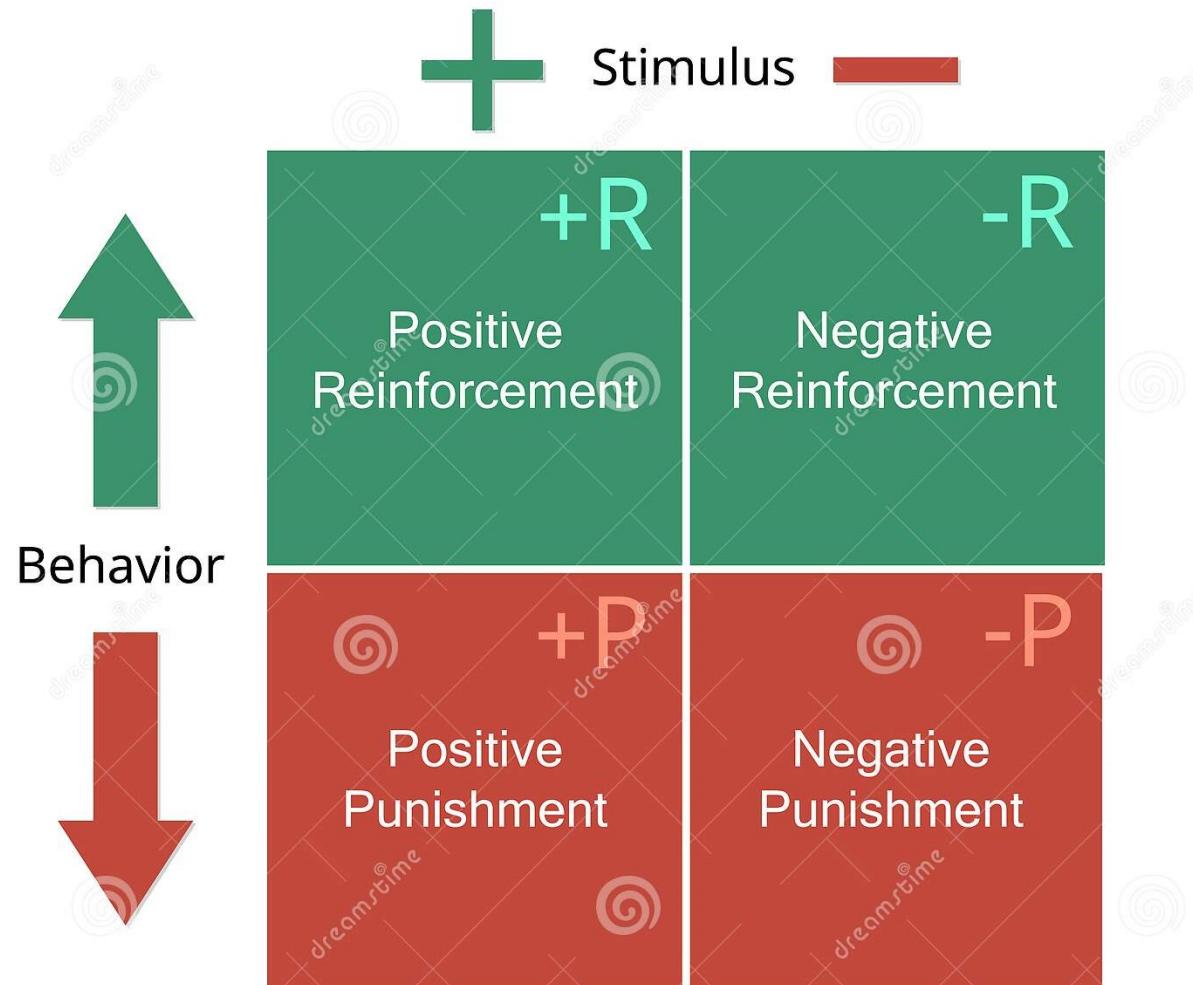
Reinforcement Theory



Reinforcement Theory



Reinforcement Theory



Equity Theory

The Equity theory was first developed in the 1960s by **J. Stacy Adams**

- ▶ It suggests that an individual's **motivation level is correlated to his perception of equity**, fairness and justice practiced by the management
- ▶ Higher the **individual's perception of fairness**, greater the motivation level



Equity Theory

Employee compares the job **input (contribution)** to **outcome (compensation)** and compares the same with that of another peer of equal cadre/ category

Ratio Comparison

$$O/I\ a < O/I\ b$$

Perception

Under-rewarded (Equity Tension)

$$O/I\ a = O/I\ b$$

Equity

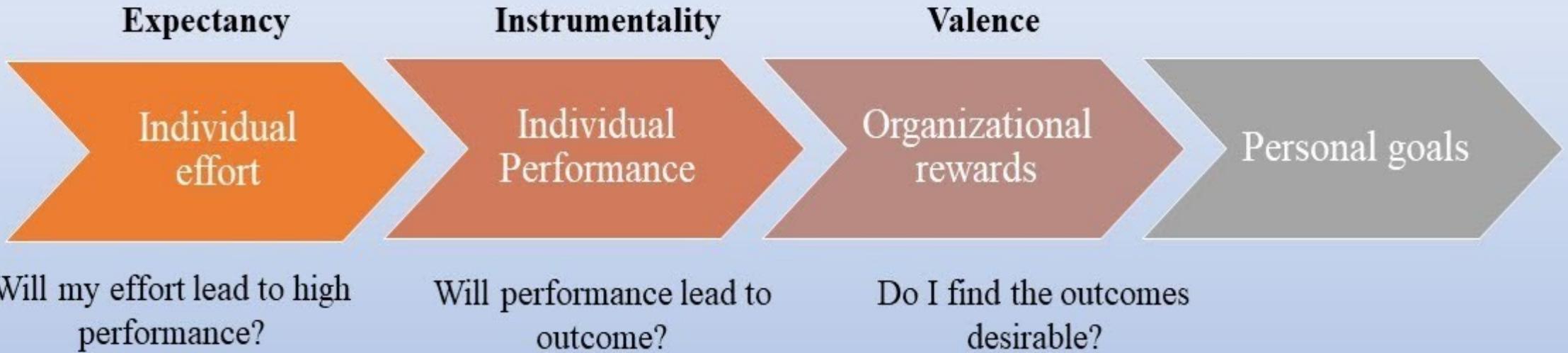
$$O/I\ a > O/I\ b$$

Over-rewarded (Equity Tension)

Expectancy Theory

- ▶ Proposed by **Victor Vroom** of Yale School of Management in 1964
- ▶ Vroom stresses on **outcomes, and not on needs**, unlike Maslow and Herzberg
- ▶ The theory states that the **intensity of a tendency** to perform in a particular manner is dependent on the **intensity of an expectation** that the performance will be **followed by a definite outcome** and on the appeal of the outcome to the individual.

Vroom's Expectancy Theory of Motivation



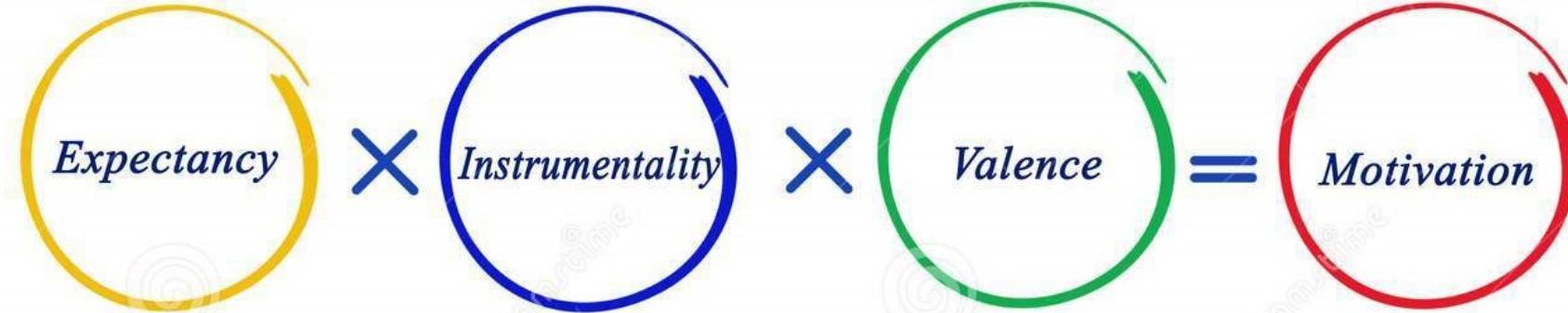
This leads to three kinds of relationships

- a) Effort performance relationship
- b) Performance reward relationship
- c) Reward personal goal relationship

Expectancy Theory

The elements of the expectancy theory are:

- **Expectancy** - Believe that high levels of effort lead to the desired outcomes/ performance
- **Instrumentality** - To what degree is the level of performance related to the reward received? *The reward is measured and tied to the level of performance*
- **Valence** - What is the value of the rewards that result from the performance? Understand what type of reward employee values



Expectancy Theory



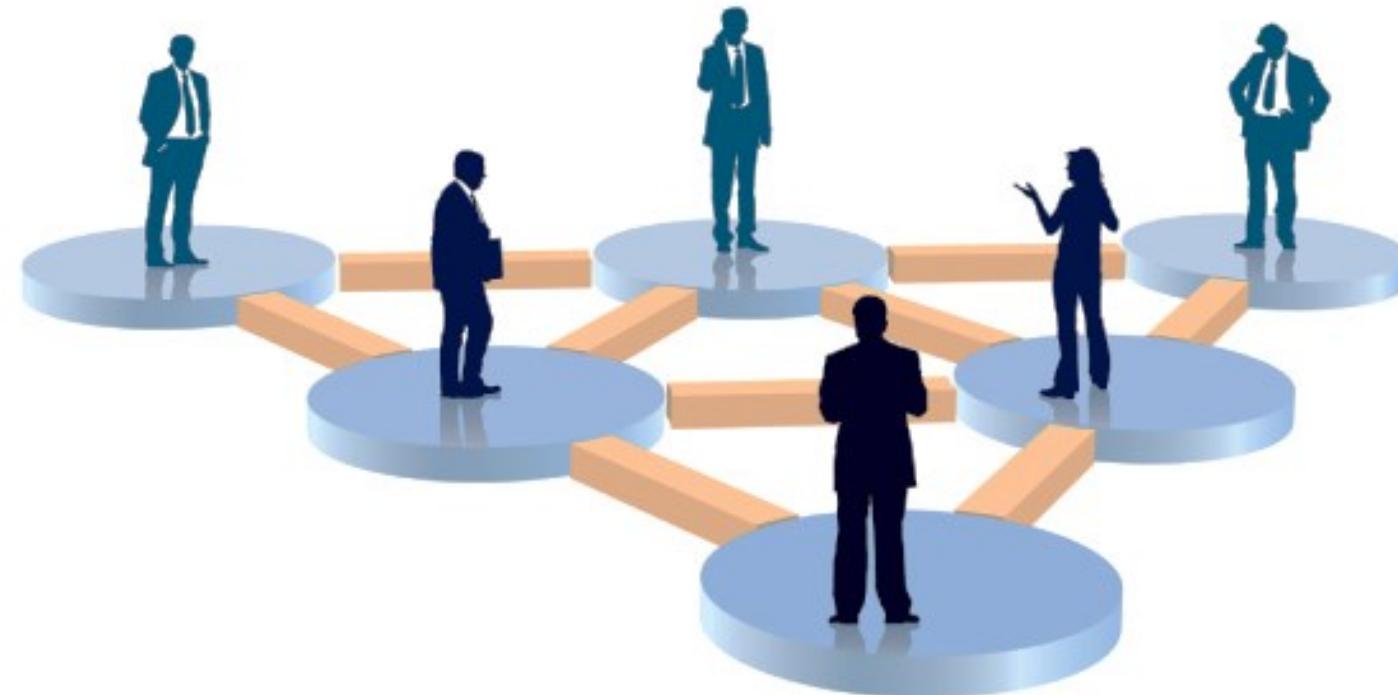
The theory is criticized for being too idealistic - assuming individuals are rational actors making positive decisions concerning the rewards received from their efforts

To Recap...

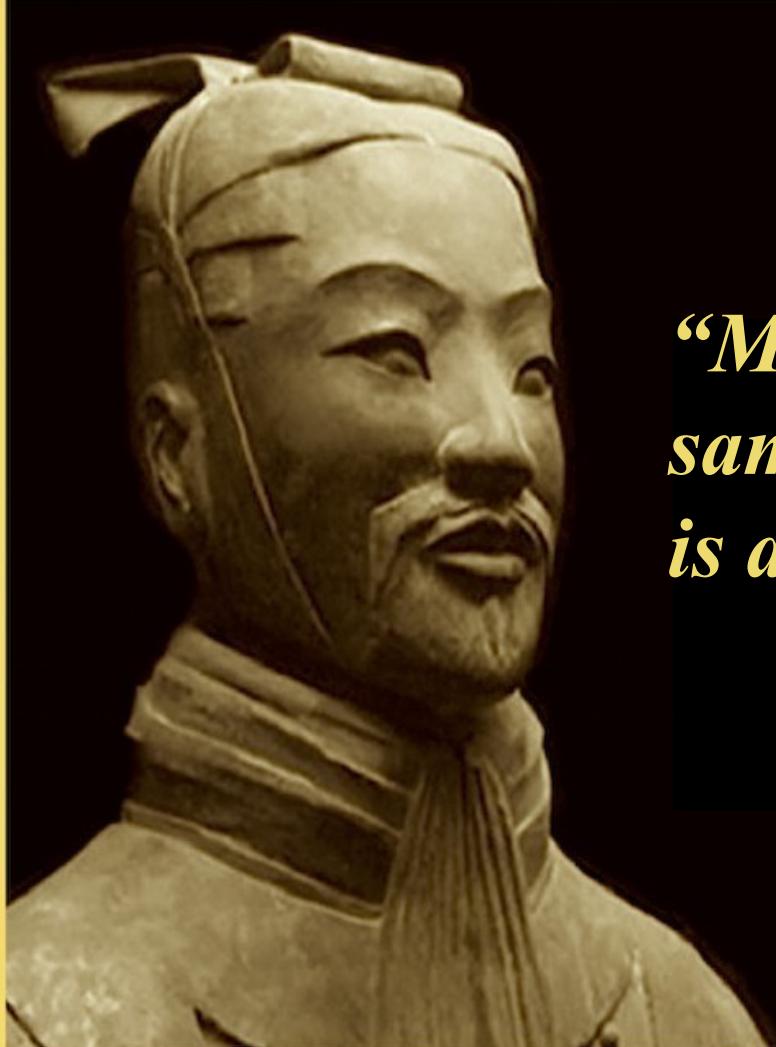
- ▶ Content Perspective – concerned with what factors cause motivation
- ▶ Process Perspective – Deal with how motivation occurs
- ▶ Need to use variety of motivational strategies from various theories of motivation
- ▶ Whatever strategy is used, need to effectively communicate rewards and basis for its distribution

Questions

Organizational Management



Mahboob Sarwar
Sep- Oct 2023



“Management of many is the same as management of few. It is a matter of organization...”

**~ SUN TZU
(544 - 496 BC)**

Outline

1. Organization
2. Departmentalization
3. Chain of Command
4. Unity of Command
5. Cross-functional Management
6. Authority
6. Centralization and Decentralization
7. Traditional & Contemporary Organization
8. Matrix-project structures
9. Learning Structures
10. Organizing collaboration

What is Organization Management?

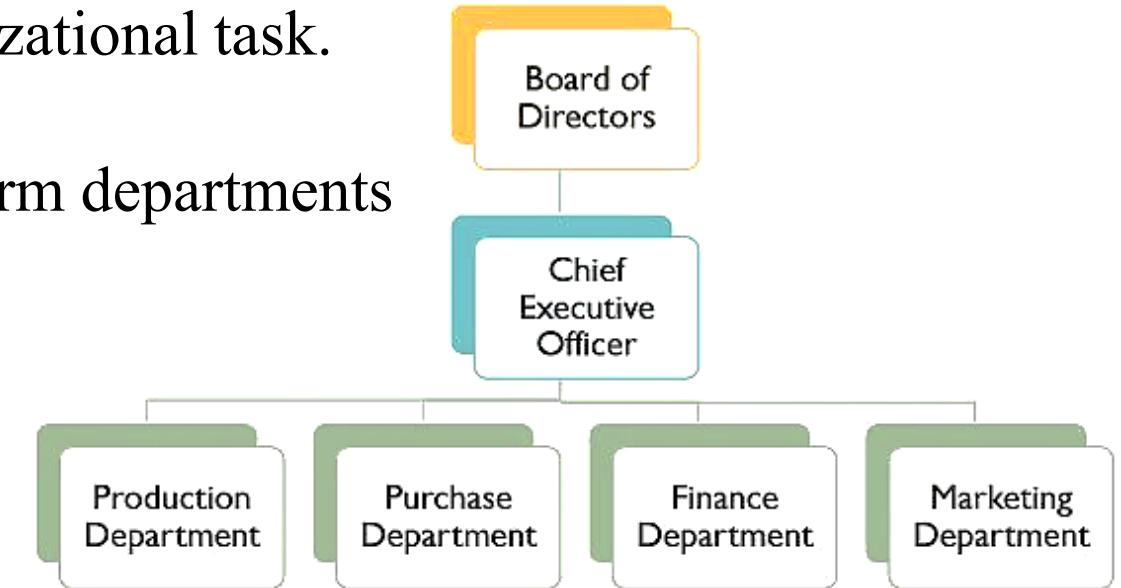
- Organization management is the art of **getting people together** on a **common platform** to make them work towards a **common goal**
- Organization management enables the optimum use of resources through meticulous planning and control at the workplace

Need for Organization Management

- ➔ It gives a sense of **security and oneness** to the employees
- ➔ Required for **better coordination** amongst departments
- ➔ Employees can **accomplish tasks timely**
- ➔ Effective organization management **leads to a peaceful and positive atmosphere**

Departmentalization

- It is the **grouping of jobs, processes, and resources** into **logical units** to perform some organizational task.
- Similar activities are grouped together to form departments

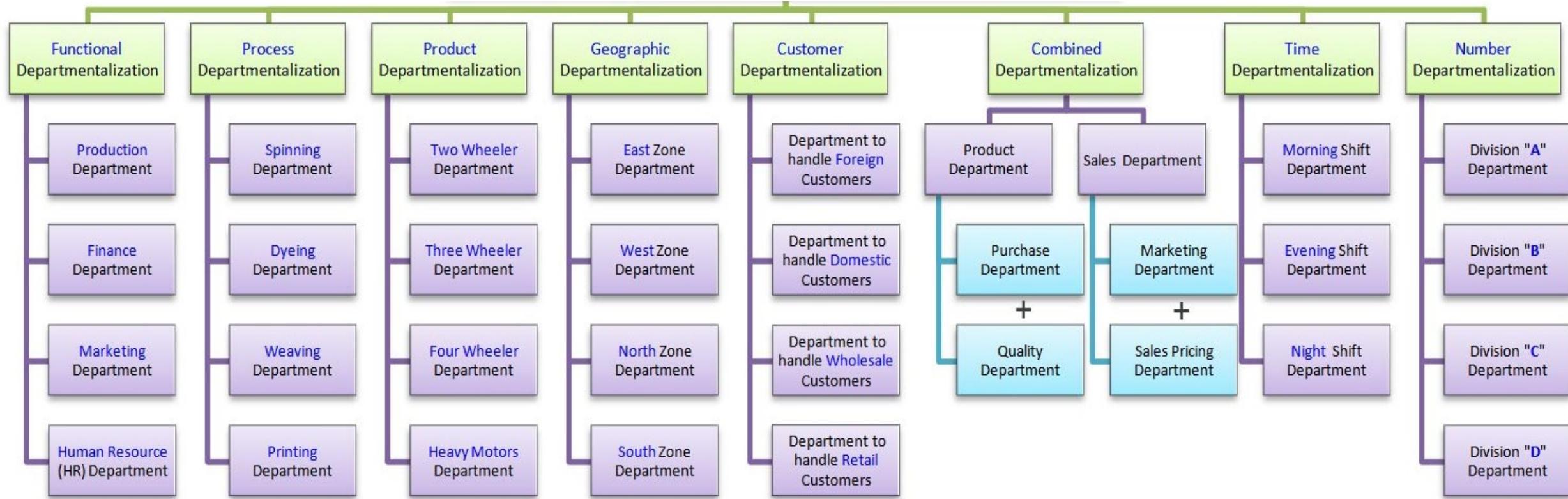




Advantages Departmentalization

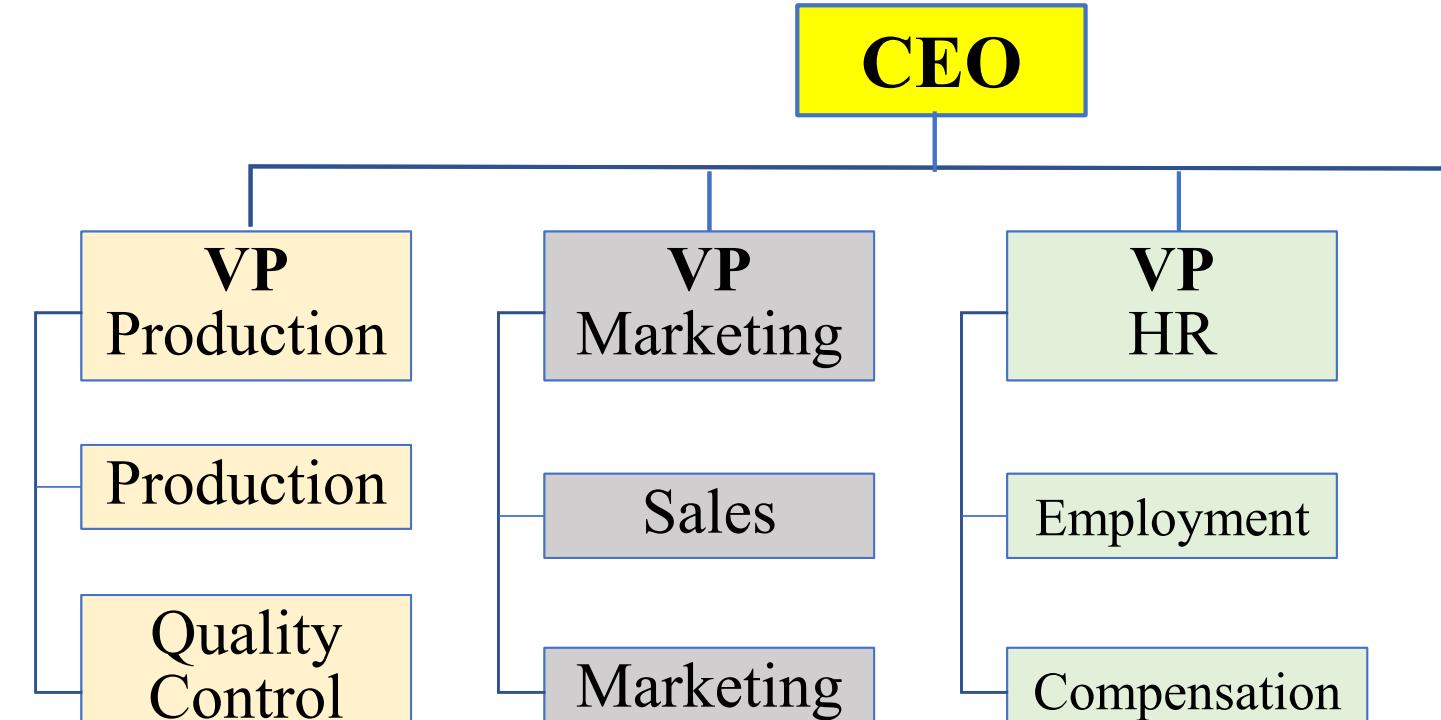
- Optimum utilization of resources
- Specialization
- Growth and expansion
- Better customer service
- Performance appraisal
- Management development

Types of Departmentalization



Types of Departmentalization

1. Functional departmentalization
2. Process departmentalization
3. Product departmentalization
4. Geographic departmentalization
5. Customer departmentalization
6. Combined departmentalization
7. Time departmentalization
8. Number departmentalization

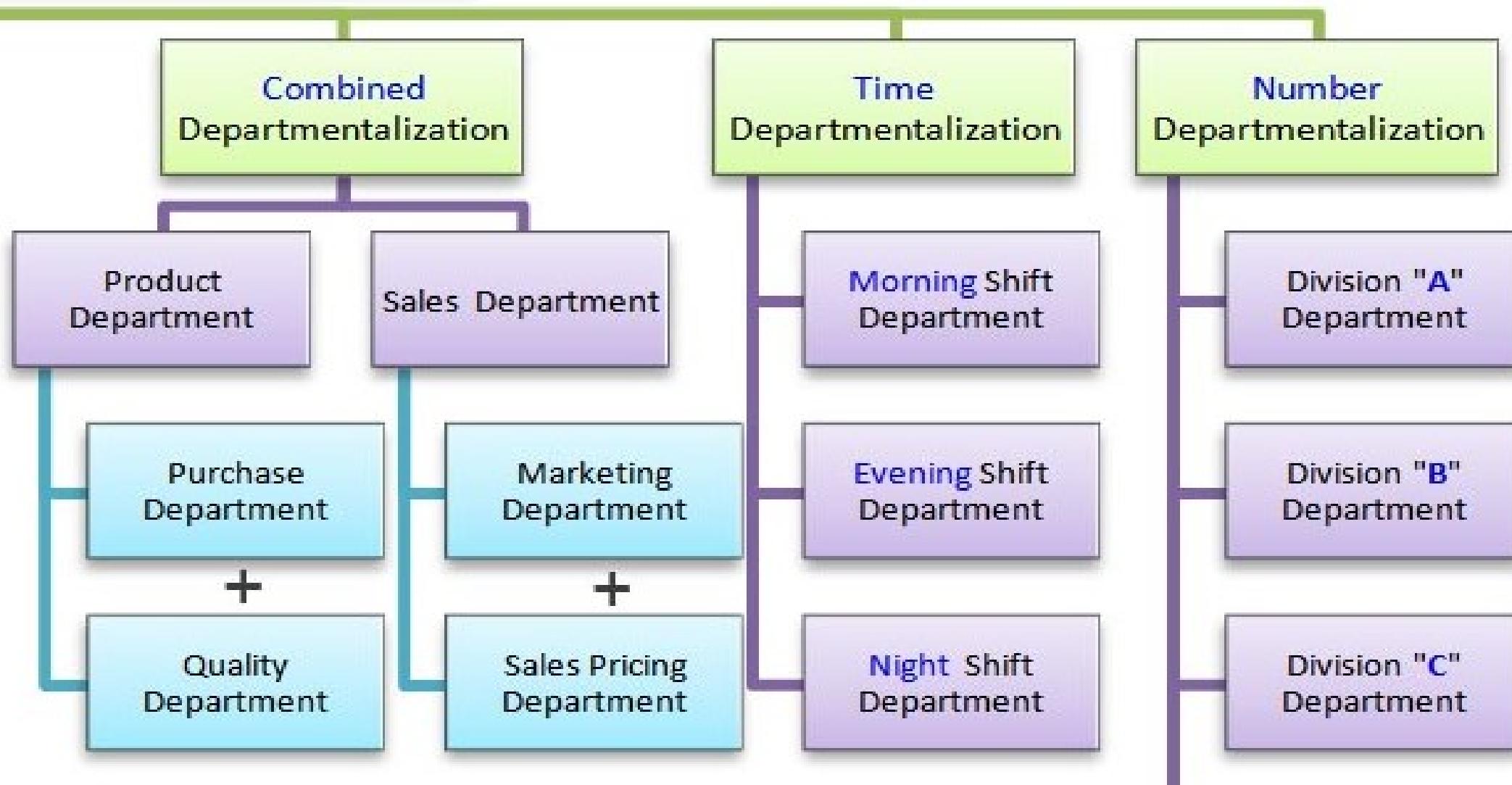


Functional Departmentalization

Types of Departmentalization

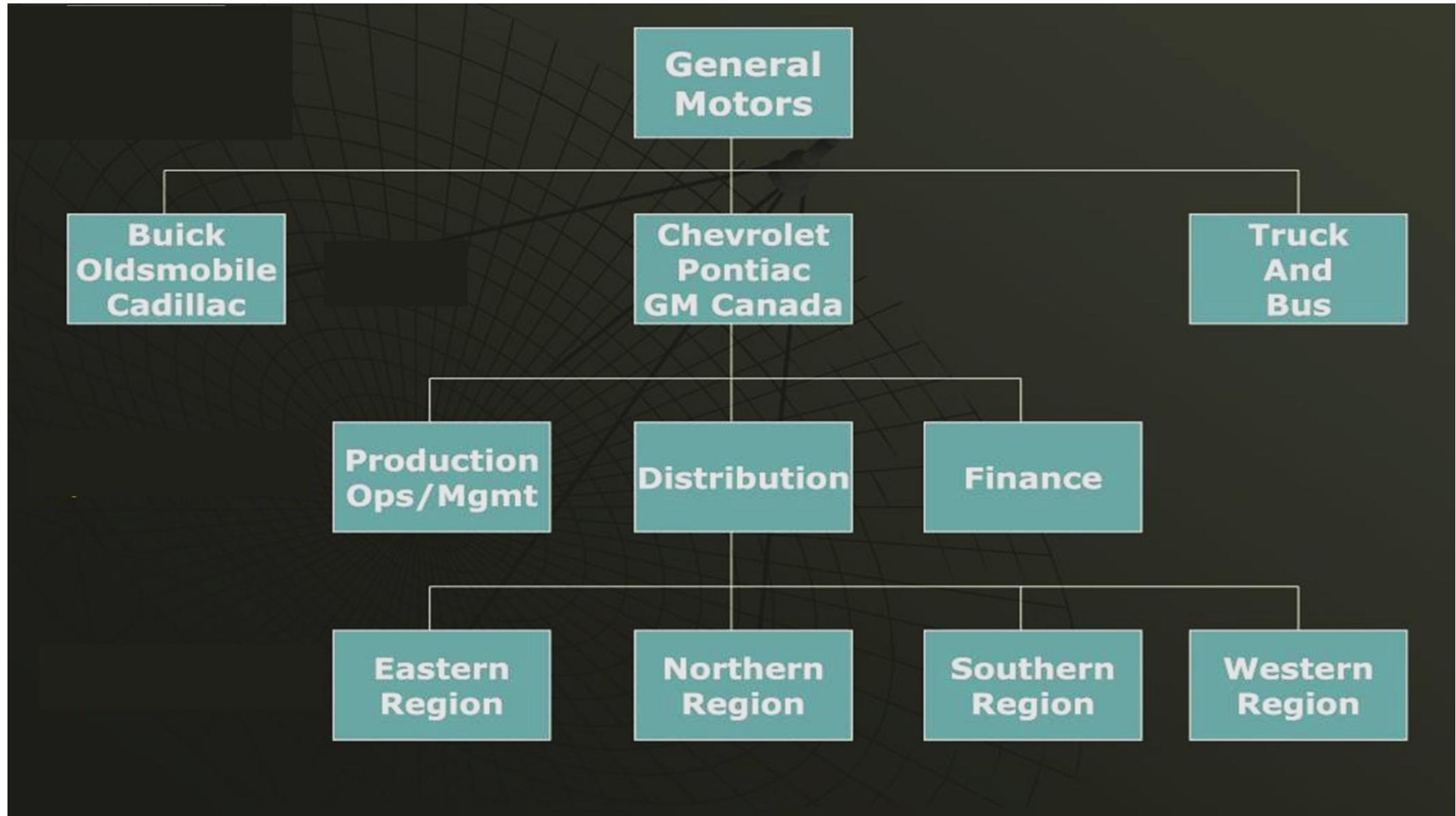


Types of Departmentalization

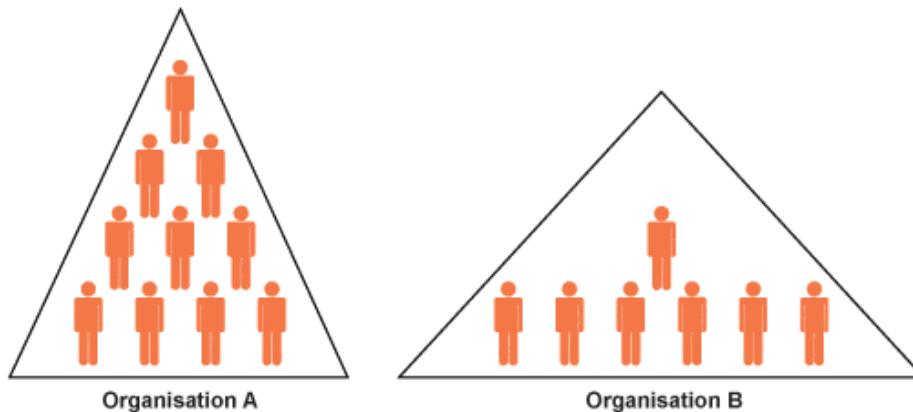


A Typical Organizational Chart...?

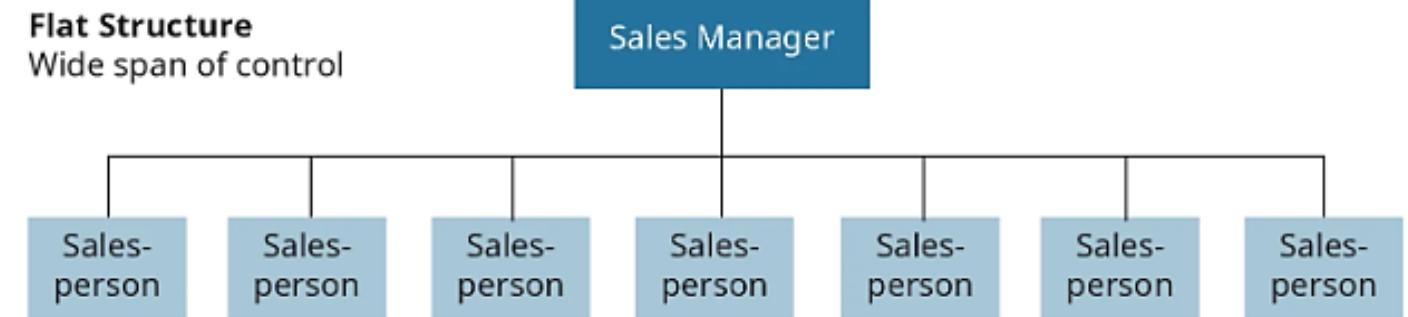




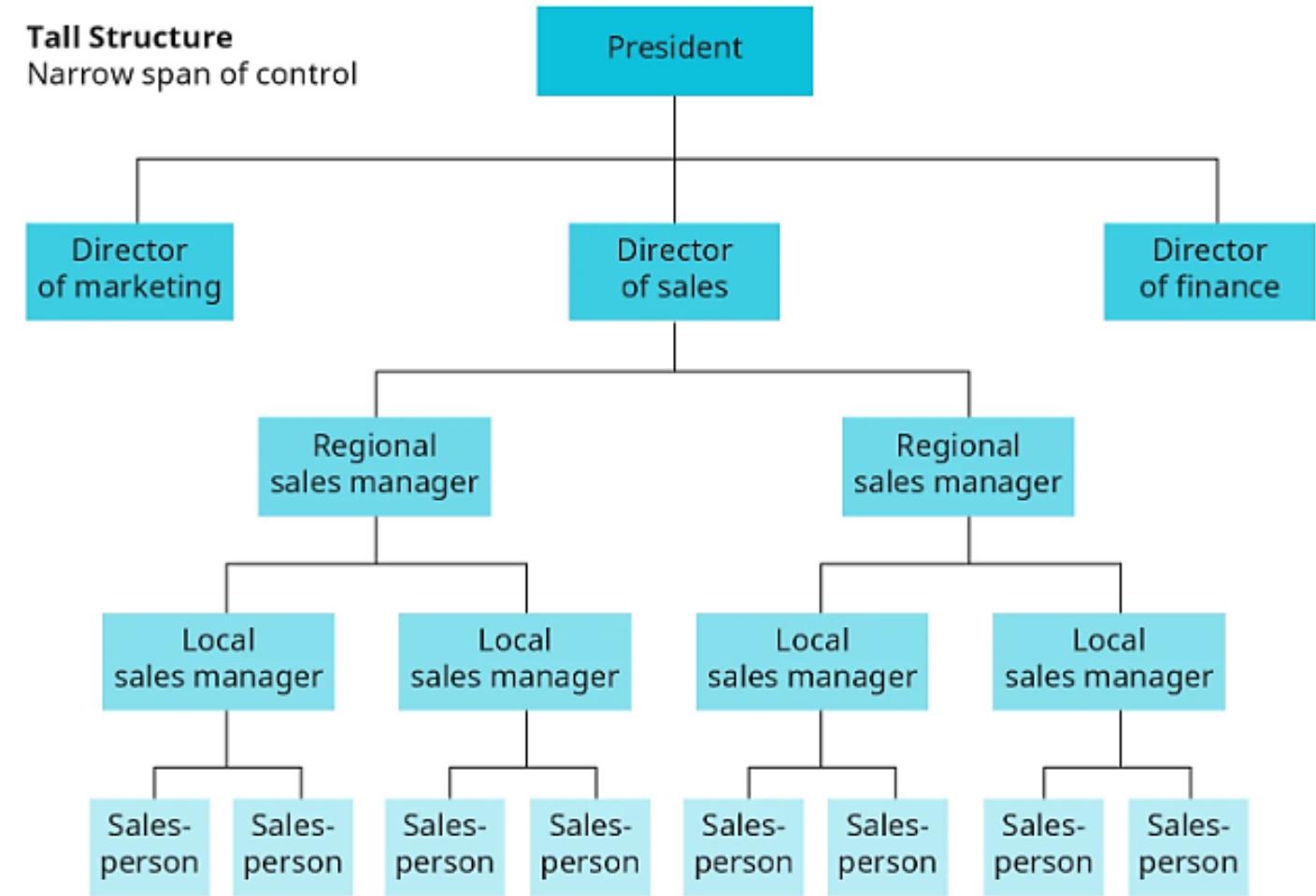
Flat vs. Tall Structures



Flat Structure
Wide span of control



Tall Structure
Narrow span of control



Chain of Command

A ‘Chain of Command’ is an organizational structure that documents **how each member of a company reports** to one another

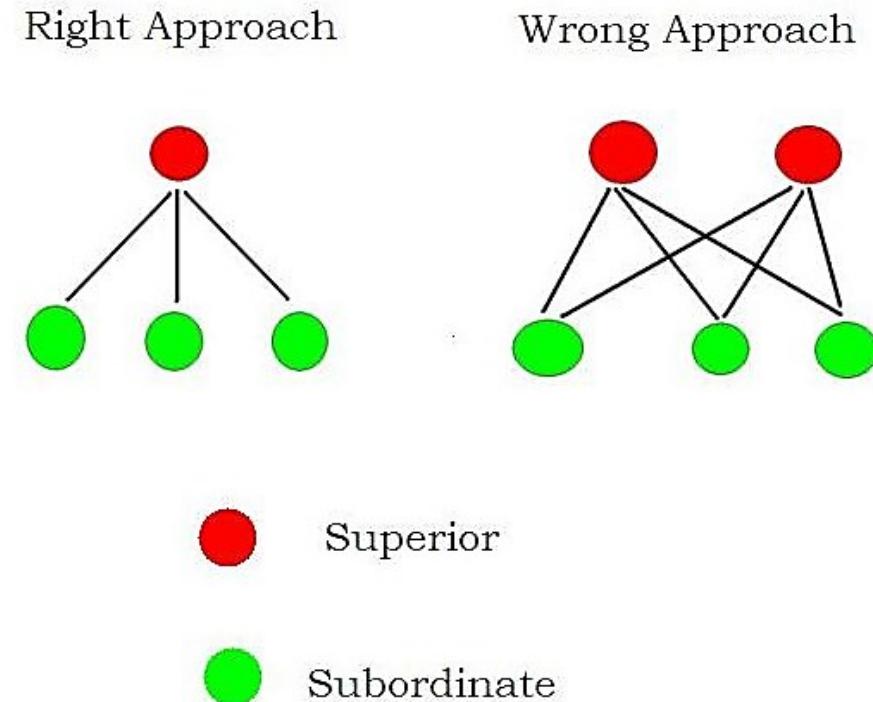
- The term **originated in the military** and popular in management culture
- The ‘Chain of Command’ needs to be **a clearly defined division of roles and responsibilities** as well as a well-defined successor

Unity of Command

One Subordinate - One Superior

A classic principle of management theory in which **each employee only responds to one supervisor**

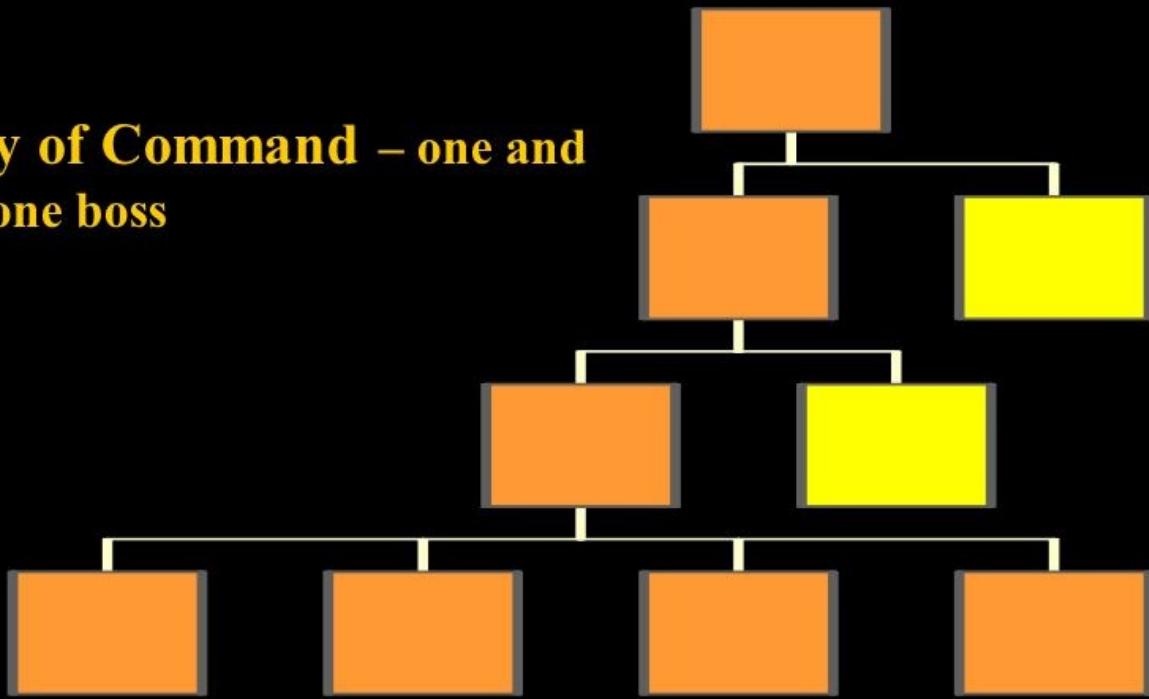
- Every subordinate is answerable and accountable to one boss at one time
- This helps in avoiding communication gaps, feedback and response is prompt
- It helps in effective combination of resources, easy co-ordination and effective organization



Chain of Command vs. Unity of Command

- Chain of command relates to the **overall hierarchy of the organization**,
- Unity of command deals with the fact that **all individuals have a single designated supervisor** they report to.

Chain of Command



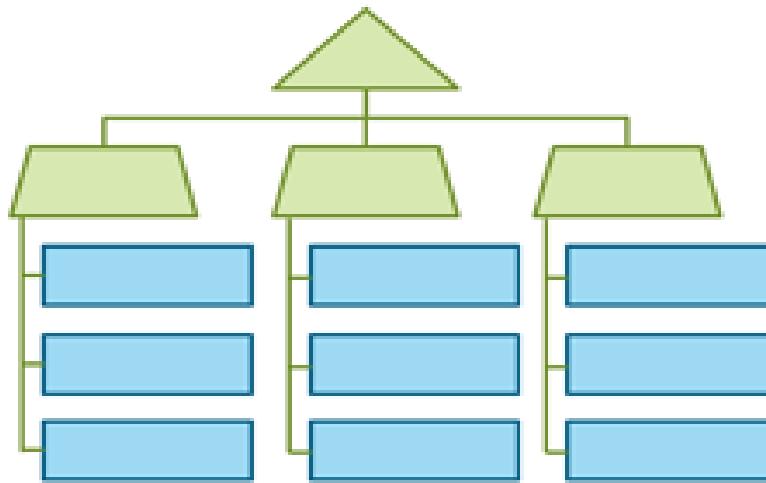
Unity of Command – one and only one boss

Scalar Principal – clear and unbroken line of authority extending from the bottom to the top

Unity of Command Vs. Unity of Direction

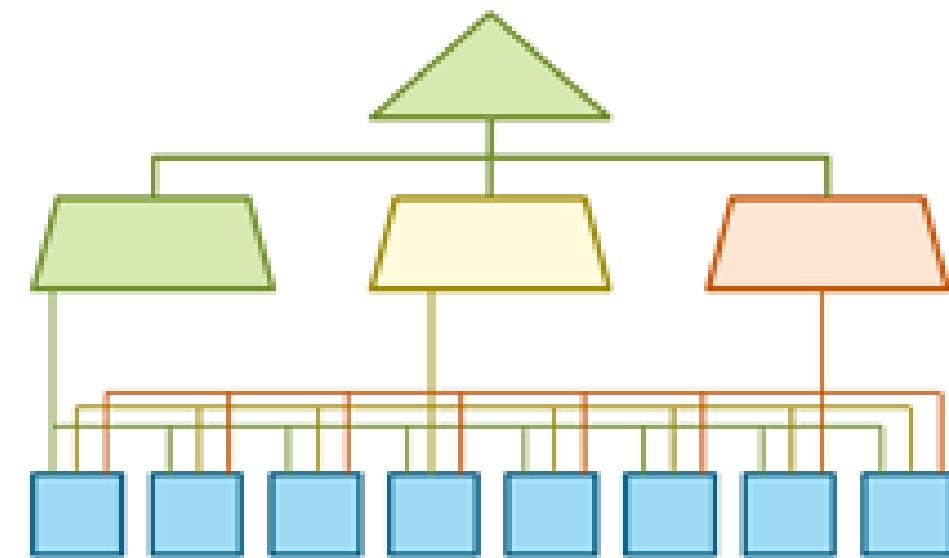
Unity of Command

- One subordinate receive order from one supervisor only
- Avoids conflicts of command
- Possible competence conflict



Unity of Direction

- Each Group of activities has one head and one plan
- Avoids overlapping of activities
- Possible command conflict



Benefits of Unity of Command

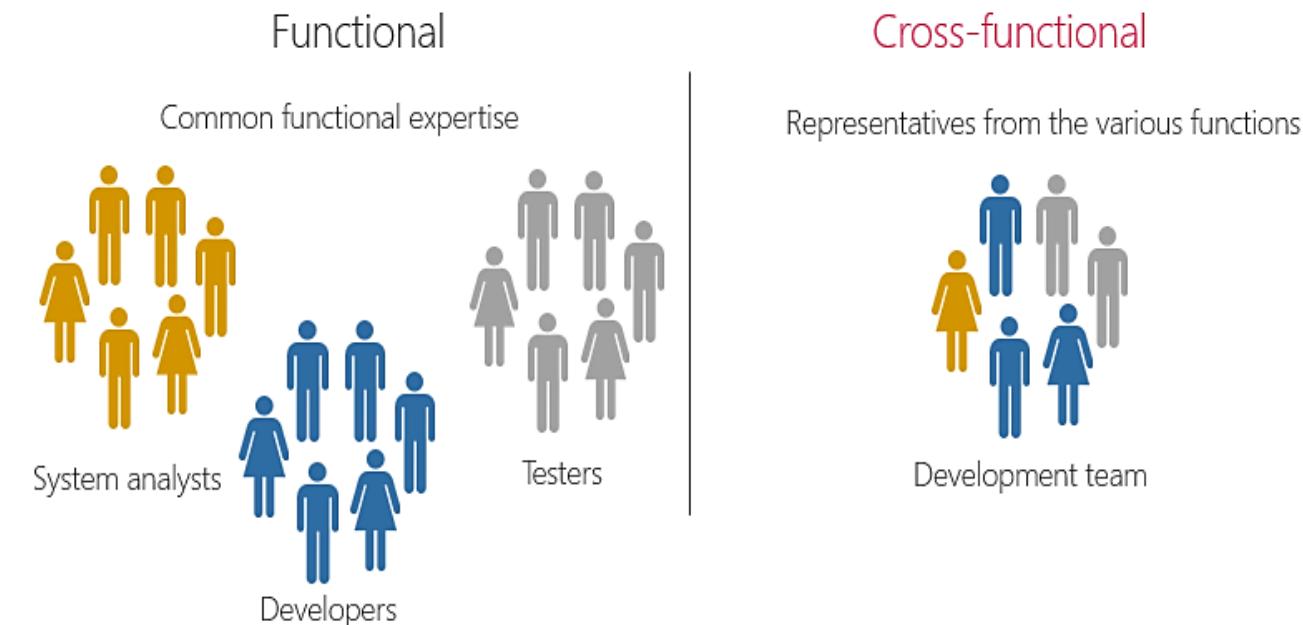
- ▶ Improve links between the authorities and subordinates
- ▶ Clearly thought-out duties, an existence of accountability for the outcomes
- ▶ Prevention of duplication of job functions
- ▶ Rapid and adequate decision-making
- ▶ Excellent teamwork and subordination
- ▶ High production speed
- ▶ An absence of double standards

Cross-functional Management (CFM)

CFM relates to coordinating and **synergizing the activities of different units** for realizing the superordinate cross-functional goals and policy deployment.

- ▶ Building a better system for achieving cross-functional like **innovation, quality, cost, and delivery**

- ▶ **Benefits:**
 - Improved coordination
 - Increased innovation



Authority

- Implies **right to give orders, supervise work of others** and make decisions
- It is linked with the managerial position to give orders and expect to follow the orders
 - The authority was **delegated from top to bottom** of the organizational hierarchy
 - **Every manager possessed some types of authority** according to his designated position related to a specific position a person holds

Types of Authority in Management

► Line Authority

The **work of an employee is directed** with the help of line authority. It takes the form of an employer-employee relationship that moves from top to bottom

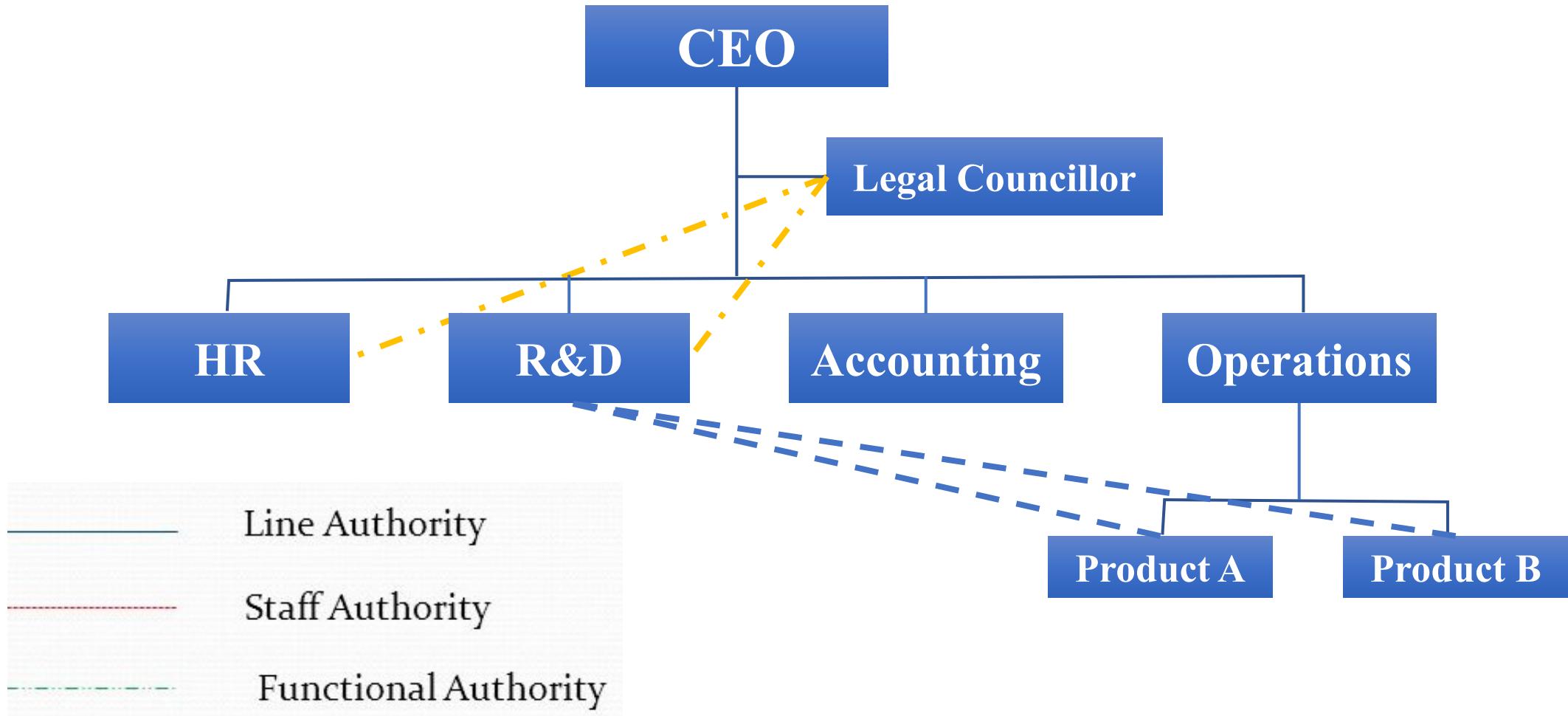
► Staff Authority

Staff authority is possessed by the **staff managers**. The objectives of the organization determine the line and staff nature of the functions of any manager

► Functional Authority

The functional authority that is also known as functional control

Types of Authority in Management



Centralization and Decentralization

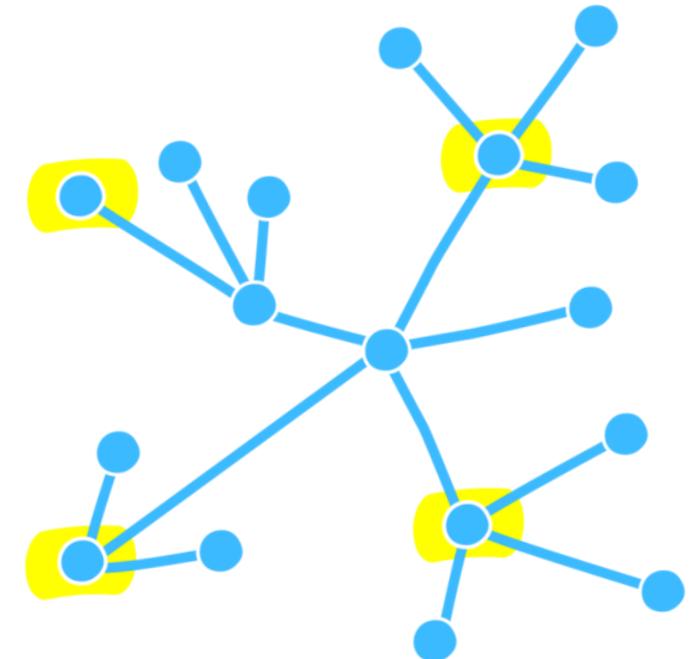
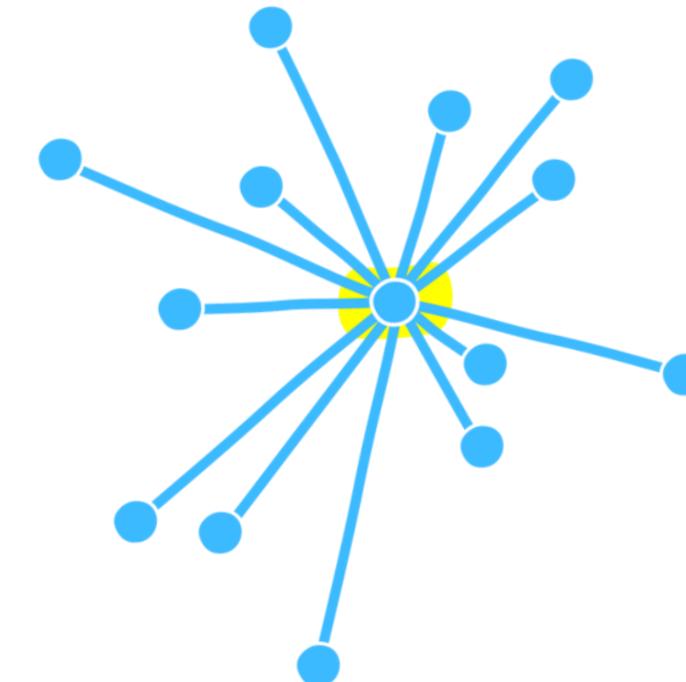
- ➔ ‘Centralization’ is the systematic and consistent reservation of authority at the central points in the organization
- ➔ A process where the **concentration of decision making is in a few hands**, that implies:
 - Reservation of **decision-making power** at top level
 - Reservation of **operating authority** with the middle level managers
 - Reservation of **operation at lower level** at the directions of the top level

Everything that increasing the role of subordinates is decentralization and that decreases the role is centralization

Centralization and Decentralization

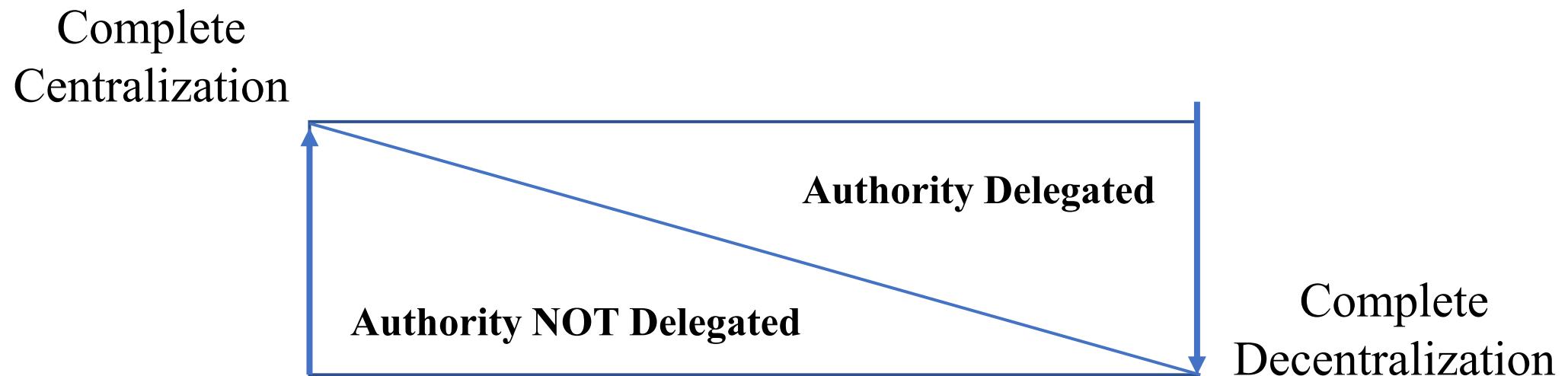
The degree of centralization and de-centralization can be affected by many factors like:

- Nature of operation
- Volume of profits
- Number of departments
- Size of a concern, etc



Centralization and Decentralization

- Decentralization is a **systematic delegation of authority** at all levels of management
- In decentralization, **authority is retained by the top management** for taking major decisions and framing policies concerning the whole concern



Traditional and Contemporary Organization

Contemporary: Team structures, Matrix Structure, Project structures, Autonomous Internal Units, Boundaryless Organization, Learning Organization

Contemporary

Empowered lower-level managers and employees are responsible for the organization's competitiveness and their own development

Top management supports personnel development and ensures employability

Top managers ensure the organization's competitiveness and lower level managers' and employees' job security

Lower-level managers and employees implement top management's strategy with loyalty and obedience

Traditional

Traditional: Simple structures, Functional Designs, Divisional structures

Traditional Organization	Contemporary Organization
Stable, Inflexible	Dynamic, Flexible
Job - focused	Skills-focused
Work is defined by job positions	Work is defined in terms of tasks to be done
Individual - oriented	Team-oriented
Permanent jobs	Temporary jobs
Command - oriented .	Involvement-oriented
Managers always make decisions	Employees participate in decision making
Rule oriented; homogeneous workforce	Customer-oriented- Diverse workforce
Hierarchical relationships	Lateral and networked relationships
Work at specific time and place	Work anywhere, anytime

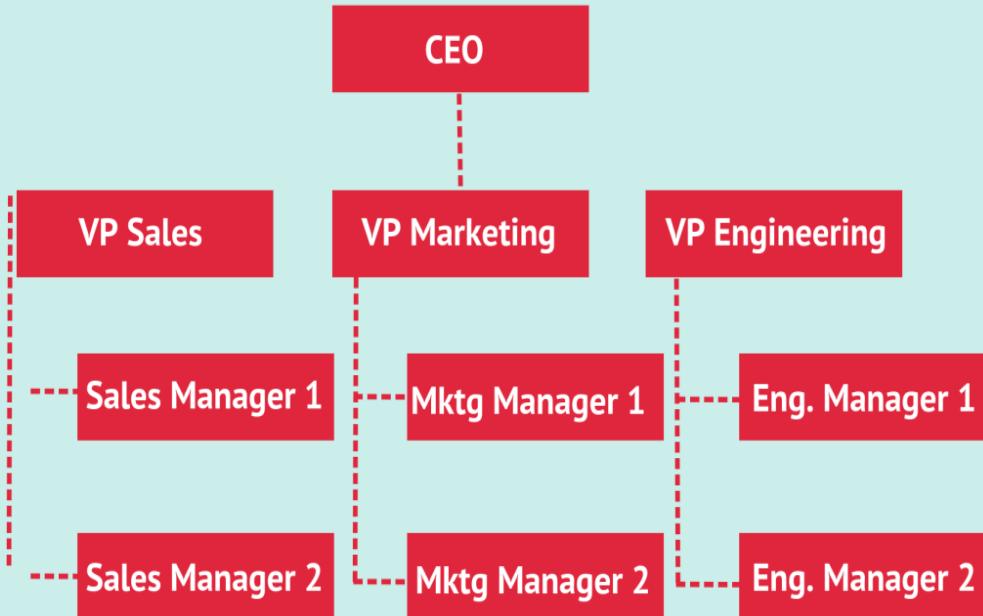
Basic Forms of Organizational Designs

Most designs fall into one of four following categories:

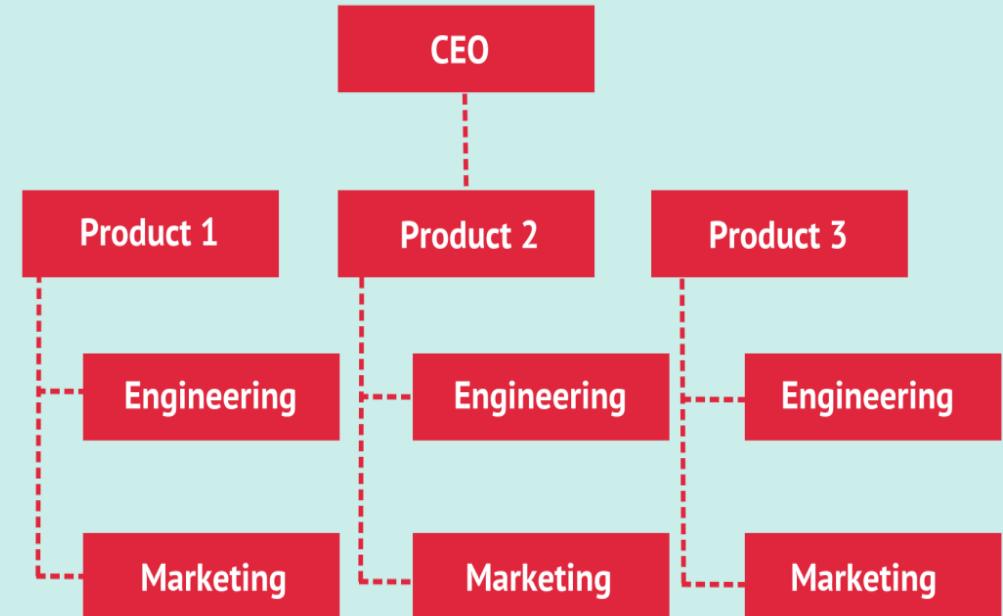
- ▶ **Functional (U-Form) Design** – ‘U for unity,’ relies almost exclusively on the functional approach to departmentalization
- ▶ **Conglomerate (H-Form) Design** – ‘H for Holding,’ consists of a set of unrelated businesses with a GM for each business
- ▶ **Divisional (M-Form) Designs** – ‘M or MDF’ from Multi-division, where the firm is separated into several semi autonomous units
- ▶ **Matrix design** - Way of arranging a set up reporting relationships as a grid, or a matrix, rather than in the traditional hierarchy.

Hybrid Designs

Functional - *U Form*

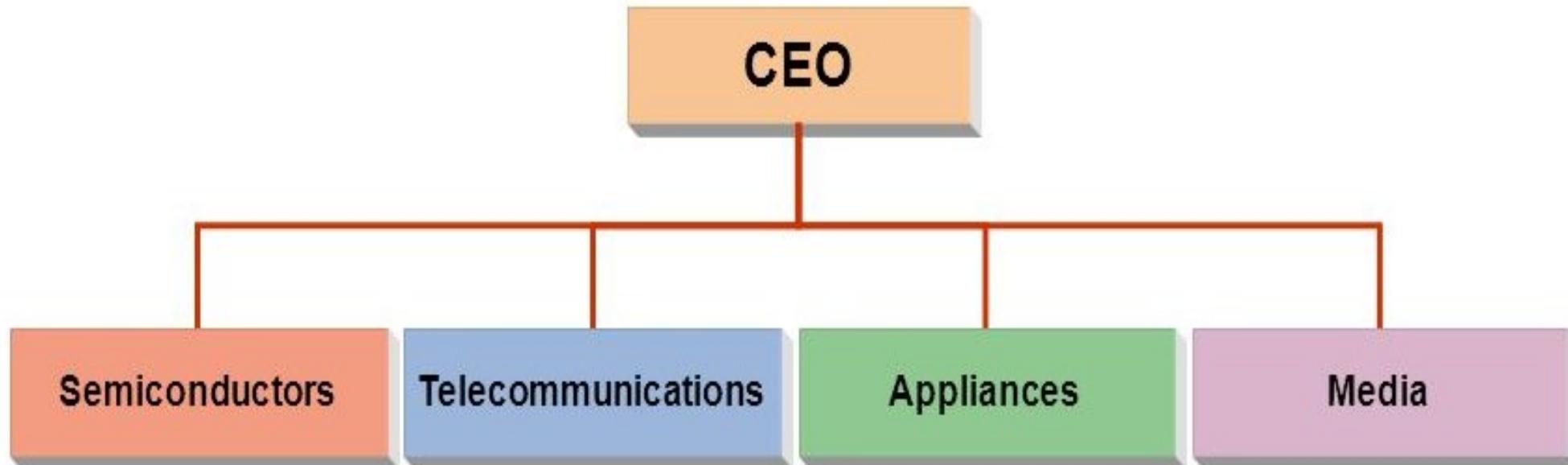


Divisional - *M Form*



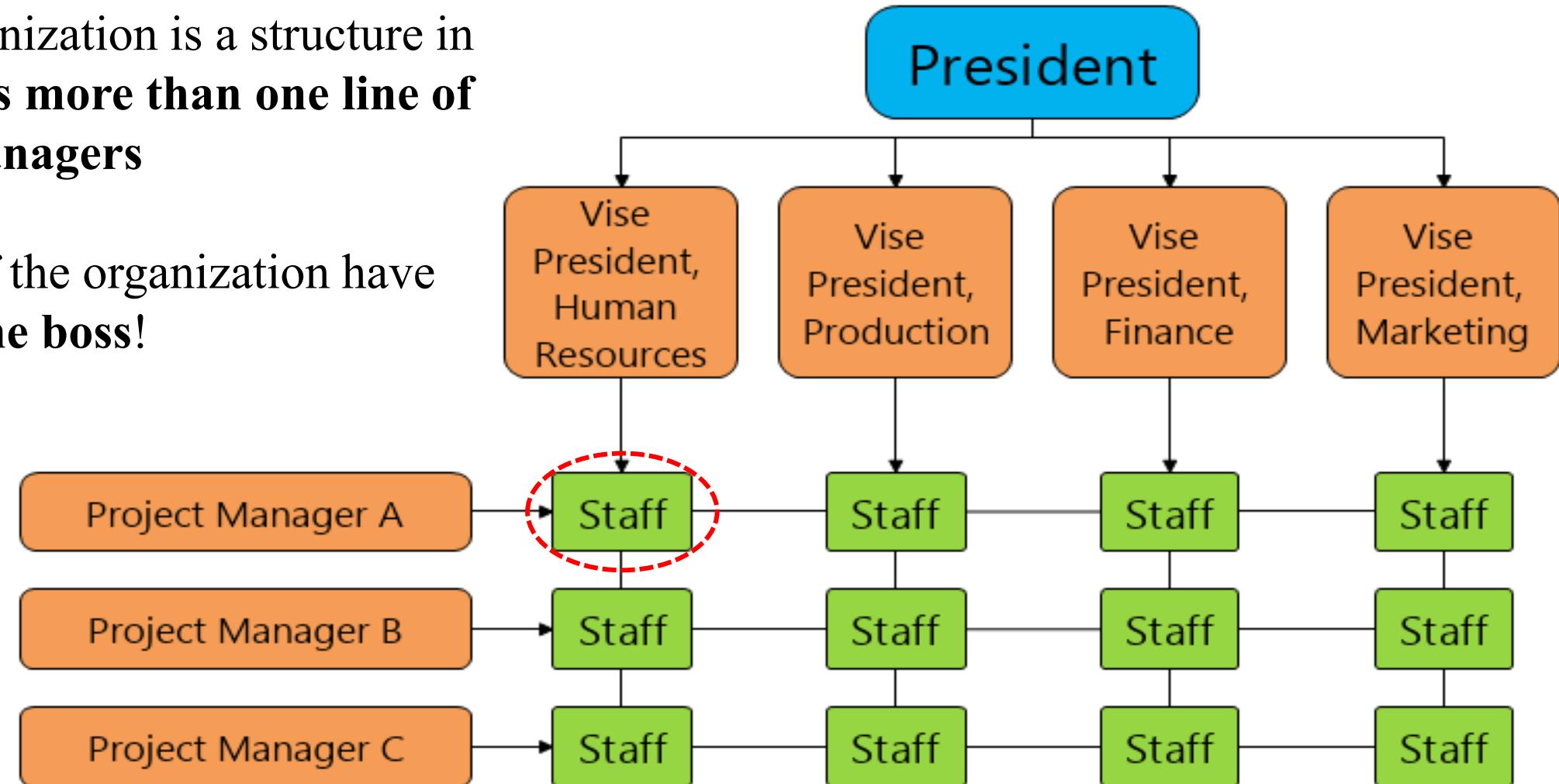
Conglomerate (H-Form) Design

- Consists of a set of unrelated businesses with a GM for each business

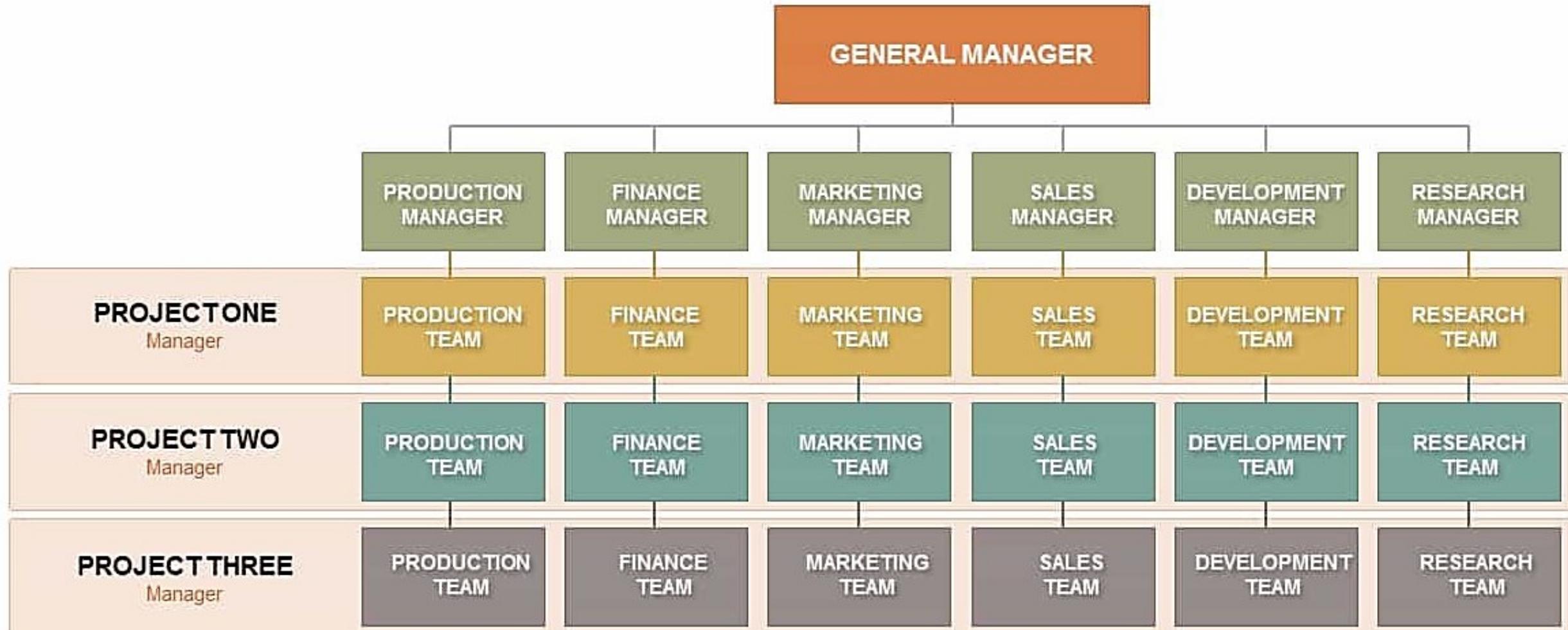


Matrix Structures

- A matrix organization is a structure in which **there is more than one line of reporting managers**
- Employees of the organization have **more than one boss!**



Matrix Structures

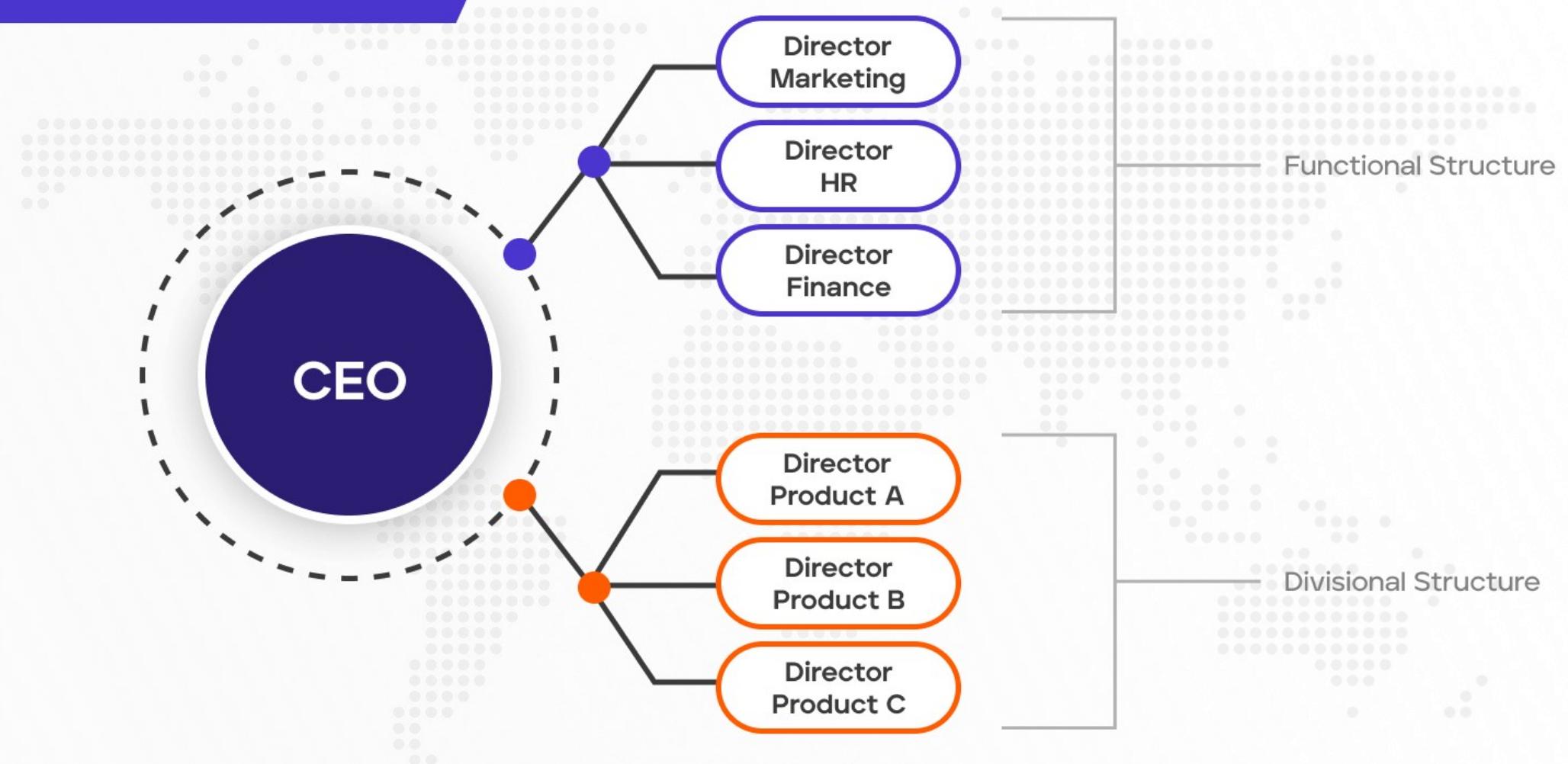


Advantages and Disadvantages of Matrix Structures

✓ Clear project objectives	✗ Complex reporting style
✓ Efficient use of resources	✗ Slow response time
✓ Free-flowing information	✗ Conflicting guidance
✓ Training for project managers	✗ Potential power struggles
✓ Retention of teams	✗ Juggling priorities

Organizational Structure Type
HYBRID STRUCTURE

A hybrid organizational structure employs multiple reporting structures in the organization



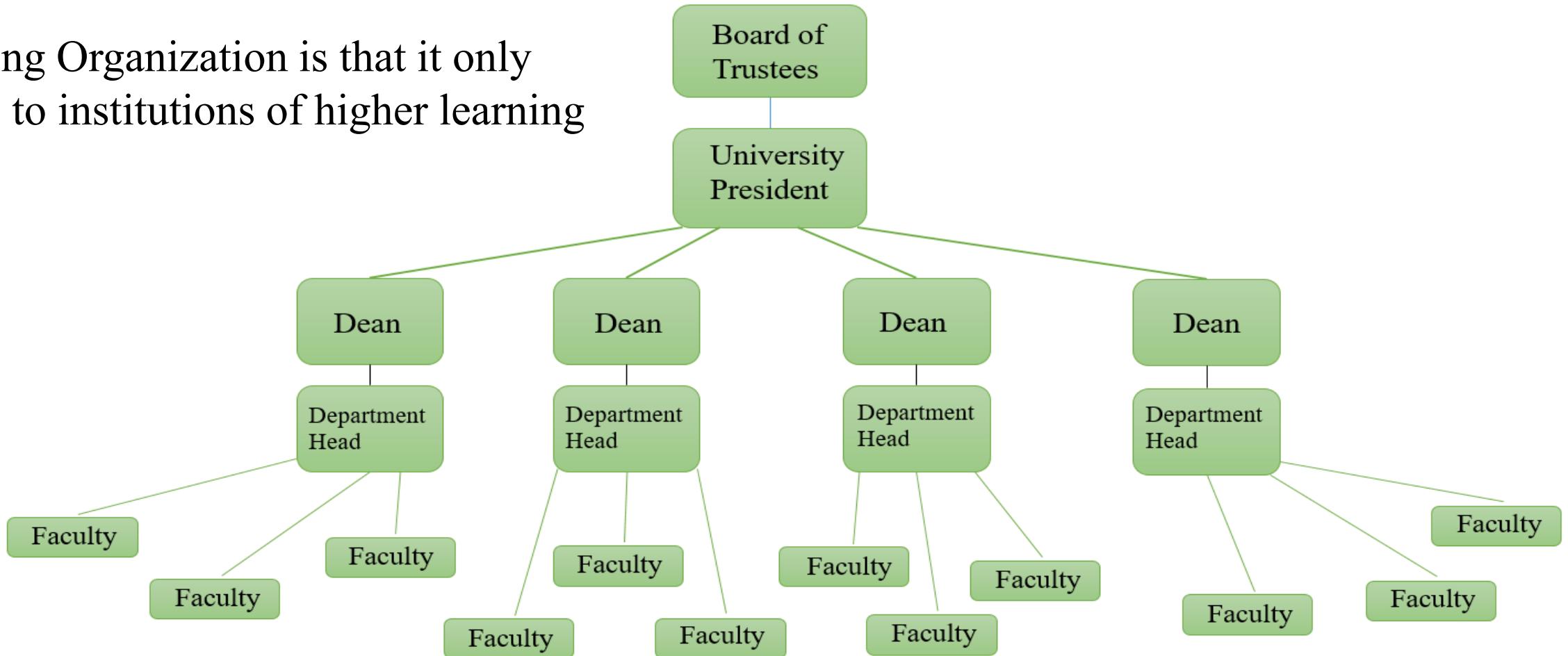
Learning Structures

- A learning organization is skilled at creating, acquiring, and transferring knowledge, and at modifying its behavior to reflect new knowledge and insights.

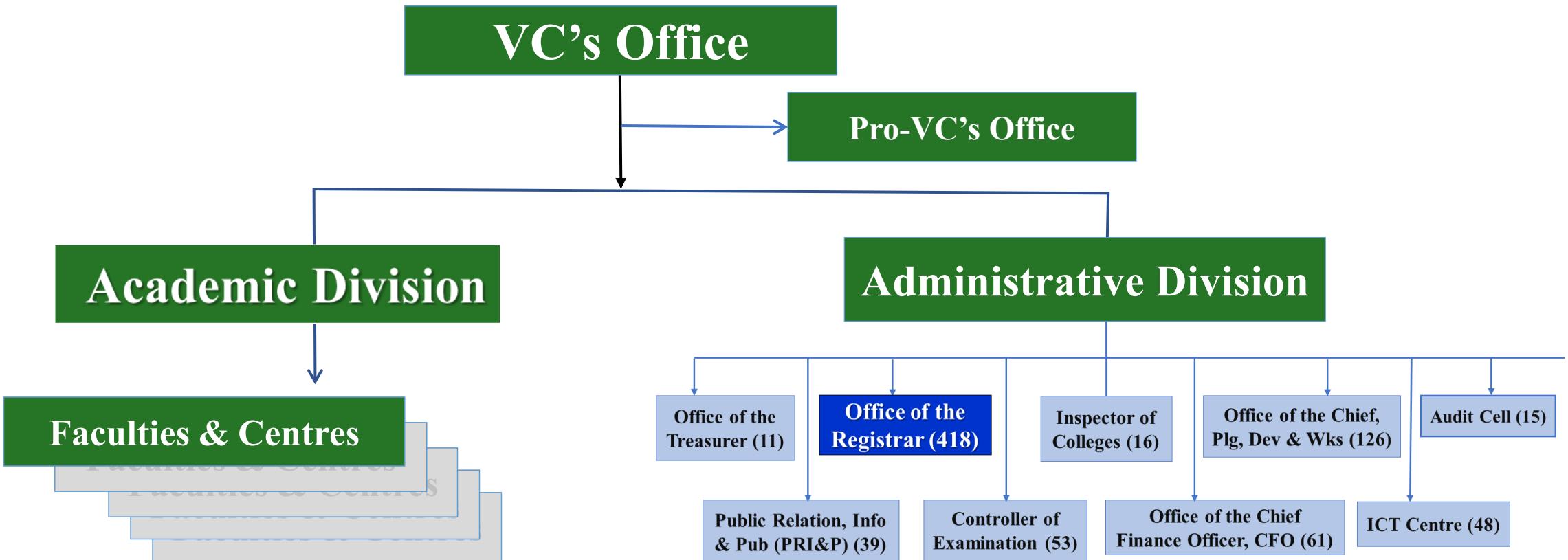
- Learning organization works to facilitate the lifelong learning and personal development of all its employees while continually transforming itself to respond to changing demands and Needs

Typical University Structure

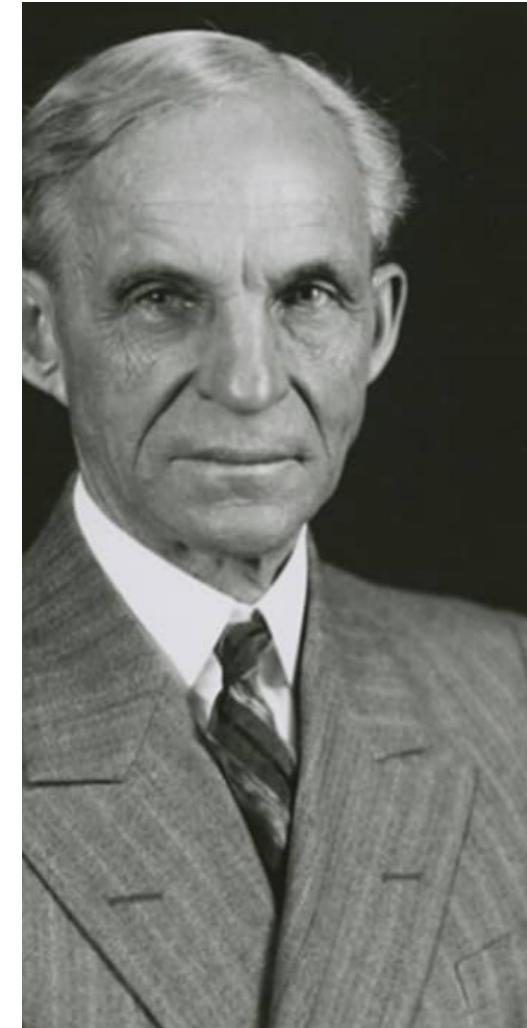
Learning Organization is that it only relates to institutions of higher learning



Typical Public University Structure in Bangladesh



Organizing Collaboration



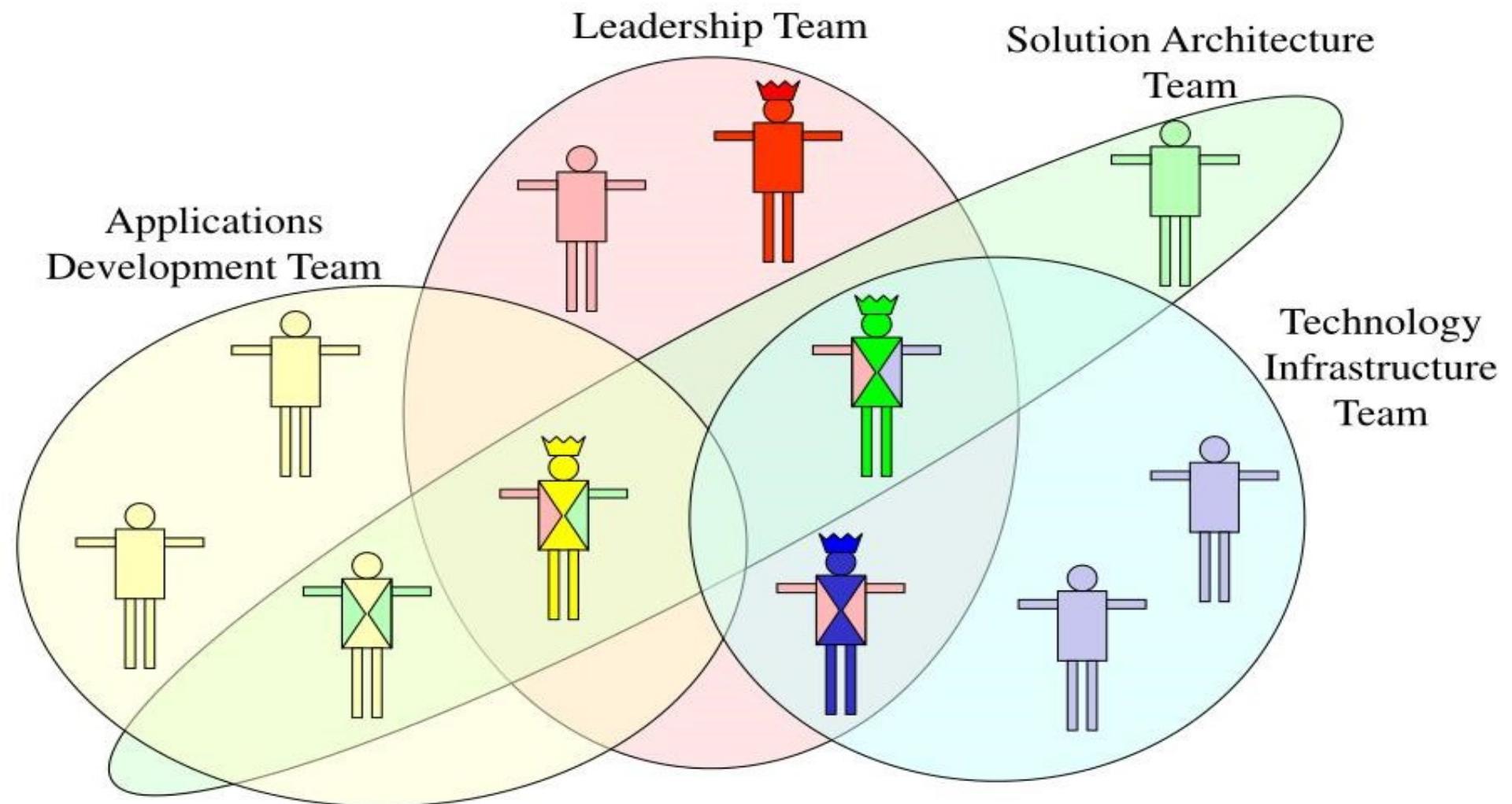
“
**Coming
together is a
beginning;
keeping
together is
progress;
working
together is
success.**

HENRY FORD

Why to collaborate?

- ▶ Collaboration **pulls together talents and strengths of team**, develops skills, speeds up solutions, increases efficiency, enhances employee retention and job satisfaction
- ▶ Every team member has an opportunity to participate and communicate their **ideas**, which can save time and **reduce errors**
- ▶ Collaboration **strengthen level of motivation** and morale for all involved

Collaborative Teams



Questions



Planning and Goal Setting

- ▶ Foundation of Planning
- ▶ Goals of Plan
- ▶ Types o Plan
- ▶ Types of Goal
- ▶ Goal Setting
- ▶ Management by Objectives (MBO)
- ▶ Well Written Goal

Mahboob Sarwar

Oct 2023



Outline

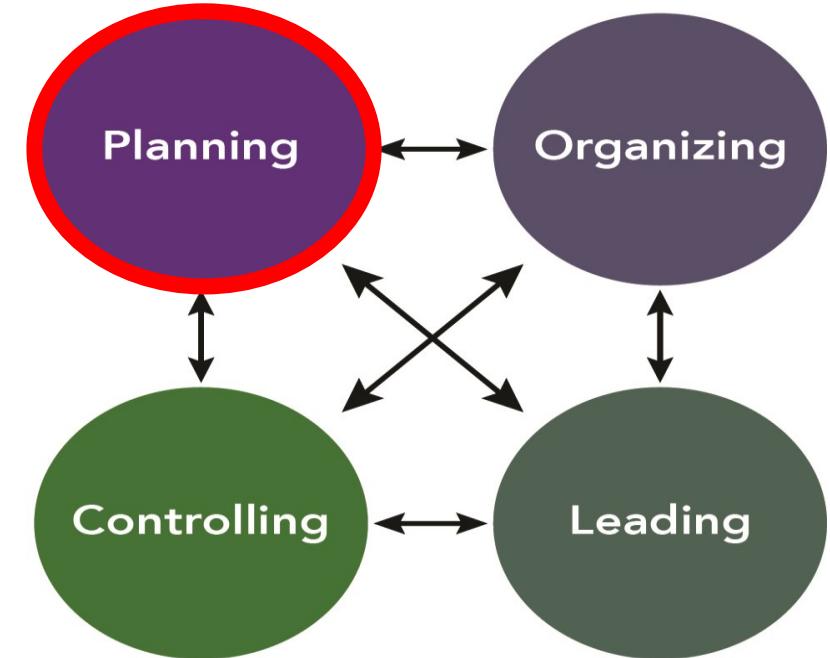
- ▶ Foundation of Planning
- ▶ Goals of Plan
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- ▶ Types of Goal
- ▶ Goal Setting
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- ▶ Well Written Goal

Foundation of Planning

Planning is the **most basic of all managerial functions** and involves:

- Selecting **missions and objectives**, deciding on the actions to achieve them
- It requires **decision making** that is, **choosing a course of action** from among alternatives

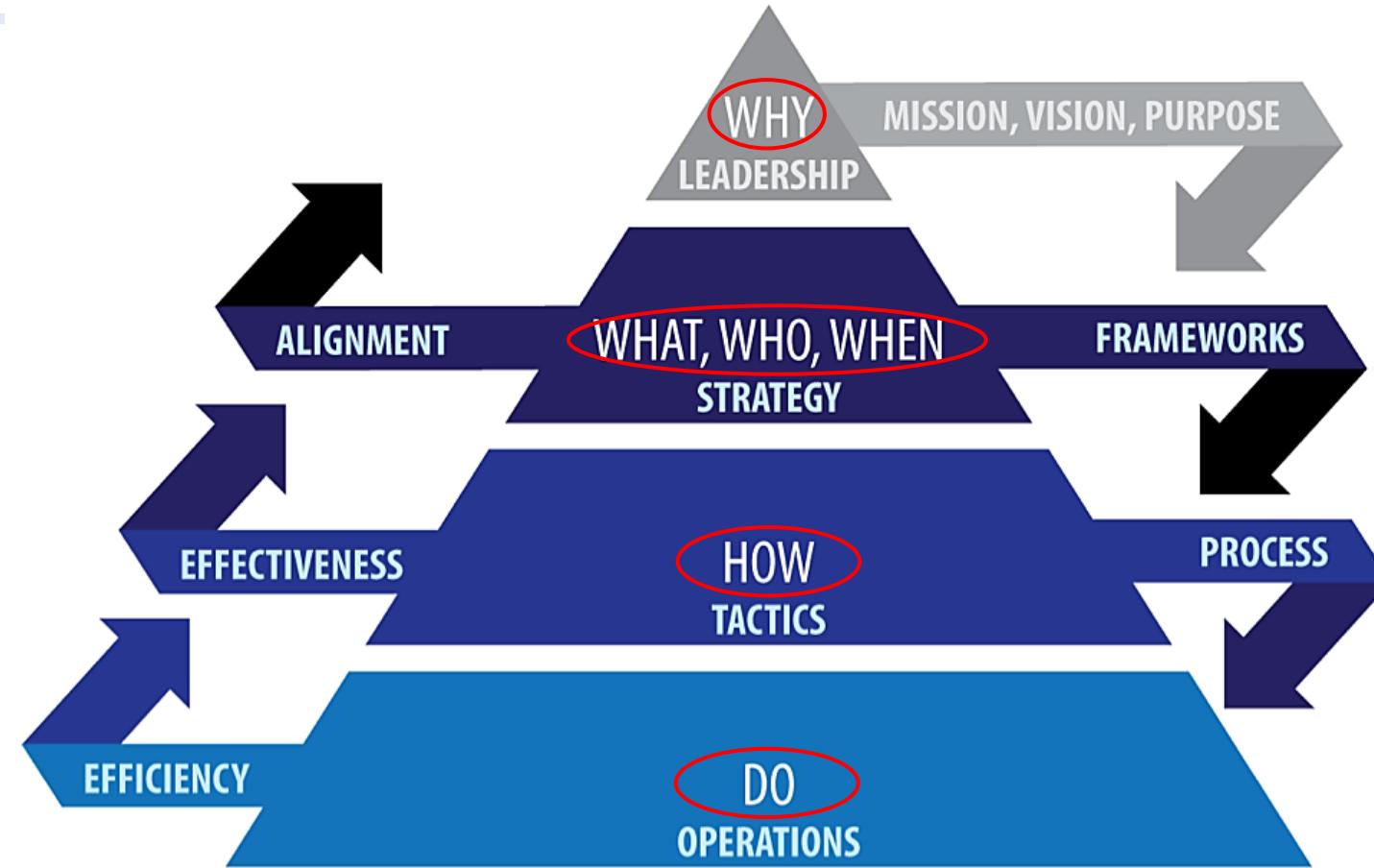
Planning bridges gap from where we are to where we want to go



What is Planning?

- ▶ Planning is **an attempt to manage the future**: what is to be accomplished and how.
- ▶ This process determines **where** the organization should be going, **why**, and **how**.
Planning involves:
 - **Defining** the organization's goals
 - **Establishing** strategy for achieving those goals
 - **Developing** plans for organizational activities

Plans thus **provide a rational approach to achieving pre-selected objectives**



- **Strategy** – defines long-term goals and how to achieve them. The path needed toward achieving mission
- **Tactics** – are much more real and oriented toward smaller steps and a shorter time frame along the way

Types of Plan

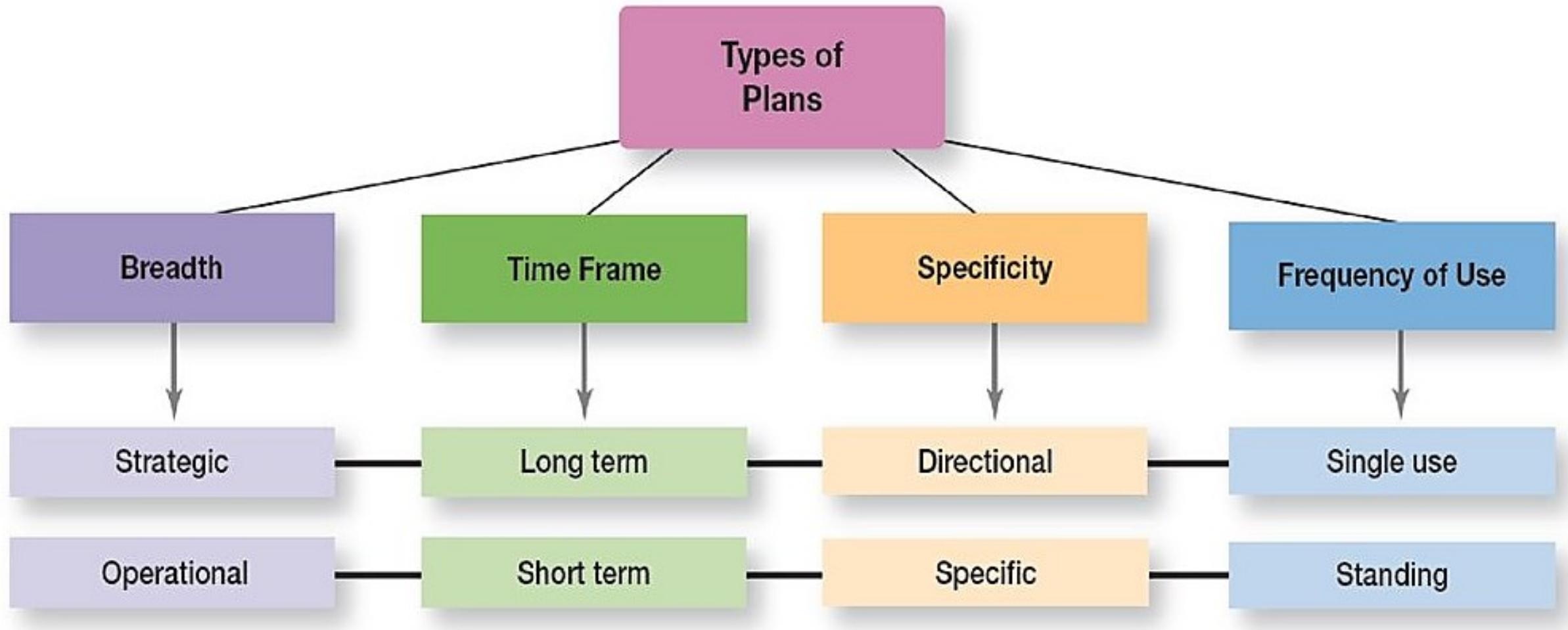
Organization establish many kinds of plans. **Generally, three types:**

- ▶ **Strategic Plan** - A general plan outlining decisions of resource allocation, priorities, and action steps necessary to reach strategic goals
- ▶ **Tactical Plan** - A plan aimed at achieving tactical goals, developed to implement parts of a strategic plan
- ▶ **Operational Plan** - Focuses on carrying out tactical plans to achieve operational goals

Types of Plan

Basing on the **timeframe**, plans are classified:

- ▶ **Long-range Plan** -A plan that covers many years, perhaps even decades; common long-range plans are for **five years or more**
- ▶ **Intermediate Plan** - A plan that generally covers from **one to five years**
- ▶ **Short-range Plan** - A plan that generally covers a **span of one year or less**
- ▶ **Action Plan** - A plan used to operationalize any other kind of plan
- ▶ **Reaction Plan** - A plan developed to react to an unforeseen circumstance



Types of Goal

- ▶ **Mission** - Statement of an organization's fundamental purpose
- ▶ **Strategic Goal** - Goal set by and for top management of the organization
- ▶ **Tactical Goal** - Goal set by and for middle managers of the organization
- ▶ **Operational Goal** - Goal set by and for lower-level managers of the organization

Goals Example

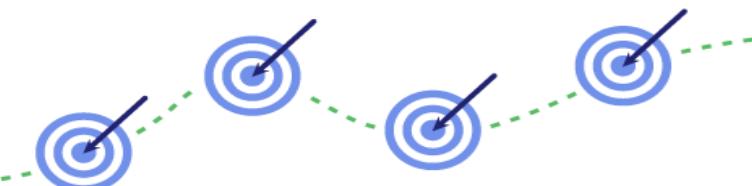
Vs

Objectives Example

A goal is an achievable outcome that is **generally broad and longer term** while an **objective is shorter term and defines measurable actions** to achieve an overall goal

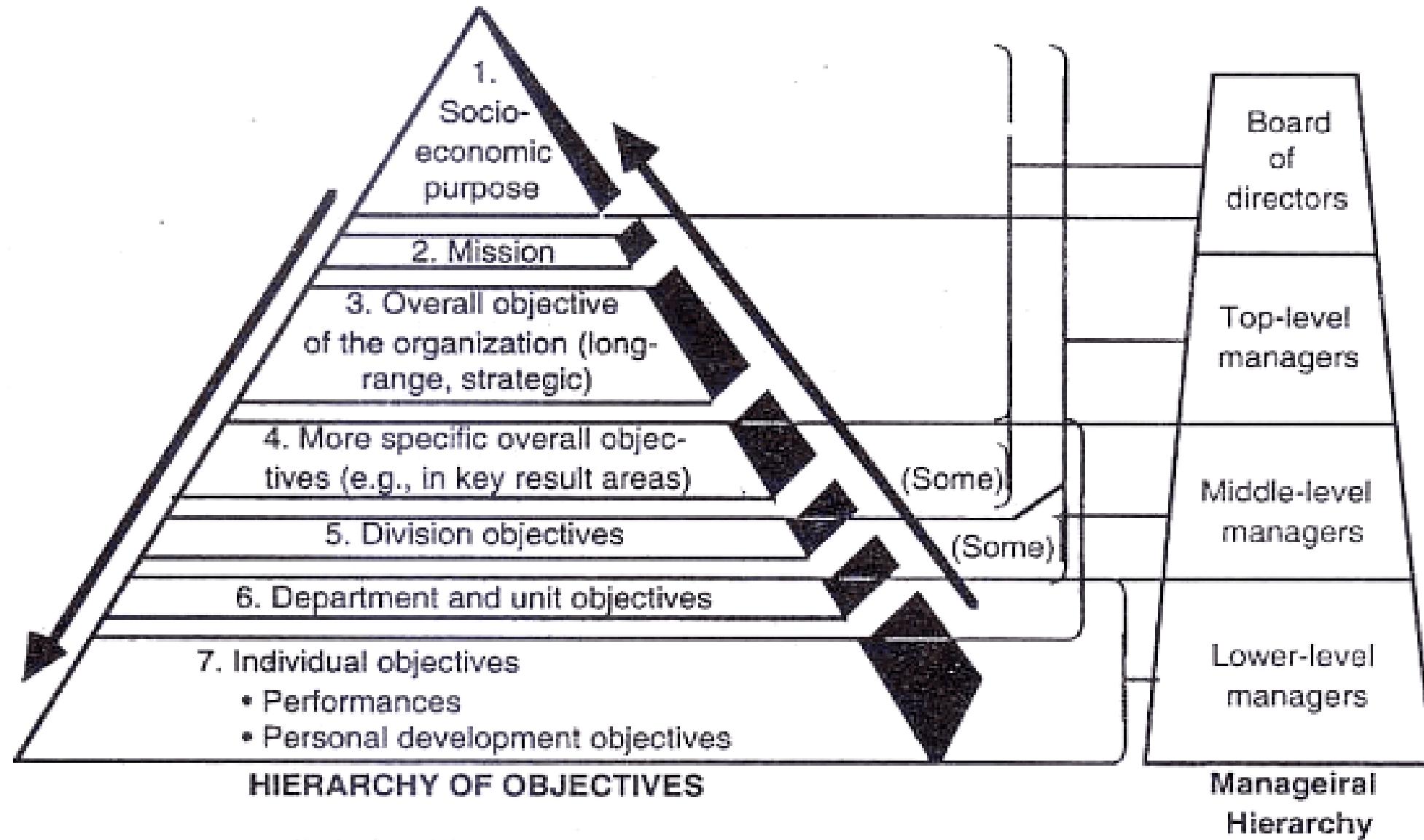


Reach
100,000 subscribers on the
company YouTube channel
in **12 months.**



- Producing 10 videos a month
- Hiring 2 more video editors
- Partnering with YouTube influencers in your niche
- SEO audit on old channel videos

Relationship of Objectives and the Organizational Hierarchy

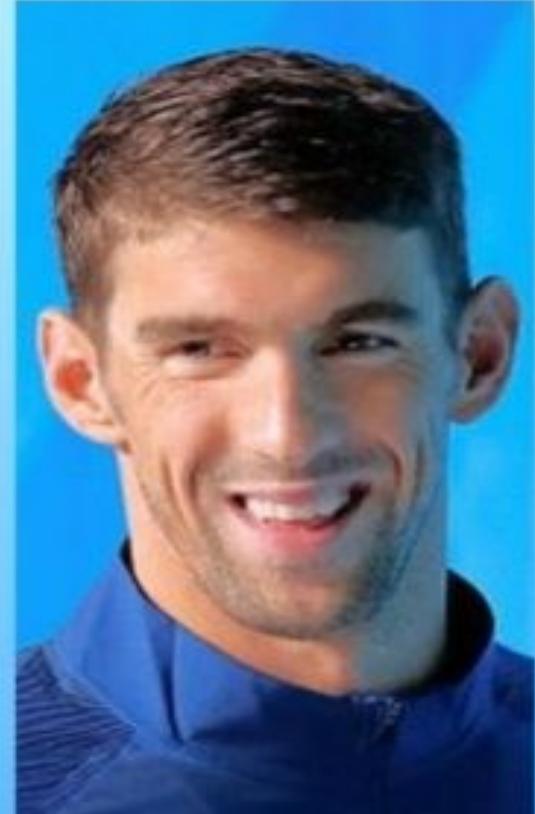


Goal Setting

- ▶ Goal setting involves the **development of an action plan** designed in order to motivate and guide a person or group toward a goal
- ▶ Goals are more deliberate than desires and momentary intentions

Setting goals means that **a person has committed thought, emotion, and behavior towards attaining the goal**





“

*I Think Goals
Should Never Be
Easy, They Should
Force You To
Work, Even If
They Are
Uncomfortable At
The Time.”*

MICHAEL
PHELPS

Management by Objectives (MBO)



What is Management by Objectives (MBO)?

- MBO, also known as management by planning, was first popularized by **Peter Drucker in 1954**
- MBO is a strategic approach to enhance the performance of an organization
- It is a process where the **goals of the organization are defined and conveyed by the management to the members** of the organization with the intention to achieve each objective

The MBO process



Steps in Management by Objectives Process

- 1. Define Organization Goals** - Setting objectives is not only critical to the success and to include several different types of managers in setting goals.
- 2. Define Employee Objectives** - Subordinates on establishing their personal objectives
- 3. Continuous Monitoring Performance and Progress** - Essential for monitoring the performance and progress of each employee in the organization.
- 4. Performance Evaluation** – Performance review is achieved by the participation of the managers concerned.
- 5. Providing Feedback** - To track and make corrections to their actions.
- 6. Performance appraisal** - Routine Review of the Success of Employees within MBO



MBO

Pros



Increases team productivity



Improves team communication



Personalizes team member objectives

Cons



Prioritizes goal-setting over strategic planning



Increases strain on team members to meet goals



Promotes competition between team members

Well Written Goals

- SMART Goals are **Specific, Measurable, Achievable, Realistic, and Time-Bound**
- Well-written goals should answer the main questions:

- Who?
- What? and
- How?



Questions

Control

- ▶ Controlling for Organisational Performance
- ▶ The Control Process
- ▶ Types of Control (feedback, feed-forward and concurrent)
- ▶ Balanced Scorecard
- ▶ Contemporary Issues in Control
- ▶ Workplace Concern and Workplace Violence

Oct 2023

What is Control?

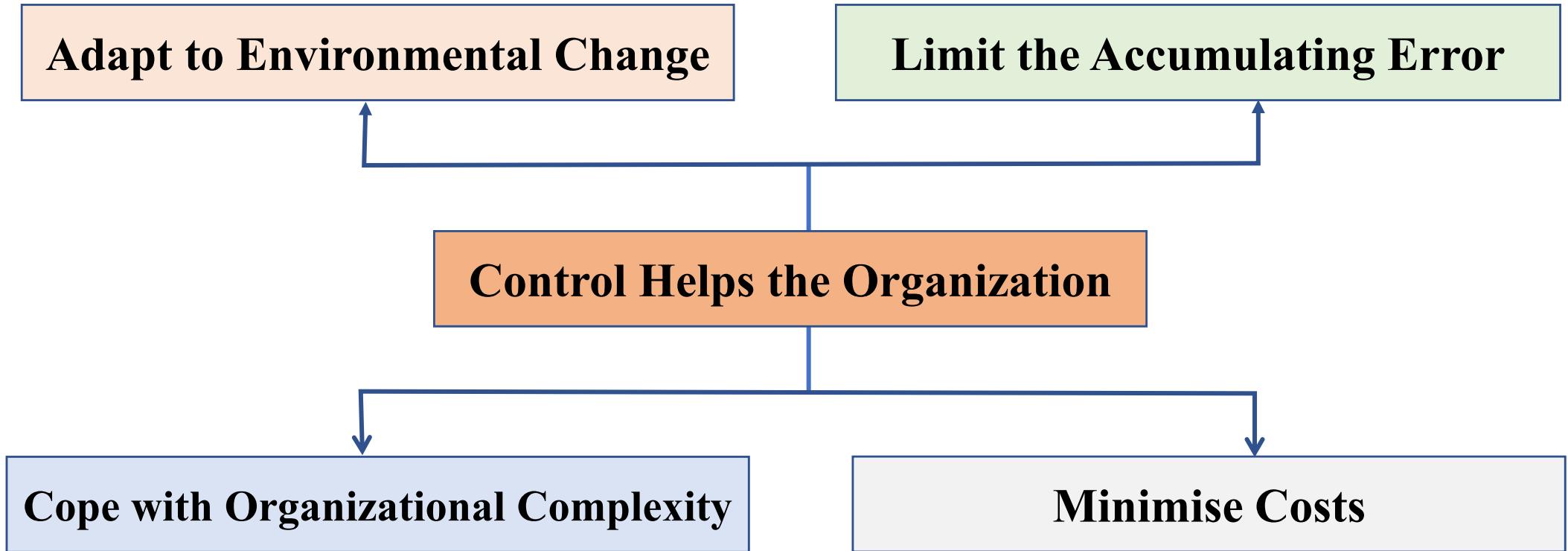
Control implies **to regulate organizational activities** so that some targeted element of the **performance** remains within **acceptable limits**

- Without Control, organization has **no indication how well it is performing** in relation to their goal
- Control is like the ship's rudder; **keeps the organization moving in the proper direction**

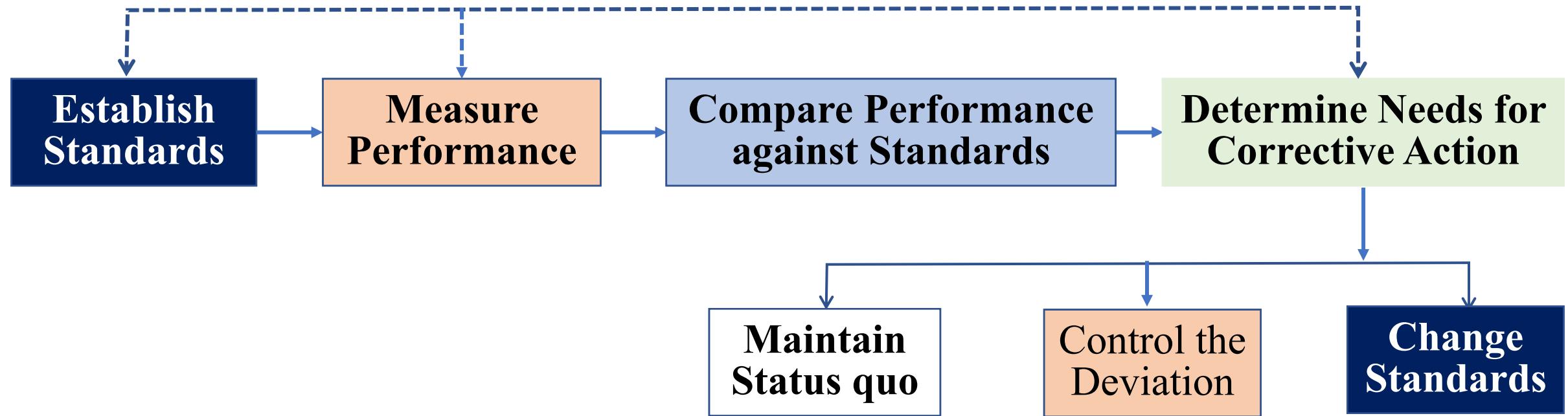


Controlling for Organisational Performance

Purpose of Control



Steps in the Control Process



Types of Control

► **Feedback Control:**

Involves gathering and evaluating information **about a past activity or action and taking steps to improve in the future**. Also known as **post-action control**

► **Concurrent Control:**

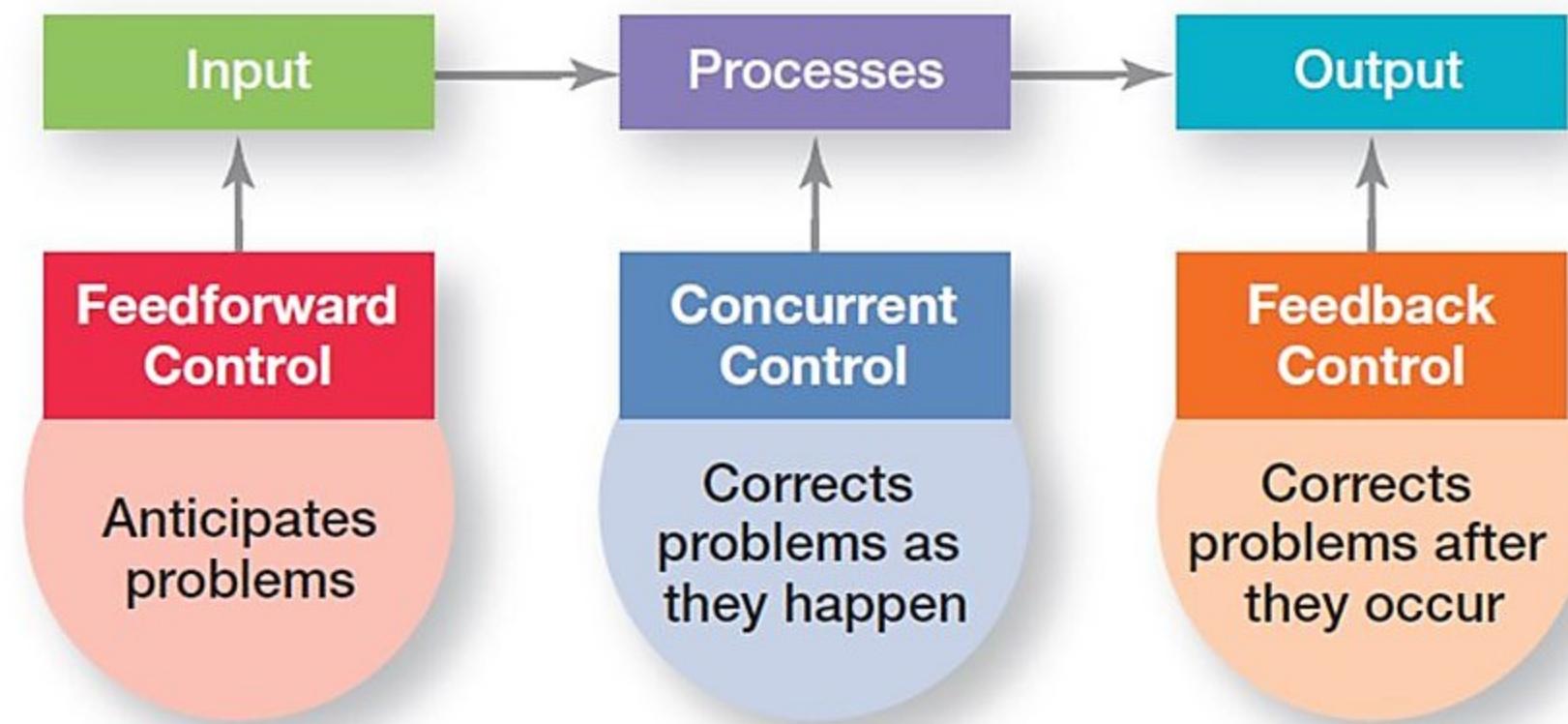
The process of monitoring and **adjusting ongoing activities and processes** is known as concurrent control. Its dynamic engagement in a current process where observations are made in **real-time**

► **Feedforward Control:**

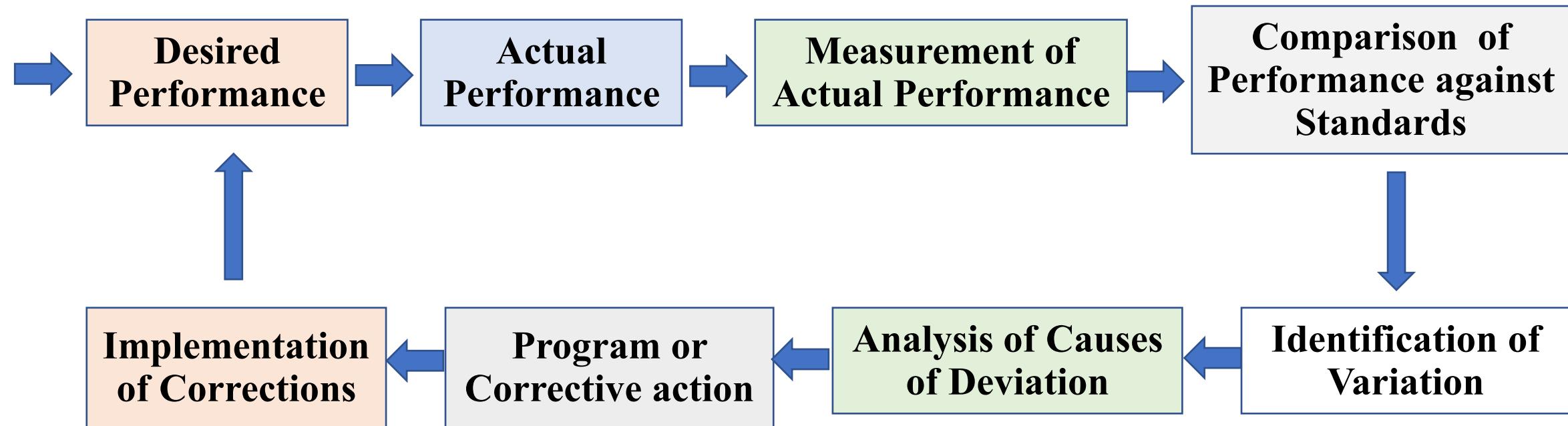
Future-directed, attempts to anticipate problems or deviations from the standards in advance of their occurrence. It allow corrective action to be taken in advance of the problem

Types of Control

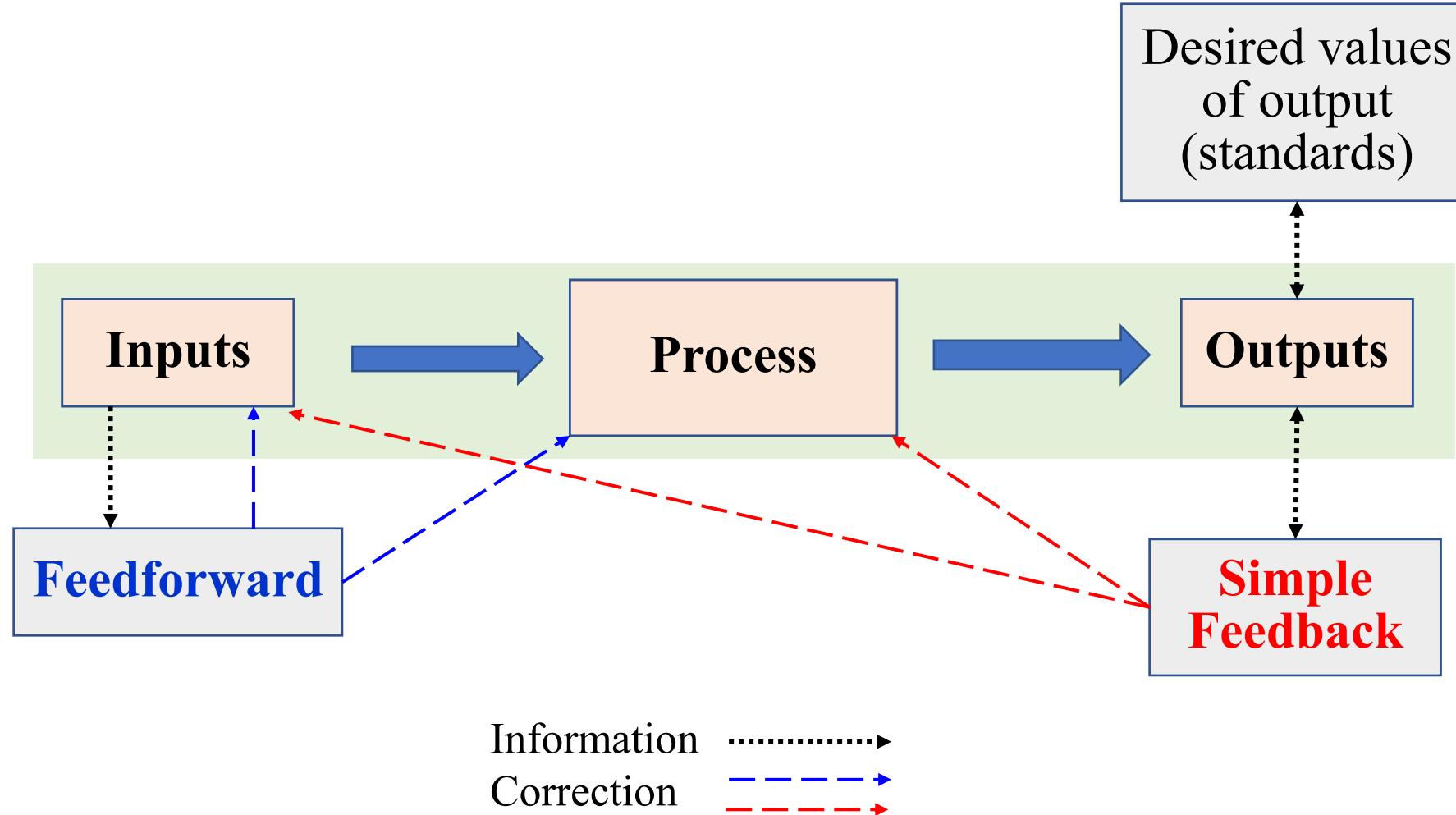
Feedback, Feed-forward and Concurrent Control



Feedback Loop of Management Control



Comparison of Simple Feedback & Feedforward Systems in Control



Balanced Scorecard

- The Balanced Scorecard is **for strategic planning and managing** in general
- Robert Kaplan and David Norton popularized the concept, but it originated at **GE** in the 1950s by French engineers

Can be used by business, non-profit, and government to align and communicate organizations vision and strategy



Balanced Scorecard

Four sets of perspectives are considered:

- ***First - Learning and Growth.*** Objectives, measures, targets, and initiatives
- ***Second - Perspective Focuses on the Internal Business Processes.*** Indicates how well its products and services meet the requirements and expectations of the customers
- ***Third - Perspective Focuses on the Satisfaction of the Customer.*** Despite financial performance, unsatisfied customers may be a leading indicator of future problems.
- ***Fourth - Financial Perspective.*** Of course, important but should not lead to an unbalanced neglect of the other three perspectives



Balanced Scorecard

Balanced Scorecard



**FINANCIAL
PERFORMANCE**



**CUSTOMER
SATISFACTION**



**LEARNING AND
GROWTH**



**INTERNAL BUSINESS
PROCESSES**

Contemporary Issues in Control

- In the 21st Century **long hours, information overload, unrealistic deadlines, and uncaring managers**, causing employees to become unhappy or disgruntled...!
- With **higher levels of employee dissatisfaction common problems** that arise:
 - Workplace Privacy
 - Employee Theft
 - Misuse of Company Time and Resources
 - Workplace Violence
 - Solving the Cross-cultural Differences



Manager need to prevent/ deal situations and enforce them without further adding to problems

Workplace Concern and Workplace Violence

Workplace violence is the **act or threat of violence, ranging from verbal abuse to physical assaults directed toward persons at work or on duty**. The impact of workplace violence can range from psychological issues to physical injury, or even death.

4 Types of Workplace Violence



Criminal Intent



Customer / Client



Worker-on-Worker



Personal Relationship

Types Workplace Violence

- ▶ **Type I—Criminal Intent.** Perpetrator is an **outsider**. Usually incidental to another crime such as robbery, shoplifting, or trespassing. Acts of terrorism also fall into this category
- ▶ **Type II—Customer/ Client.** When the violent person has a **legitimate relationship with the business: a client, patient, student, or inmate** becoming violent
- ▶ **Type III—Worker on Worker.** Type III violence is an employee or past employee of the business who attacks or threatens other employee(s) or past employee(s) in the workplace
- ▶ **Type IV—Personal Relationship.** The **perpetrator doesn't have a relationship with the business** but has a relationship with the victim (staff/ employee). This category includes victims of domestic violence who are assaulted or threatened while at work

Prevention of Workplace Violence

Not all workplace violence can be prevented. Some guidelines are:

- Have a **written zero-tolerance policy** towards workplace violence and develop a written prevention program
- Provide workplace violence **training** emphasizing what to look for, what to report, and what to do during an actual incident
- Encourage **reporting of concerns or specific incidences**. Make reporting **easy** and, potentially, confidential
- Consider using **outside expertise** to provide threat assessment training and physical security upgrades

Questions



Perception & Individual Decision Making

Mahboob Sarwar

“
*There are things known and there are things unknown,
and in between are the doors of perception.*

Aldous Huxley

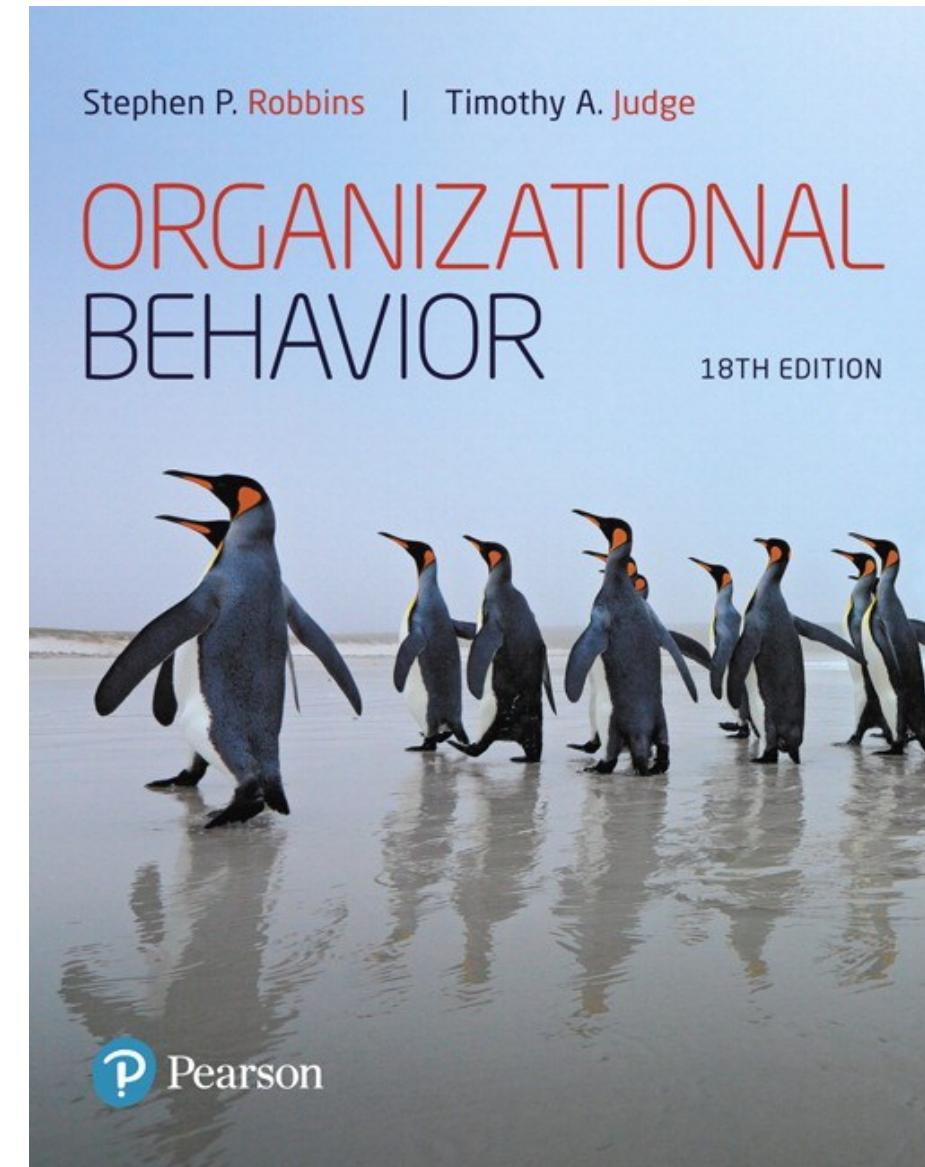
English writer and philosopher

Outline

- ▶ Perception
- ▶ Factors Influencing Perception
- ▶ Attribution Theory
- ▶ Errors/ Bias in Attribution
- ▶ Factors of Individual Decision Making
- ▶ Rational Decision Making
- ▶ Bounded Rationality
- ▶ Satisfice
- ▶ Common Errors in Decision Making
- ▶ Creativity in Decision Making

Two sessions

*Reference Book:
Organizational Behaviour
by Stephen P. Robbins*



What is Perception?

- Perception is a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment

- Sensation

- The process by which our sense organs receive information from the environment



- Perception

- The sorting out, interpretation, analysis, and integration of stimuli involving our sense organs and brain

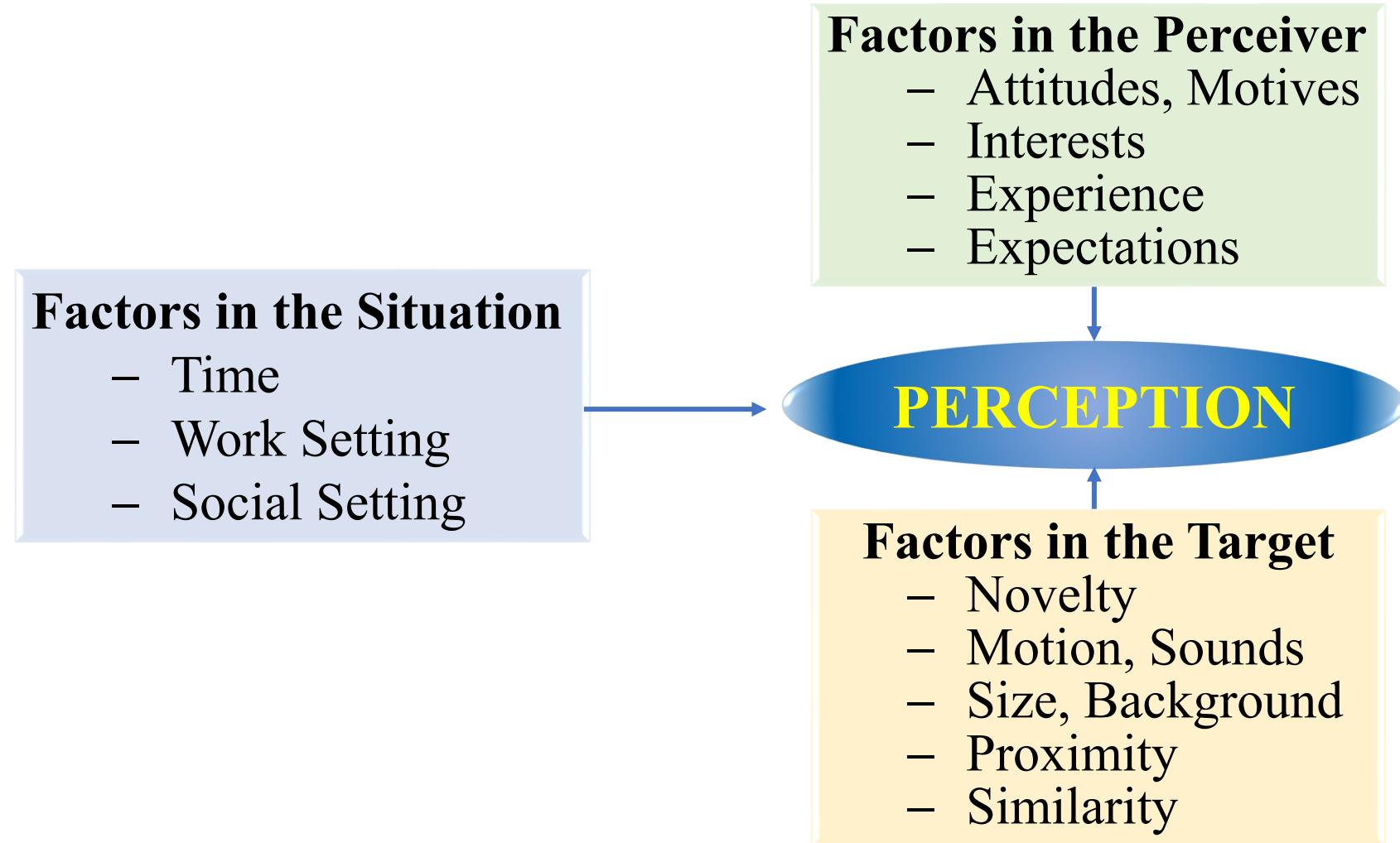
What is Perception?

- *What we perceive can be substantially different from objective reality*
- It is an **intellectual** as well as a **cognitive** and **psychological** process

Why is perception important in the study of OB?

- People's behavior is based on their **perception of what reality is**, not on reality itself
- The world as it is perceived, is the world that is **behaviorally important**

Factors Influencing Perception



What is Attribution Theory?

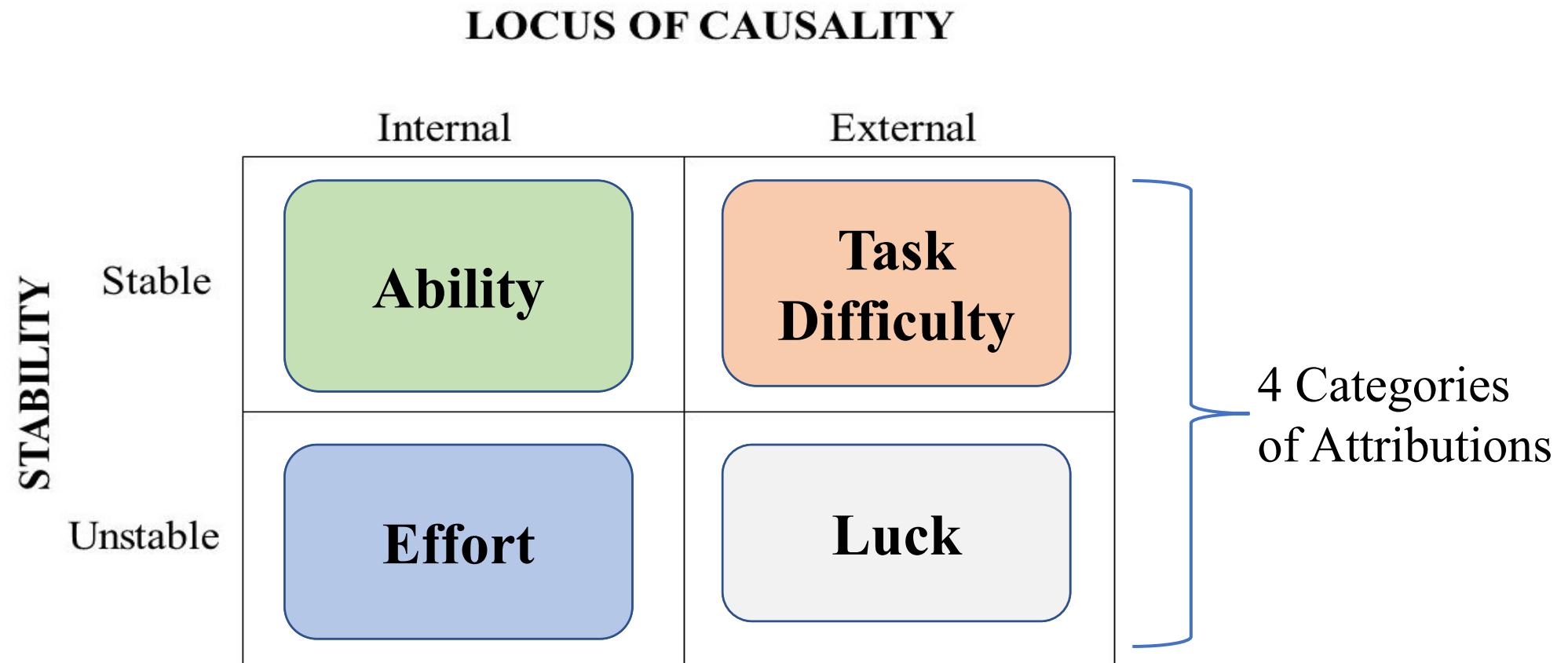
- Proposed by **Fritz Heider**, Austrian psychologist in 1958. The theory **explains the ways we judge people differently**, depending on the meaning we attribute to a given behavior.
- Attribution theory helps **to determine ‘why people do, what they do,’** i.e., attribute causes to behavior
- It is concerned with **how people translate events around them** and how that affect their thinking and behavior

Attribution Theory attempts to determine whether an individual's behavior is internally or externally caused

How Does Attribution Theory Work?

- The theory suggests that attribution, whether done **Internally or Externally**, has great influence on how people feel and relate to others
- Behavior is determined by either **Internal or by External** factors:
 - **External Attribution (*Situational*)**: Assigned to an **outside factor, agent or force**. So, your behavior is influenced, or determined by influences outside your control. Therefore, you feel not responsible i.e., weather/ traffic
 - **Internal Attribution (*Dispositional*)**: Connection is assigned to an inside factor, agent or force. **Fall inside your own control**. So, you feel responsible i.e., own intelligence

Internal or by External Factors in Attribution



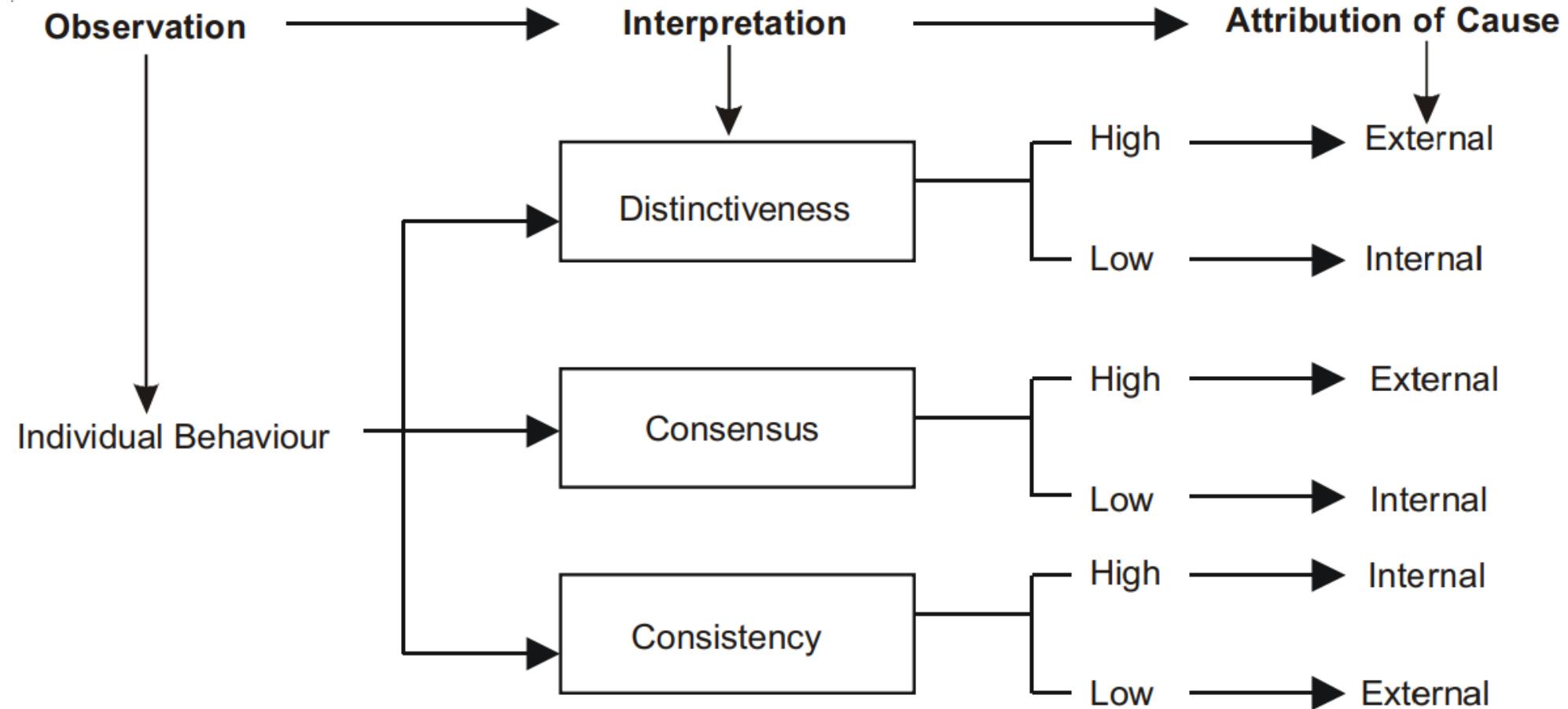
Three Factors that affect the Formation of Attributions

- **Distinctiveness** – Refers to whether an individual displays **different behaviors in different situations**. Is the employee who arrives late today also one, who regularly fails/ breaks schedule? Is this behavior being **unusual**, we give it **an external attribution**. If it's not, the behavior to be **internal**
- **Consensus** – If everyone who faces a similar situation responds in the same way, we can say the behavior shows consensus. **If consensus is high, you would probably give an external attribution**
- **Consistency** – Does the person respond the **same way over time**? Coming in 10 minutes late for work is not perceived in the same way for an employee who hasn't been late for several months as it is for an employee who is late two or three times a week. The **more consistent the behavior**, the more we are inclined to attribute it to **internal causes**.

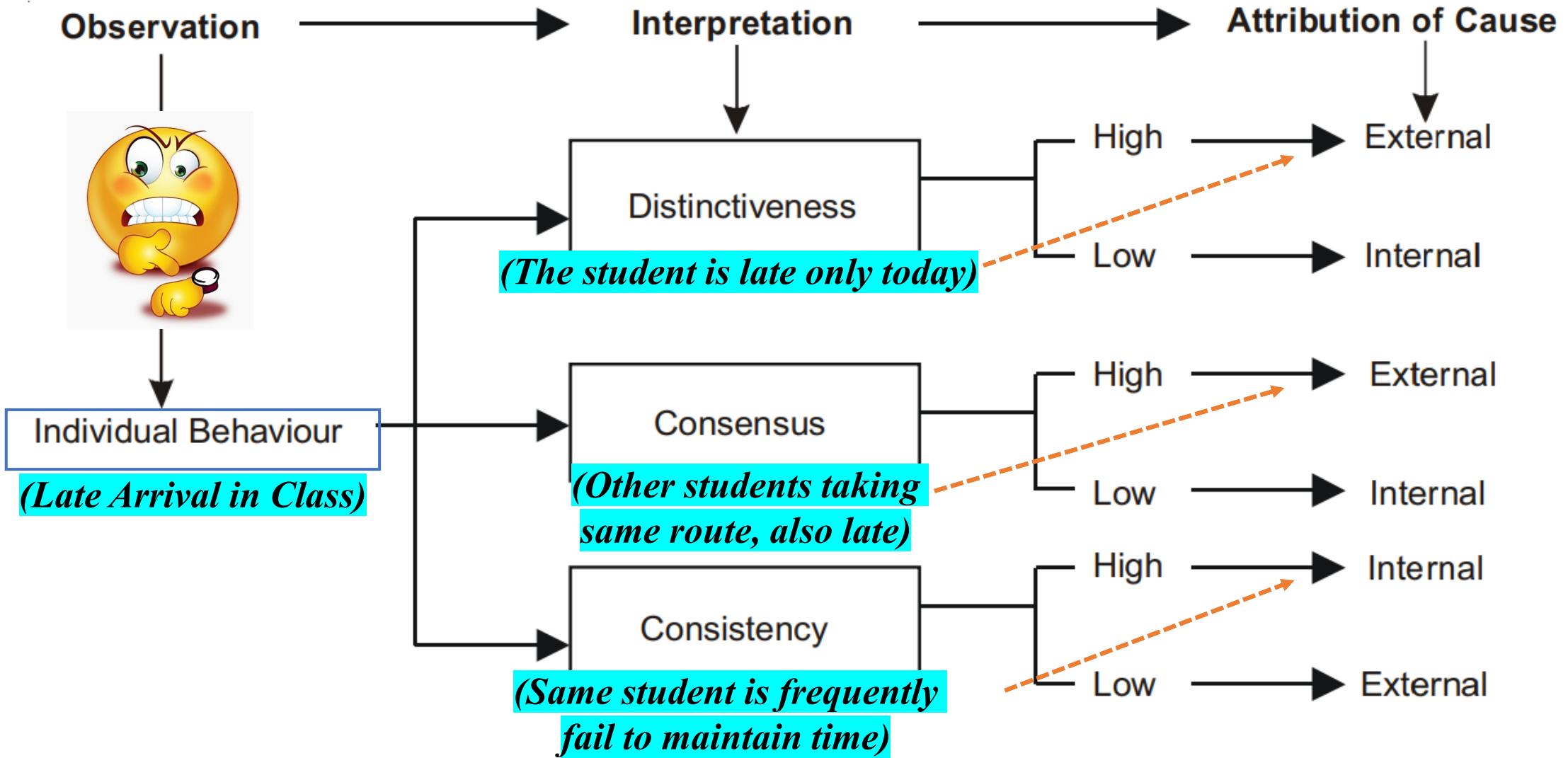
Three FACTORS that affect the Formation of Attributions

Factors	Observation	Interpretation	Attribution of Cause
Distinctiveness	Does the person behave this way in other situations?	No: High Distinctiveness Yes: Low Distinctiveness	External Attribution Internal Attribution
Consensus	Do other people behave the same way in similar situations?	Yes: High Consensus No: Low Consensus	External Attribution Internal Attribution
Consistency	Does the person behave this way consistently?	Yes: High Consistency No: Low Consistency	Internal Attribution External Attribution

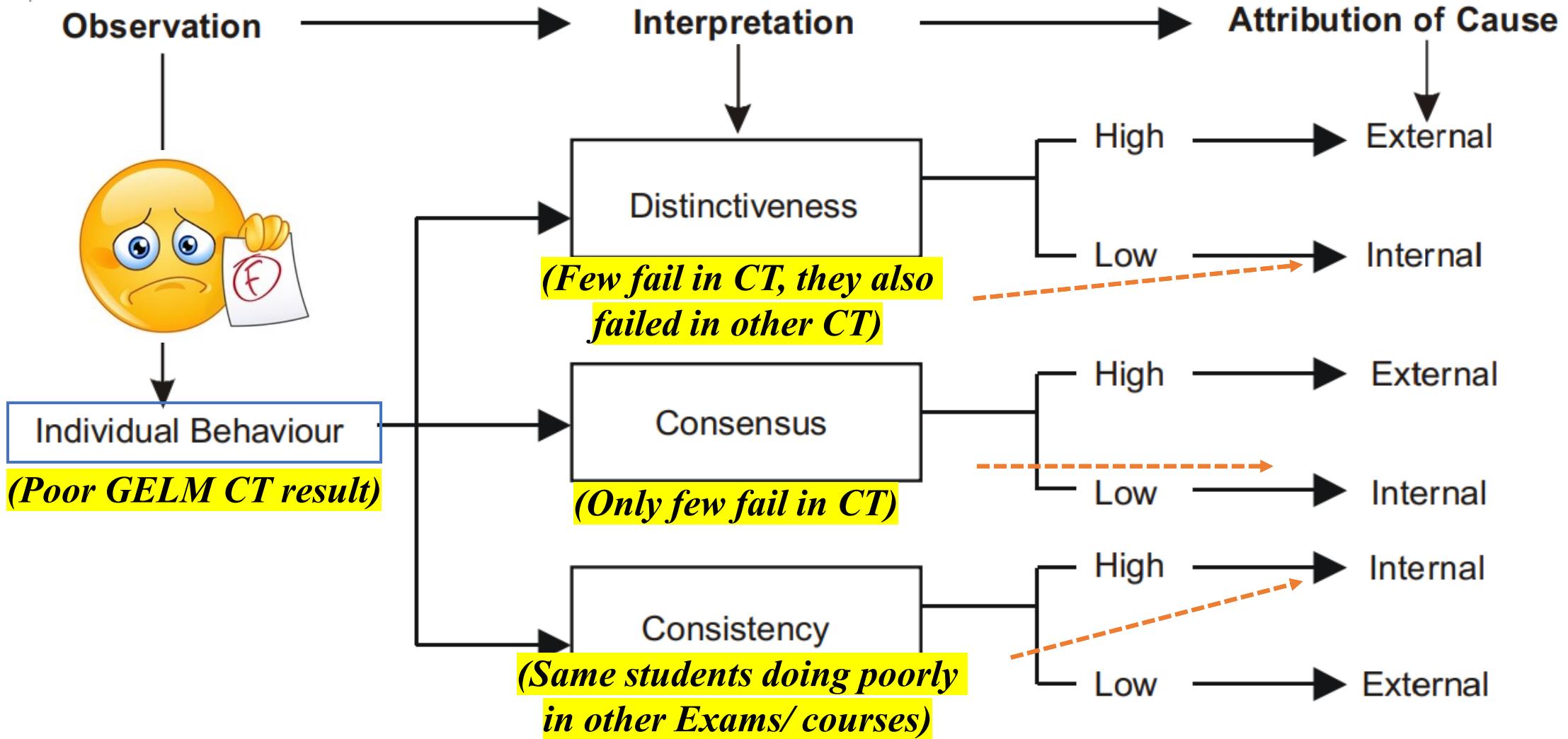
Attribution Theory of Perception



Attribution Theory of Perception



Attribution Theory of Perception



Attribution Bias/ Errors



What is Attribution Bias/ Errors?

It is important to **make sure that all the facts are present** before a manager/ leader decides to motivate another. Otherwise, they may be **making an error** called **Attribution Bias**

Errors or Biases in Attributions

- Fundamental Attribution Bias
- The actor-observer bias
- A self-serving bias
- Hostile attribution bias (HAB)

Common Types Biases in Attribution

Fundamental Attribution Error

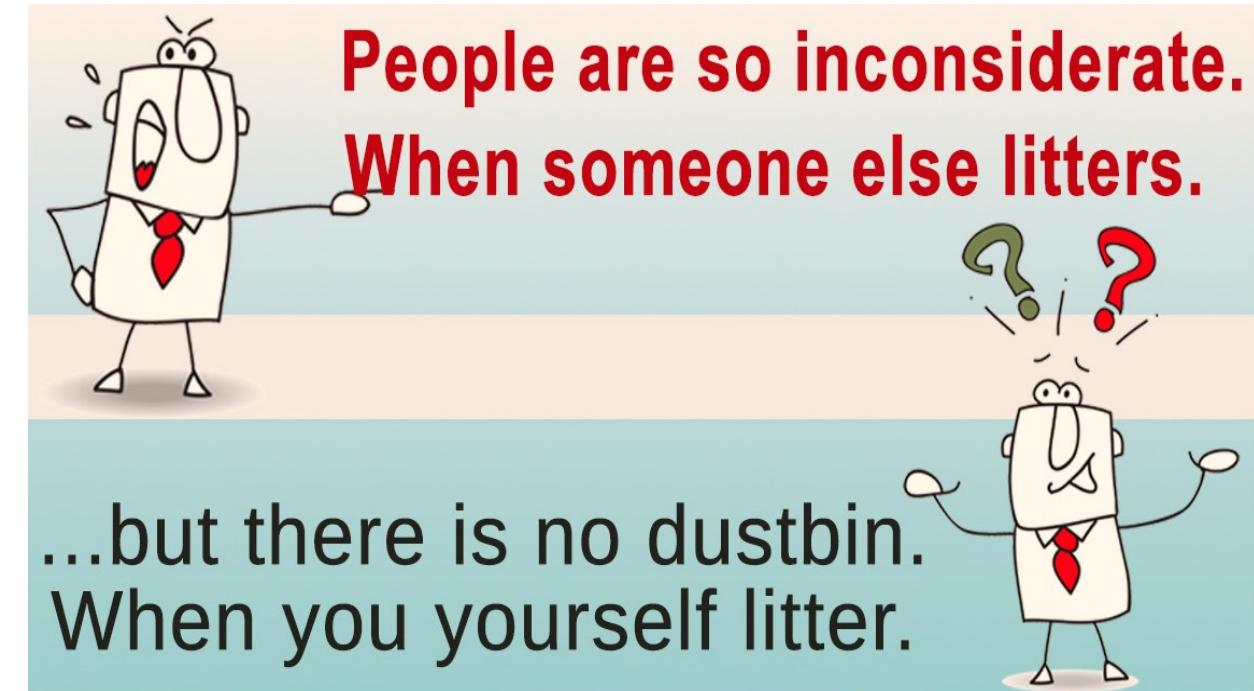
Individual tendency **to attribute another's actions to their character or personality**, while attributing **Own behavior to external situational factors**

- You tend to hold 'others' **100 % accountable** for their actions
- The fundamental attribution error exists because of how people perceive the world

Common Types Biases in Attribution

The actor-observer bias

- Also called actor–observer asymmetry, can be thought of as an extension of the fundamental attribution error.
- Actor observer bias is ‘when an individual is more likely to blame his or her own bad behavior on external circumstances’.



Common Types Biases in Attribution

Self-serving Bias

- ▶ It is people's tendency to attribute their **successes to internal factors but attribute their failures to external factors.**
- ▶ This bias helps to explain why individuals tend to take credit for their own successes while often denying responsibility for failures

Common Types Biases in Attribution

Hostile attribution bias (HAB)

- ▶ HAB has been defined as **an interpretive bias** wherein individuals exhibit a tendency to interpret others' ambiguous behaviors as hostile, rather than benign.
- ▶ If a child witnesses two other children whispering, he/she may assume that the children are talking negatively about them
- ▶ Research has indicated that there is an association between hostile attribution bias and aggression

Frequently Used Shortcuts in Judging Others

There are five Common errors or short-cut frequently used:

- **Selective Perception** – It is a tendency to observe people selectively and accordingly interpret based on their **interest, background, experience** and **attitudes**
- **Halo Effect** – Tendency to draw a general overall impression about an individual based on **single striking characteristics**
- **Contrast Effect** – Evaluating person's characteristics by just **comparing with other**
- **Stereotyping** – Judgment based on the **perception of the group** to which he belongs
- **Projection** – Tendency to assign one's own personal attributes to others

Individual Decision-Making

Link between Perceptions and Individual Decision Making

Problem

A *perceived discrepancy* between the current state of affairs and a desired state.

Decisions

Choices made from among alternatives developed from data *perceived* as relevant.

Perception of the decision maker

Outcomes



Individual Decision-Making

- ▶ Individuals think and reason before they act or make decisions
- ▶ In some decision situations, people follow the **rational decision-making model**
- ▶ But few important decisions are simple or unambiguous enough for the rational model's assumptions to apply
- ▶ Solutions **often influenced by biases and prejudices** specially when your decision process is influenced by intuition/ perception

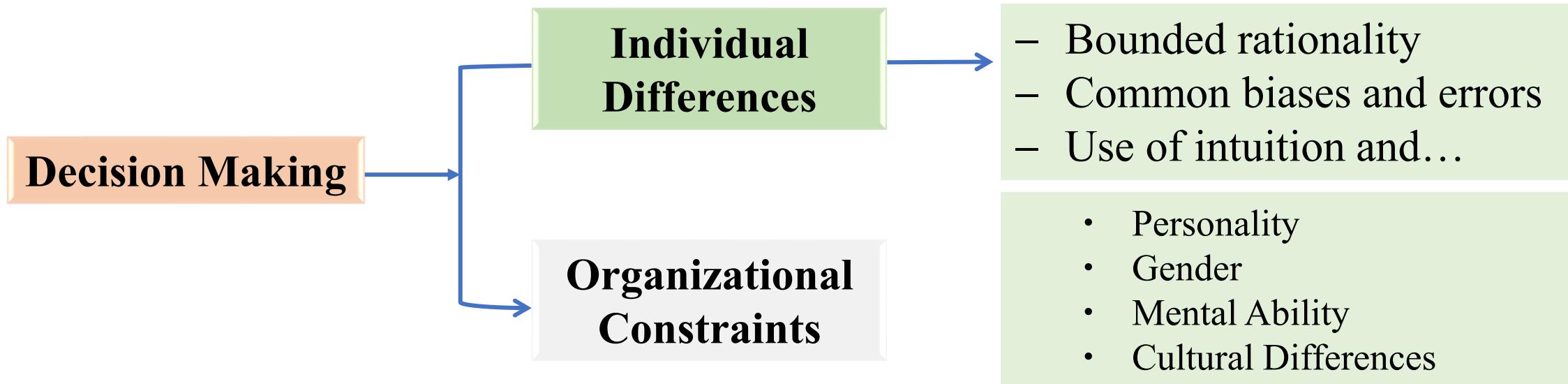
Link between Perception and Decision Making

- Decision making **occurs as a reaction to a problem**. Awareness that a problem exists and that a decision might or might not be needed is a **perceptual issue**
- In decision-making we **interpret and evaluate information**.
- We typically receive data from multiple sources and need to screen, process, and interpret them. **Our perceptions affect the interpretation and outcome**

Throughout the entire decision-making process, **perceptual distortions often surface** that can **bias analysis and conclusions**

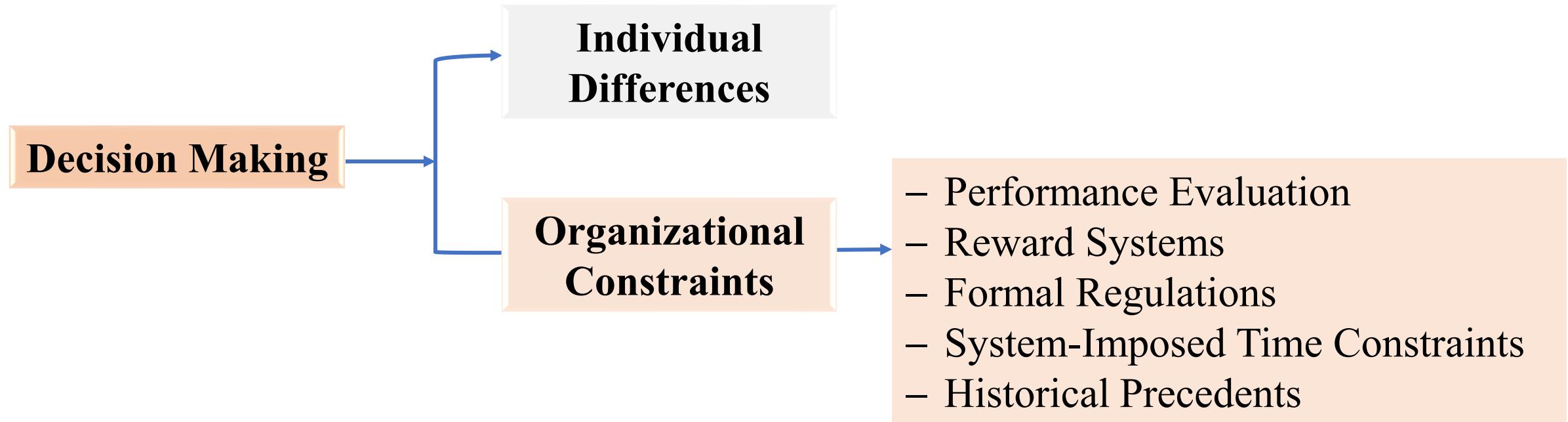
Factors of Individual Decision Making

Factors that influence how people make decisions and the degree to which they are susceptible to errors and biases are generally two categories:



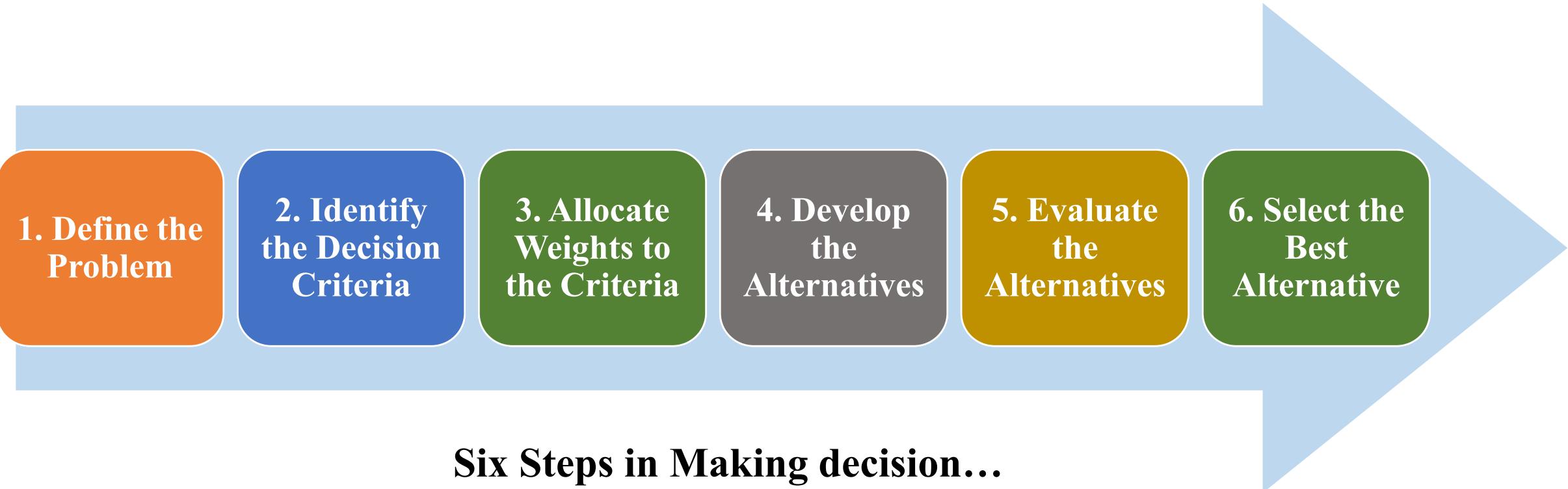
Factors of Individual Decision Making

Factors that influence how people make decisions and the degree to which they are susceptible to errors and biases are generally two categories:



Organizations can constrain decision makers, creating deviations from the rational model

Steps in the Rational Decision-Making Model



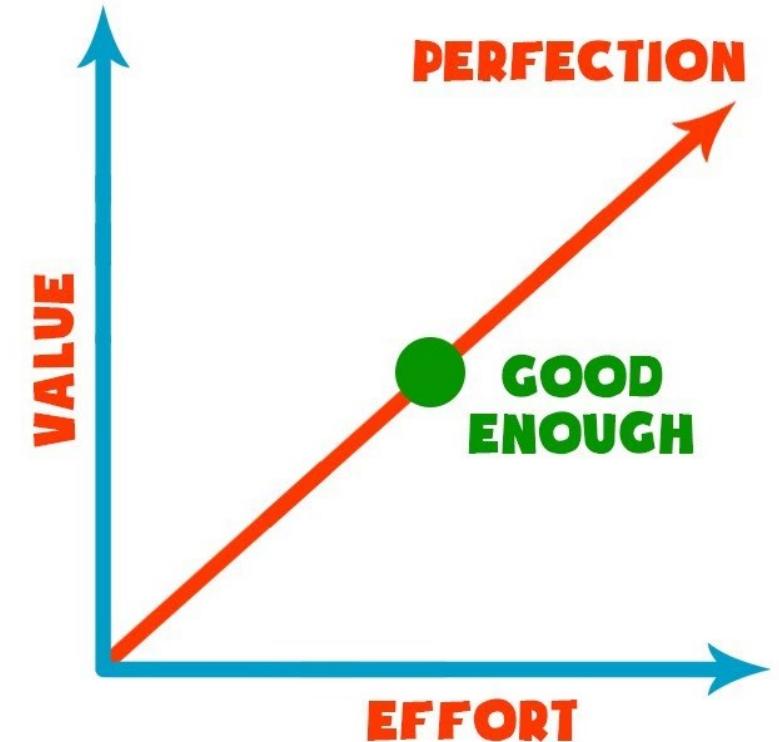
Bounded Rationality

- ▶ **Bounded Rationality** is a concept attributed to Herbert Simon, an economist and political scientist interested in decision-making and how we actually make decisions
- ▶ Rather than optimising, humans follow what he called **satisfying safety and suffice**
- ▶ Simply, we seek a decision that will be **good enough**, rather than the best possible decision

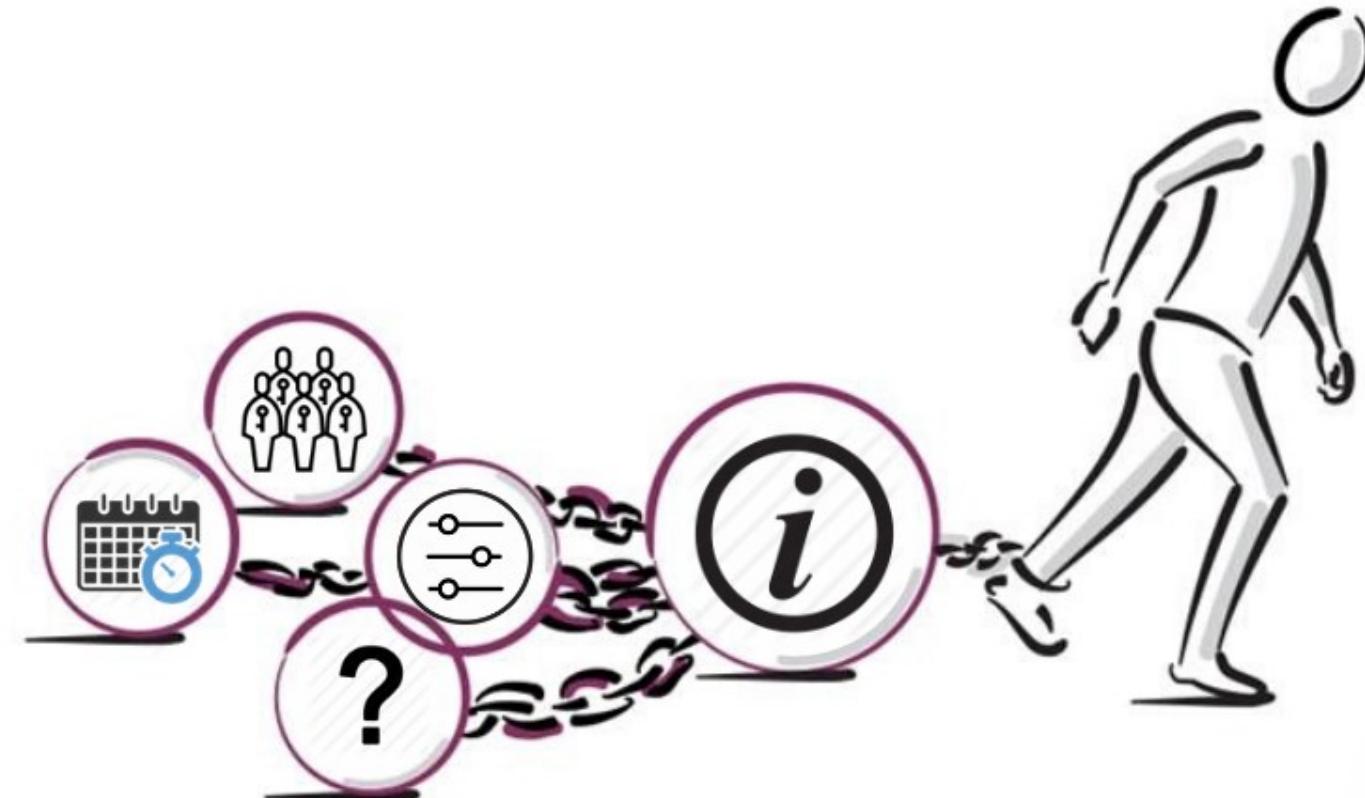


Satisfice

- ▶ Satisficing is a decision-making strategy that aims for a **satisfactory or adequate result, rather than the optimal solution**
- ▶ Instead of putting maximum exertion toward attaining the ideal outcome, **satisficing focuses on pragmatic effort** when confronted with tasks



DECISION MAKING BIASES



Common Errors in Decision Making

We tend to take ‘shortcuts’ that allows errors/ bias in decisions. Common biases/ errors:

- **Overconfidence Bias** – We tend to be overly optimistic (*but abilities are low*)
- **Confirmation Bias** – We tend to seek out information that *reaffirms past choices*
- **Availability Bias** – People to base their judgments on *information readily available*
- **Anchoring Bias** – Tendency to focus on *initial information* as a starting point
- **Escalation of Commitment** - Increased commitment to a previous decision despite negative information

Cont...

Factors of Individual Decision Making

Escalation of Commitment

- A human behavior pattern, where an individual or group **facing increasingly negative outcomes from a decision**, action, or investment nevertheless **continues the behavior instead of altering course**.



Cont...

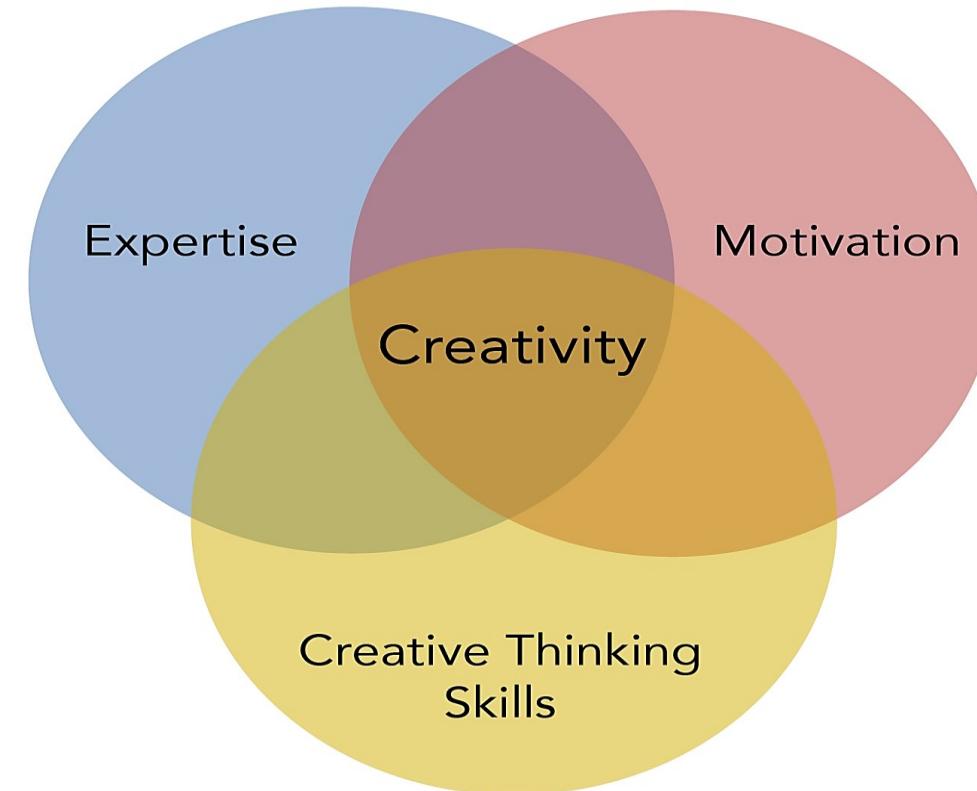
Common Errors in Decision Making

We tend to **take ‘shortcuts’ that allows errors/ bias in decisions.** Common biases/ errors:

- **Randomness Error** – We tend to create meaning out of random events (and superstitions)
- **Risk Aversion** – Favoring a sure thing over a risky outcome
- **Hindsight Bias** – We tend to believe falsely that we'd have accurately predicted the outcome of an event, after that outcome is known
- **Application: Financial Decision Making** – Relates to financial decisions; debt rescheduling or buying bad debts

Creativity in Decision Making

Creative **Decision-making** is the ability to consider all perspectives and solve a problem in a new way



Three Component of Creativity

Creativity in Decision Making

To enhance creativity...

1. Be mindful. What is the desired outcome?
2. Don't act bureaucratically. Avoid '*My way or the highway.*'
3. Don't drag decision-making out too long. Avoid '*analysis paralysis.*'
4. Trust yourself; Trust your team
5. Add resources; Remove obstacles
6. Read the Group

Questions