

allows for free flowing conversation and opens up the silo between upper and lower-level employees.

- (iii) Give personal recognition
- (iv) Create an Employee of the Month initiative at your business to spotlight an employees's performance. Once the employee of the month is announced, have a meeting with your staff to congratulate them and their contributions to the team.
- (v) Another method is you can implement is to create a cash- or event-based incentive for employees that celebrates their performance from the past week. The more creative an approach is, their higher likelihood an employee will be engaged. For example, give your employees an opportunity to drive your company's CEO car for a week or the chance to leave work early. The more actionable an incentive is, the higher ceiling of fulfillment it has for the employee.
- (vi) Develop workers skills and potential
- (vii) Align training and education methods to your employee's career goals to help them be more productive and inventive in the workplace. Introduce personalized training initiatives for your team and gear it towards a particular skill.
- (viii) Have a sales team listen to a trainee's first cold call allows the trainee to earn hands-on experience right away while their peers cheer them on. After, the trainee can receive tips from management as to work with the scenario the employee had to encounter with the customer. This way, the sales team can take notes about they can improve their situational analysis with customers.



SATHYABAMA

**INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)**

Accredited "A" Grade by NAAC | 12B Status by UGC | Approved by AICTE

www.sathyabama.ac.in

SCHOOL OF ELECTRICAL AND ELECTRONICS

DEPARTMENT OF ELECTRONICS AND COMMUNICATION ENGINEERING

UNIT 4 – PRINCIPLES OF MANAGEMENT AND PROFESSIONAL ETHICS (SBA1101)

UNIT- IV GROUP DYNAMICS

Group-Definition-Types-Determinants of group cohesiveness. Communication-Process- Barriers-Effective Communication. Leadership Theories-Factors Contributing to effective Leadership. Role of Trade Union in Organizations-Functions of trade Union-Why Trade Unionis Required? - Types of Trade Union

GROUP DYNAMICS

Group: A group is a collection of two or more individuals, interacting and interdependent, who have come together to achieve particular objective.

A group is thus an aggregation of people who interact with each other, are aware of one another, hav a common objective, perceives themselves to be a group.

Characteristics

1. Two of more people: a single individual cannot form a group. There should be at least two members for group formalization but there is not maximum limit for it.
2. Collective identity; Each group member should know each other. Each member of the group should perceive that he/she is the member of the group.
3. Interaction: There should be interaction among the group members. Each member shares his ideas through different communication channels.
4. Common purpose : The members of the group to achieve some common objective or purpose.

It should be mostly the goal of the organization.

Need for group formation

Safety and security needs : Groups provide protection to their members from outside pressures.That is why workers join trade unions to feel safe and secure.

Relatedness and belongingness needs: People being social beings, belonging to relating groups satisfies a number of their social needs. In every organization, there are many persons who are very isolated or who prefer to be absent from work most of the times.

Esteem needs : When one member of a group does some good piece of work gets praise from others and it brings a sense of recognition among the group members. This creates a sense of fulfillment of one's need for growth towards higher achievement of work and better career prospects, on the other.

Power: One of the appealing aspects of groups is that they represent power and also offer power to their members. Workers enjoy much greater power by joining groups than they do as individuals..

1. Identity: As a member of a group, an individual gets identity -Who am I? In practice understand ourselves through the behaviour of others towards.

TYPES OF GROUPS FORMAL GROUP:

Groups established by the organization to achieve organizational goals are called formal groups. The behaviour of the members are stipulated by organization and directed towards organizational goals. **Command group** :A command composed of supervisor of manager and subordinates who report directly to that supervisor. A command group is determined by the organizational chart.

Example: In the Department of Business Administration of a University, for example the Head of the

Department and other faculty members in the department would comprise of command group.

Task group : A task group comprises of persons working together to complete a common task. However a task group can cross command relationships.

Example :If a student is accused of any campus crime, The issue may be discussed with the Head of the Department, Principal and other management people to come to a decision regarding the student.

Project group : Project groups are formed to complete a specific project. The life of the project group normally coincides with the length of the project.

Committees: Committees are usually created outside the usual command group structure to solve recurring problems. The life of the committee may be short or long in relation to its origin. **INFORMAL GROUP**

Friendship group : Friendship group are associations of people who like each other and who like to

be together. Such groups are formed because members have one or more common characteristics, such as age, beliefs, values etc.

Interest group: Interest groups are composed of individuals who may not be members of the same organization (command or task groups), but they are united by their interest in a common issue. Example: Group of University Professors who organize a seminar commonly on teaching and research methods in education field.

Reference group: A reference group is a special type of informal groups that people use to evaluate themselves. A reference groups may not be an actual one that meets together, it can be an imaginary group. The reference groups for a University lecturer may be other scholars in the same discipline working in other Universities.

GROUP DYNAMICS

Groups are composed of individuals , Hence groups behaviour means behaviour of the group members. An individual's behaviour is always different from group behaviour. Hence any individual exhibits a different behaviour than when he is alone. The major factors to be understood group behaviour are

Group norms

It is a standard of behaviour. It is a rule that tells the individual how to behave in a particular group. It identifies the standards against which the behaviour of group members will be evaluated and help the group members know what they should or should not do. Norms could be formal and informal.

Norms serve as the basis for behaviour of group members.

They predict and control the behaviour of members of the group.

Group cohesion : It is the degree to which the group members are attached to each other and remain within the group. It binds all the group members to work as one man to attain the set goals.

Factors increasing group cohesion

- ☐ Inducing agreement on group goals
- ☐ Inducing membership homogeneity
- ☐ Increasing interactions among group
- ☐ members. Down-sizing of the group
- ☐ Allocating rewards to the groups and not to the members.

GROUP ROLE

In practice group members may have been expected to perform a variety of roles. A complete listing of these group roles would be as follows

- ☐ Work roles: related to task and accomplishment of group objectives.
- ☐ Maintenance roles: to help the members to maintain their involvement and commitment to group.
- ☐ Blocking roles: activities related to destroying the other group.

FACTORS AFFECTING GROUP

- ☐ Role identity: It is better when roles are clearly defined.
- ☐ Role Ambiguity: It is the discrepancy between the defined role and perceived role.
- ☐ Role conflict: When a person is confronted by divergent expectations , he may face role conflict.
- ☐ Role expectations: In simple words it is what other people believe you should behave in a given situation.

COMMUNICATION: I

It is derived from the Latin word ‘_communis’ which means common. It is the process of sharing facts ideas and opinions in common

Com is the process of passing information and understanding from one person to another. –

Hainmann

Com is a way that one orgn member shares meaning and understanding with another. –

Koontz and O'Donnell

Communication is an exchange of facts, ideas, opinions or emotions by two or more persons –

Newman and Summer.

Communication is defined as a process of meaningful interaction among human beings.

It is the process by which meanings are perceived and understandings are reached among human beings. – **Dalton E. Mcfarland.**

Nature of Communication

- **Two way process:** Communication take place only when there are at least two persons, one person has to convey a message and another has to receive it.
For Example: in classroom a teacher com to students.
- **Knowledge & Language:** For successful communication both the parties that is sender and the receiver should know the language. For Example: If the receiver cannot understand English then the sender of message conveys his ideas in English will be meaningless.
- **Meeting of minds necessary:** the receiver must understand the message in the way the sender wants him to understand. For example: if weekly target announced by a supervisor is misunderstood by a worker as monthly target here there is problem (lack of attention, faulty pronunciation)
- **Communication may be made through gestures:** Communication is not only by oral &
written it is also by gestures. For example: Nodding of heads, rolling of eyes etc.
- **Communication is all-pervasive:** Communication is omni present. It is found in all levels mgmt. For example: Top mgmt com to middle mgmt, middle com to supervisors etc. **Communication is a continuous process:** Sharing or exchanging information is an ongoing activity, as long as there is work there is com. For example: personal, official or unofficial.
- **Communication may be formal or informal:** Formal com follow the hierarchy, informal does not follow. For example: If a worker wants to communicate to production mgr then he can inform to foreman and through foreman he can communicate.

IMPORTANCE OF COMMUNICATION:

Helps in Planning: Helps to prepare better plans for the org. the views, suggestions of employees, clients, suppliers etc are received and the plans are prepared.

Vital for decision making: Proper communication is necessary for right decision. For Example: To buy the raw material the production mgr has to consult with marketing manager for the demand and with stores mgr about the stock.

Facilitate delegation: Proper com is needed to delegate the authority to subordinate.

Facilitates effective leadership: The mgr will be able to guide to this subordinates through com.

Helps to motivate: Encourage, induce com necessary.

Helps in coordination

Helps to save time and effort: For Example: If manager wants to announce a decision to all employees he can send a circular.

Helps for public relations: This includes customer, creditors, shareholders, government Officials and so on by whom the org communicates a lot.

PROCESS OF COMMUNICATION

1. **Sender-** who takes steps to send the message to the recipient
2. **Encoding-** giving a form and meaning to the message through expressing it into words, symbols, gestures, graphs, drawings etc.
3. **Medium-** it is the method or channel through which the message is to be conveyed to the recipient. It can be oral or written or formal or informal.
4. **Decoding-** is it the act of converting the signs, symbols into meaningful statements as per the intentions of the sender.
5. **Receiver-** the person who receives the message.

6. **Feedback-** it is the reaction or response of the receiver to the message. The com process is complete when the sender gets feedback from the receiver.
7. **Message-** it is the subject matter of com. It may consist of certain facts ideas, opinions, grievances etc.

TYPES OF COMMUNICATION:

Formal Communication: it follows in a formal manner. It follows the hierarchy. Information that officially reaches an employee is known as formal com. For example: policy manuals, orders, circulars, notices etc.

Features:

- This information is always authentic.
- Always written form

-Proof of receiving the information is obtained

Advantages:

-It is official and reliable is proper and systematic

-It serves as a evidence in future

-It fires responsibilities to the sender and receiver

Disadvantages:

-It is very slow, reaches person to person, takes more time

-It takes lot of time to prepare, to be typed and signed by concerned persons.

1. Downward Communication: moves downwards in an organization , from the top mgmt to middle and lower level managements.

The forms of downward com are:

1. Orders and instructions about job
2. policy statements
3. Procedures and clarifications
4. Feedback on performance
5. Newsletters, memos, circulars
6. Annual reports

2. Upward Communication: from lower level mgmt to middle and upper levels of management. Upward Communication in the form of

1. Reports by subordinates to superiors on work performance
2. Grievances and complaints
3. Suggestions and ideas of subordinates to the top mgmt
4. clarifications requests or appeals

3. Sideward or horizontal Communication: this communication takes place among mgrs placed at same rank in the org.

Informal Communication: it is the result of casual or personal contact between the individuals in an org. Information that unofficially reaches an employee is called informal com. It also known as grapevine com. It spreads like grape plant.

Features of informal com:

1. it is verbally transmitted

2. it does not follow scalar chain
3. the information are not officially received
4. proof of receiving the information is not available

Advantages:

- ✓ It is very fast
- ✓ It provides mental relief to employees who wait for formal announcement.

Disadvantages:

- ✓ It gives scope for rumorsThe information is not authentic, so the employees cannot act against it
- ✓ It also gets altered and twisted
- ✓ It origin cannot be traced
- ✓ It leaks out information which should be kept confidential

Rumour is grapevine information which is communicated without authentic stds of evidence. It is generally incorrect information .It is a non formal information which is passed amongst employees out of the formal channel.**DIFFERENCE BETWEEN FORMAL AND INFORMAL COMMUNICATION**

Formal	Informal
<ol style="list-style-type: none"> 1. Formal Communication follows the officially established chain of command 2. it is a slow moving process 3. It is easy to pinpoint the responsibility with respect to formal com 4. It consist mainly of work related matters 5. It is orderly and systematic in direction of flow 6. It serves org needs 	<ol style="list-style-type: none"> 1. Informal Communication is independent of the authority relations 2. it is a fast moving process 3. it is not possible to fix the responsibility of informal com 4. It may consist of work related as well as social related 5. It is unsystematic in direction of flow

Methods of Communication:

Oral Communication or verbal Communication: is a way of transmitting messages through words spoken by the sender of com to the recipient

1. Face to face conversation: it takes place between two or more persons
2. Meetings: arranged to discuss certain issues like work related
3. conversation through telephone, mobile phone: it makes it possible to talk to anyone at any place
4. Intercom: it enables the employee to talk to another employee in the same premises
5. Internet chat: they require amplifier, internet, headphone, mike and even web camera to see their face

Advantages:

1. Since both are directly involved in conversation it is possible to exchange and clarify their ideas effectively
2. It is a very fast method,
3. It is not expensive
4. They can clarify the doubt immediately
5. Both the parties can see the reaction of opposite parties
6. It is ideal to communicate to 1000 of persons at a time
7. It is best method to solve the conflicts in two parties
8. It is best method to take decisions immediately

Disadvantages:

1. This cannot be preserved for future reference
2. Information orally passed may be altered or twisted later
3. There is possibility to misunderstand the oral information
4. Lack of attention on the part of receiver may make oral com a failure

Written Communication: by which the communicator establishes a direct contact with the receiver through written documents. It is a formal method of communication in the form of letter, memos circulars, reports, instruction cards, manuals, magazines etc.

Advantages:

1. It can be sent to anywhere in the world
2. it is always preserved for future reference
3. produced as evidence in any court
4. it is very clear and accurate
5. it is ideal where it is unnecessary to have direct contact with the receiver

Disadvantages:

1. It is time consuming for preparation
2. there may be delay in reaching the letter to receiver
3. immediate clarification is not possible
4. difficult to maintain secrecy
5. sender cannot see the reaction of the receiver
6. if the sender uses hard vocabulary then it is difficult to understand

Gesture communication: actions such as nodding the head, rolling of eyes, movement of lips etc to convey some idea.

BARRIERS TO COMMUNICATION: A. Personal barriers

1. Lack of command over language: if a person is poor in conveying his ideas verbally or in writing due to lack of command over language then the com will be failure
2. Lack of self confidence
3. Lack of good vocabulary
4. Lack of fluency in language
5. Illegible handwriting
6. Lack of attention or interest
7. Tendency to make premature conclusions
8. Lack of confidence in the other party
9. Improper state of mind
10. Faulty pronunciation
11. limited retention capacity- memory

B. Technical or mechanical barriers

1. **Distortion-** In case of telephone conversation, cross talk can lead to distortion. In case of cell phone bad signal will create distortion. When a person uses mike in a meeting then electrical disturbance
2. **Filtering:** when a message passes through different individuals it may be altered or twisted by persons for personal gain. This is due to long chain of communication.
3. **Overloading:** for Example the hard disc in the computer has its own storage space, accordingly we should send.
4. **Faulty equipment:** this can be affected due to fault on the equipment. For Eg. if the telephone or the fax is out of order it will affect transmission.

C. Organizational Barriers

1. **Inadequate facilities:** organization Expected to give number of devices for communication like phone, cell, fax, internet and so on. Organization which is not giving these facilities becomes ineffective communication.
2. **Too much reliance on formal communication:** organization depends on formal communication. It results in delay in sending and receiving any information.
3. **Status patterns:** the Executives by their position in the organization. Enjoy greater comforts.

Like separate air-conditioned room, personal phone, special furniture and so on. It makes a distance from their subordinates.

4. **Procedure delay:** unwanted procedures laid down in certain organization contribute to delay in sending and receiving information.

Measures to overcome barriers.

1. Overcoming personal barriers – by developing language.
2. Shorter communication channels- in order to avoid delay.
3. Use of electronic devices – fax, internet, mobile.
4. Removing mechanical defects - proper working conditions.
5. Development of listening habits - both the parties.
6. Organizing frequent meeting and conferences - to express their views.
7. mutual trust – confidence

LEADERSHIP

Leadership can be defined as an art or process of influencing people so that they will strive willingly and enthusiastically toward the achievement of group goals.

Importance of leadership

- ☐ Motivates employees
- ☐ Creates confidence in employees
- ☐ Builds morale among employees

Leadership skills

- ☐ Ability to use power effectively and in a responsible manner
- ☐ Ability to comprehend that human beings have different motivation forces at different times and in different situations
- ☐ Ability to inspire
- ☐ Ability to act in a manner that will develop a climate conducive to responding to an arousing motivations.

Leadership ingredients

- ☐ Leadership is power
- ☐ Fundamental understanding of people
- ☐ Ability to inspire followers to apply their fullest capacities to a
- ☐ project. Developing a particular style of leadership

Leadership means to develop willingness to work enthusiastically with zeal and confidence.

Difference between a Leadership and a Management

Factors	Leader	Manager
Source of power	Has Personal abilities	Is authority delegated
Focus	Has vision and purpose	Operating results
Approach	Transformational	Transactional
Process	Inspiration	Control
Emphasis	Collectivity	Individualism
Futurity	Proactive	Reactive
Type	Formal and informal	Formal

Leadership styles (3 styles of leadership)

1 . Autocratic style

It is also known as authoritarian directive or monothetic style. In this style a manager centralizes decision-making power in himself. He structures the complete situation for his employee and they do what they are told. Here the leadership may be negative because followers are uniformed, insecure, and afraid of the leader's authority. There are three categories of autocratic leaders.

Strict autocrat:

He is very strict, his style or method of influencing his subordinates is through negative motivation i.e. by criticizing his subordinates, imposing penalty etc.,

- **Benevolent Autocrat:**

He centralizes decision making power in him, but his motivation style is positive. He can be effective in getting efficiency in many situations. Some people work under strong authority structure and they derive satisfaction by this leadership.

- **Incompetent Autocrat:**

Some times superior adopt autocratic leadership style just to hide their incompetence. Because they feel in other styles they may be exposed before their subordinates. However this cannot be used for a long time.

Advantages of autocratic style of leadership

1. Employees who like to work under strong authority structure and they derive satisfaction by this leadership.
2. Provides strong motivation and reward to a manager exercising this style.
3. Help in quick decision making.
4. Less competent employees also have scope to work based on the instruction given to them by their leaders.

Disadvantages of autocratic style of leadership

1. People dislike strict style of leadership and they get demotivated.
2. Frustration, low morale and conflict develops in the organisation, jeopardizing organizational efficiency.
3. Employees lose their individuality and creativity because of continuously listening and following the instruction given by the leaders.

2. Democratic or Participative Style :

The style is democratic, consultative or ideographic. It involves a mental and emotional involvement of an employee in a group situation which encourages him to contribute to group goals and share responsibility in them. The manager in this style emphasizes on consultation and participation of his subordinates. Hence a participative manager decentralizes on consultation and participation of his subordinates. Subordinates are also broadly informed about the conditions affecting them and their jobs. He also encourages, accepts and appreciates the ideas and suggestions given by them. Advantages

- ✓ Employees' feelings recognized
- ✓ It is a highly motivating technique for employees, raises the morale and attitude of employees. Productivity increases.

Disadvantages

- ✓ Employees may not have understood the organizational process and may intervene and give suggestions
- ✓ Employees who are not ready to interact and participate may create problems.

3.Free rein Style

It means giving complete freedom to the subordinates. In this style manager once determines the policies, programs and limitations for action and the entire process is left to the subordinates. Group members perform every thing and the manager usually maintains contacts with outside persons to bring the information and materials which the group needs.

This type of leadership is suitable in certain situations, where the manager can leave a choice to the group. This helps the managers to develop independent personality. However contribution of the manager is almost nil. Hence this style is rarely used in organisations.

Leadership Theories Charismatic Theory Trait Theory Situational theory Behavioural theory Managerial Grid

Charismatic leadership theory

They are called great man theory and can be traced back to ancient times .Plato's Republic and Confucius' Analects dealt with leadership. They provided some insights on leadership. Subsequent studies based on these insights have suggested that 'a leader is born and is not made'. A leader has some charisma which acts as influencer. Charismatic is a Greek word which means gift. Thus charisma is a god gifted attribute in a person which makes him a leader irrespective of situations in which he works,

Charismatic leaders are those who inspire and have a major impact on their organizations through their personal vision and energy. Occasionally, a leader emerges whose high visibility and personal charisma catch the public consciousness. Charismatic leader have extremely high level of self confidence, dominance, and a strong conviction .they are always oriented towards high level of goals or vision, which captures the energy of followers. The theory believes that only a transformation leader inspires his followers through vision and energy which a normal leader cannot do. The best examples are the Great leaders like Mahatma Gandhi and Lenin and the great industrialists like JRD Tata. GD Birla, Dhirbai Ambani who created industrial empires because of their own vision, energy and entrepreneurship.

The basic assumption of charismatic theory are:

1. Leader has exceptional inborn leadership qualities which bestowed upon them by the divine power.

2. These inborn qualities are sufficient for a leader to be successful.
3. Since these qualities are inborn, these cannot be enhanced through education and training.
4. Further these qualities are of very personal nature, these cannot be shared by others.
5. These leadership qualities make a leader very effective and situational factors do not have any influence.

Limitation of the theory

1. If we assume that leaders are born, it means that we cannot develop leaders in the organizations.
2. A charismatic leader may fail in certain situations.

Trait theory

The behavioural psychological researchers accepted the fact that leadership traits are not completely inborn but they can also be acquired through learning and experience. Trait is defined as an enduring quality of an individual. The trait approach seeks to determine what makes a successful leader form

the leader's own personal characteristics. Trait approach leadership studies were quite familiar between 1930 to 1950. The method was to select leaders of eminence and their characteristics were studied. It was the hypothesis that leaders with certain traits could become more successful leaders. The studies have given that intelligence, attitudes, personality and biological factors are ingredients for effective leaders.

- ✓ A review of various research studies has been presented by Stogdill, He has suggested these traits in a successful leader
- ✓ Physical and constitutional factors (height, weight, physique, energy, health, appearance) Intelligence
- ✓ Self-confidence
- ✓ Sociability
- ✓ Will (initiative, persistence ambition) Dominance
- ✓ Surgency (talkative, cheerfulness, geniality, enthusiasm, expressiveness, alertness and alertness and originality)
- ✓ Various studies Shows various traits, hence these traits can be classified into innate qualities and acquirable traits

- Innate traits are those traits which are inborn in an individual they are related to one physical features and intelligence.

Acquirable traits are those traits which are acquired and increased through various processes like self learning, training, experience etc. they are traits like emotional stability, human relations, empathy, objectivity, motivation skills, technical skills, communication skills, social skills etc.,

Limitations of the theory

- ☐ There cannot be generalization of traits for successful leaders.
- ☐ No evidence can be given about the degree of traits because have various traits in various degrees.
- ☐ No definite conclusion can be drawn for the measurement of the traits.

Behavioural theory

Behaviour theory of leadership emphasizes that strong leadership is a result of effective role behaviour. Leadership is shown by a person's act rather than by his traits. Researchers exploring leadership role have concluded to operate effectively, groups need someone to perform two major functions; task related function and group maintenance function

Task related function relates to providing solutions to the problems faced by the groups, in performing jobs and activities.

Group maintenance function or social functions are related to actions of mediating disputes and ensuring that individuals feel valued by the group. An individual who is able to perform both roles successfully would be an effective leader. These two roles require two different sets of behaviour from the leader, known as leadership styles. Leaders' behavior may be viewed in two ways, functional and dysfunctional.

Functional leader influences followers positively by giving clear goals, motivating employees for achieving goals, raising the level of morale, building team spirit, effective two way communication, etc.,

Dysfunctional leader on the other hand is unfavourable towards employees and denotes ineffective leadership. Such a behaviour may be an inability to accept employees' ideas, display of emotional immaturity, poor human relations.

Limitations of the theory

1. A behaviour which has been functional at a point of time may be dysfunctional at another point of time.
2. Effectiveness of the leadership behaviour is depended on two external variables
 - ☐ Nature of followers
 - ☐ Situation in which the leader operates etc.

Situational theory

The approach was applied for the first time in 1920 in the armed forces of Germany with the objective to get good generals under different situations. The studies when conducted in organizations in 1950's gave prime attention in situational theory of leadership (also known as contingency theory) is given to the situation in which the leadership is exercised. There for the theory states that the effectiveness of leadership will be affected by the factors associated with the leader and factors associated with the situation.

Situational theories of leadership work on the assumption that the most effective style of leadership changes from situation to situation. To be most effective and successful, a leader must be able to adapt his style and approach to diverse circumstances.

For example, some employees function better under a leader who is more autocratic and directive. For others, success will be more likely if the leader can step back and trust his team to make decisions and carry out plans without the leader's direct involvement. On a similar note, not all types of industries and business settings require the same skills and leadership traits in equal measure. Some fields demand a large measure of innovation, whereas in others, personal charisma and relational connection with clients are far more important.

Different theories have been developed that recognize the situational aspects of leadership. Each theory attempts to provide its own analysis of how leadership can be most successful in various situations. Let's consider a few of the key theories.

Hersey and Blanchard's Situational Leadership Theory

The term –situational leadership is most commonly derived from and connected with Paul Hersey and Ken Blanchard's Situational Leadership Theory. This approach to leadership

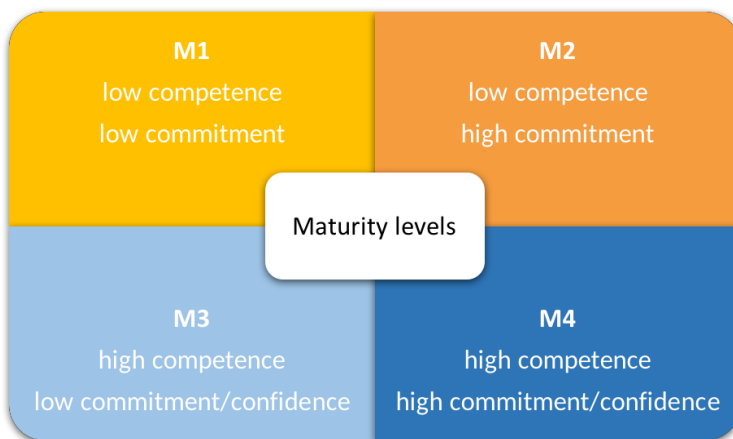
suggests the need to match two key elements appropriately: the leader's leadership style and the followers' maturity or preparedness levels.

The theory identifies four main leadership approaches:

- ✓ Telling: Directive and authoritative approach. The leader makes decisions and tells employees what to do.
- ✓ Selling: The leader is still the decision maker, but he communicates and works to persuade the employees rather than simply directing them.
- ✓ Participating: The leader works with the team members to make decisions together. He supports and encourages them and is more democratic.
- ✓ Delegating: The leader assigns decision-making responsibility to team members but oversees their work.

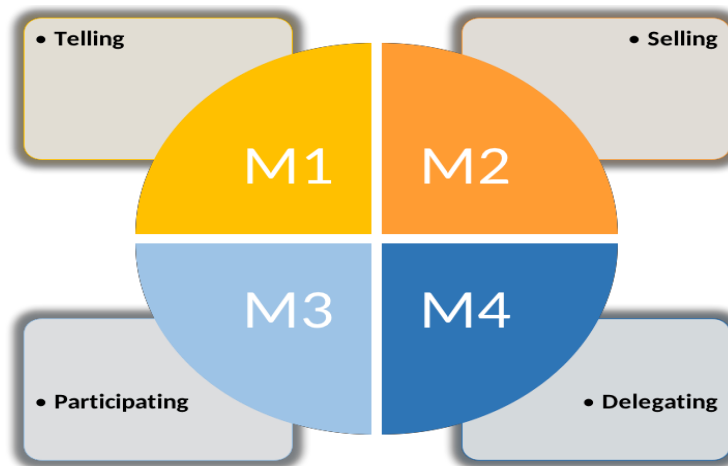
In addition to these four approaches to leadership, there are also four levels of follower maturity:

- ✓ Level M1: Followers have low competence and low commitment.
- ✓ Level M2: Followers have low competence, but high commitment.
- ✓ Level M3: Followers have high competence, but low commitment and confidence.
- ✓ Level M4: Followers have high competence and high commitment and confidence.



In Hersey and Blanchard's approach, the key to successful leadership is matching the proper leadership style to the corresponding maturity level of the employees. As a general rule, each of the four leadership styles is appropriate for the corresponding employee maturity level:

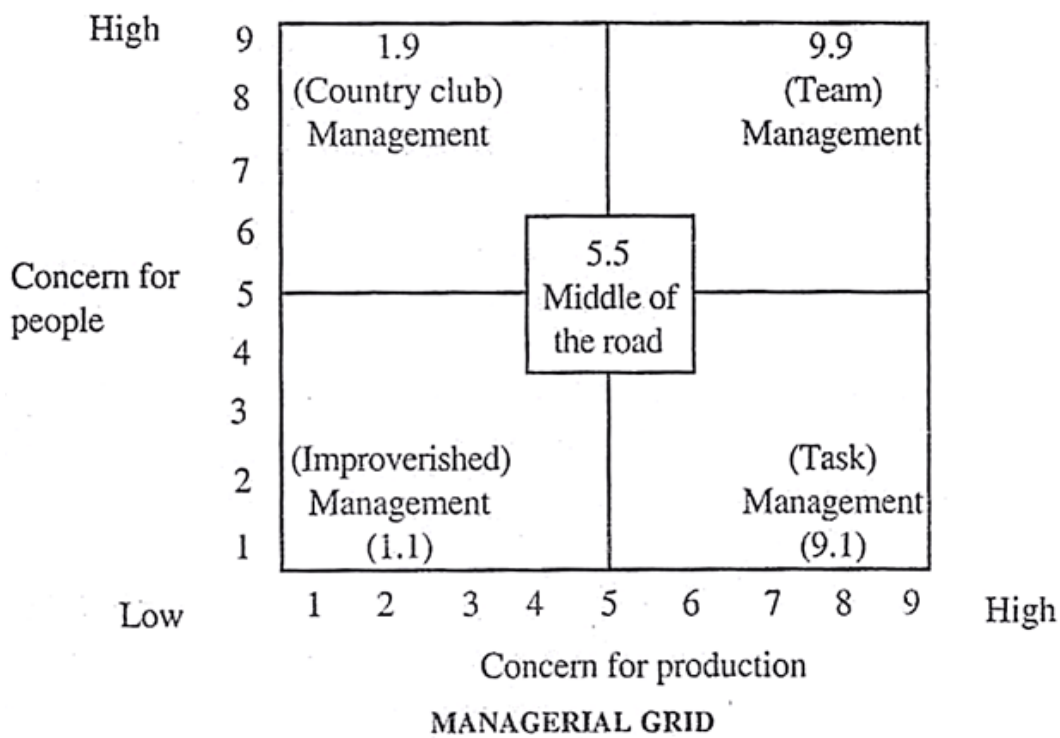
1. Telling style works best for leading employees at the M1 level (low competence, low commitment).
2. Selling style works best for leading employees at the M2 level (low competence, high commitment).
3. Participating style works best for leading employees at the M3 level (high competence, low commitment/confidence).
4. Delegating style works best for leading employees at the M4 level (high competence, high commitment/confidence).



Identifying the employee maturity level becomes a very important part of the process, and the leader must have the willingness and ability to use any of the four leadership styles as needed.

MANAGERIAL GRID

One of the most widely known approaches of leadership styles in the managerial grid developed by Blake and Mouton. They emphasize the leadership consists of factors of both task oriented and relation-oriented behaviour in varying degrees. Two variables have been taken for the study, they



****Log in to <http://edu-article.blogspot.com>**

The concern for phrase has been used to convey how managers are concerned for people or production. Concern for production means the attitudes of superiors towards a variety of things, such as, quality of policy decisions, procedures and processes creativeness of research, quality of staff services, work efficiency and volume of output. Concern for people includes degree of personal commitment toward goal achievement, maintaining the self esteem of workers, responsibility based on trust, and satisfying inter personal relations. The managerial grid identifies five leadership styles based upon these two factors(Concern for production &Concern for people) found in organizations.

Blake and Mouton have described five styles of leadership based on the given model They are impoverished (1,1), country club (1,9), task (9,1) , Middle road (5,5) and Team (9,9) styles of leadership .

Impoverished (1,1): exertion of minimum effort is required to get work done and sustain organization morale.

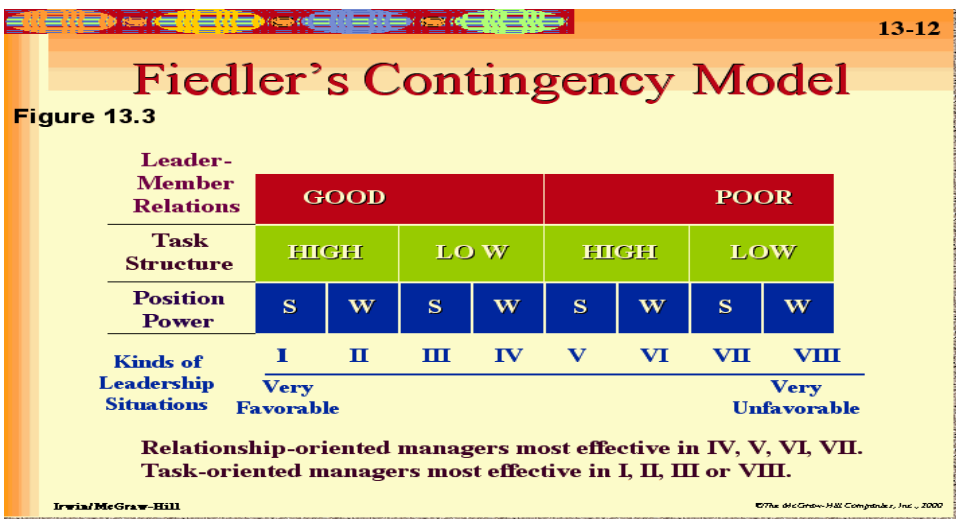
Country club (1,9): Thoughtful attention to needs of people leads to friendly and comfortable organization atmosphere and work tempo,

Task (9,1) : efficiency results from arranging work requirements in such a way that human elements have little effect.

4. Middle road (5,5) : adequate performance through balance of work requirements and maintaining satisfactory morale.
5. Team (9,9) : work accomplished is from committed people with interdependence through a common stake in organization purpose and with trust and respect.
6. Managerial grid is useful device to a manager for identifying and classifying managerial styles, it helps him to understand why he gets the reaction that he does from his subordinates. It is a means of managerial training and of identifying various combinations of leadership styles for given situations..

FIEDLER'S CONTINGENCY MODEL

MATCHING LEADERSHIP STYLE TO A SITUATION



The Fiedler Contingency Model was created in the mid-1960s by Fred Fiedler, a scientist who studied the personality and characteristics of leaders.

The model states that there is no one best style of leadership. Instead, a leader's effectiveness is based on the situation. This is the result of two factors – "leadership style" and "situational favorableness" (later called "situational control").

Leadership Style

Identifying leadership style is the first step in using the model. Fiedler believed that leadership style is fixed, and it can be measured using a scale he developed called Least-Preferred Co-Worker (LPC) Scale (see figure 1).

The scale asks you to think about the person who you've least enjoyed working with. This can be a person who you've worked with in your job, or in education or training.

You then rate how you feel about this person for each factor, and add up your scores. If your total score is high, you're likely to be a relationship-orientated leader. If your total score is low, you're more likely to be task-orientated leader.

Figure 1: Least-Preferred Co-Worker Scale

Unfriendly	1 2 3 4 5 6 7 8	Friendly
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

Tables from "A Theory of Leadership Effectiveness" by Professor F.E. Fiedler. © 1967. Reproduced

with permission from Professor
F.E. Fiedler.

The model says that task-oriented leaders usually view their LPCs more negatively, resulting in a lower score. Fiedler called these low LPC-leaders. He said that low LPCs are very effective at completing tasks. They're quick to organize a group to get tasks and projects done. Relationship- building is a low priority.

However, relationship-oriented leaders usually view their LPCs more positively, giving them a higher score. These are high-LPC leaders. High LPCs focus more on personal connections, and they're good at avoiding and managing conflict. They're better able to make complex decisions.

Situational Favorableness

Next, you determine the "situational favorableness" of your particular situation. This depends on three distinct factors:

Leader-Member Relations – This is the level of trust and confidence that your team has in you. A leader who is more trusted and has more influence within the group is in a more favorable situation than a leader who is not trusted.

Task Structure – This refers to the type of task you're doing: clear and structured, or vague and unstructured. Unstructured tasks, or tasks where the team and leader have little knowledge of how to achieve them, are viewed unfavorably.

Leader's Position Power – This is the amount of power you have to direct the group, and provide reward or punishment. The more power you have, the more favorable your situation. Fiedler identifies power as being either strong or weak.

Rate your experience with this person using the scale in figure 1, above. According to this model, a higher score your experience with this person using the scale in figure 1, above.

According to this model, a higher score means that you're naturally relationship-focused, and a lower score means that you're naturally task-focused.

Step 2: Identify your situation

- ✓ Are leader-member relations good or poor?
- ✓ Is the task you're doing structured, or is it more unstructured, or do you have little experience of solving similar problems?
- ✓ Do you have strong or weak power?

Step 3: Determine the most effective leadership style

Figure 2 shows a breakdown of all of the factors we've covered: Leader-Member Relations, Task Structure, and Leader's Position Power. The final column identifies the type of leader that Fiedler believed would be most effective in each situation.

✓ **Figure 2: Breakdown of Most Effective Leader Style**

Leader-Member Relations	Task Structure	Leader's Position Power	Most Effective Leader
Good	Structured	Strong	Low LPC
Good	Structured	Weak	Low LPC
Good	Unstructured	Strong	Low LPC
Good	Unstructured	Weak	High LPC

Poor	Structured	Strong	High LPC
Poor	Structured	Weak	High LPC
Poor	Unstructured	Strong	High LPC
Poor	Unstructured	Weak	Low LPC

For instance, imagine that you've just started working at a new company, replacing a much-loved leader

who recently retired. You're leading a team who views you with distrust (so your Leader-Member Relations are poor). The task you're all doing together is well defined (structured), and your position of power is high because you're the boss, and you're able to offer reward or punishment to the group.

The most effective leader in this situation would be high LPC – that is, a leader who can focus on building relationships first.

Or, imagine that you're leading a team who likes and respects you (so your Leader-Member relations are good). The project you're working on together is highly creative (unstructured) and your position of power is high since, again, you're in a management position of strength. In this situation, a task-focused leadership style would be most effective.

Criticisms of the Model

There are some criticisms of the Fiedler Contingency Model. One of the biggest is lack of flexibility. Fiedler believed that because our natural leadership style is fixed, the most effective way to handle situations is to change the leader. He didn't allow for flexibility in leaders.

For instance, if a low-LPC leader is in charge of a group with good relations and doing unstructured tasks, and she has a weak position (the fourth situation), then, according to the model, the best solution is to replace her with a high-LPC leader – instead of asking her to use a different leadership style.

TRADE UNIONS

—A trade union is a combination of persons. Whether temporary or permanent, primarily for the purpose of regulating the relations between workers and employers or between workers for imposing restrictive conditions on the conduct of any trade or business and includes the federations of two or more trade unions as per Sec. 2 (6) Trade Unions Act, 1926.

Trade union is a voluntary organisation of workers formed to protect and promote their interests through collective action.

These may be formed on Plant basis, Industry basis, Firm basis, Regional basis or National basis.

A few definitions are given below:

□

(i) Trade Union is a —continuous association of wage earners for the purpose of maintaining and improving the conditions of their working lines. || **Webb**

(ii) “A labour union or trade union is an organisation of workers to promote, protect and improve, through collective action, the social, economic and political interests of its members. || - **Edwin B. Flippo**

(iii) Trade Unions are —all organizations of employees including those of salaried and professional workers as well as those of manual wage earners which are known to include among their functions that of negotiating with their employers with the object of regulating conditions of employment.

British Ministry of Labour

Trade unions are organisations formed, financed and run by their members in their own interests, and several have existed for over a hundred years. There are many unions, covering a wide range of employment areas. In British law, a union must be 'independent' - that is, it must not rely on an employer for funds, facilities or organisation. It must show that it can provide adequate services to its members and that it is able (if necessary) to sustain itself during disputes. In the UK there are about 200 certified independent trade unions, but numbers have been declining due to amalgamations. They can be divided into three main categories:

☐ manual workers unions white collar unions

☐ managerial/professional unions.

Objectives:

Following are the objectives of trade unions:

1. Ensure Security of Workers:

This involves continued employment of workers, prevent retrenchment, lay off or lock-outs. Restrict

application of -firell or dismissal or discharge and VRS.

Obtain Better Economic Returns:

This involves wages hike at periodic intervals, bonus at higher rate, other admissible allowances, subsidized canteen and transport facilities.

3. Secure Power To Influence Management:

This involves workers' participation in management, decision making, role of union in policy

decisions affecting workers, and

staff members. Secure Power To

Influence Government:

This involves influence on government to pass labour legislation which improves working conditions, safety, welfare, security and retirement benefits of workers and their dependents, seek redressal of grievances as and when needed.

NEED FOR TRADE UNIONS

1.Negotiating pay and conditions

Trade unions and staff associations set out to look after their members by:

- ☐ protecting their levels of wages and other
- ☐ payments negotiating their hours of work
- ☐

and other working conditions keeping an eye
on health and safety at work.

I. Giving advice and information

In medium-sized and large organisations it is not really possible for each employee to negotiate individually with management on every issue or grievance that arises. Instead, trade unionists elect or appoint representatives who negotiate on behalf of all the members.

3. Defending employees' rights

Trade union representatives help to ensure the smooth running of industry. Wherever people work or meet together, disputes and grievances will occur, and in industry the problems of new technology, complicated payment systems and work that lacks stimulation are bound to create occasional dissatisfaction. In these cases it is the trade union representative who expresses the views of employees and defends their employees rights.

4. Resolving conflict

Disputes usually occur when all the available channels of discussion and negotiation have been tried. A major function of trade unions in these situations is to resolve conflict by representing their members in discussions with employers.

5. Providing benefits for members

Many unions provide a range of benefits for members including reduced membership to clubs and gyms, discounts on shopping with selected stores, pension schemes, insurance schemes, holiday schemes and many other benefits

Formation and Registration of Trade Union:

The following steps are involved in the registration of trade union:

Appointment of Registrars:

(a) The appropriate government shall appoint a person to be the registrar of trade unions for each state. The appropriate government may appoint as many additional and deputy registrars of trade unions as it thinks fit for the purpose of exercising and discharging under the superintendence and direction of the registrar.

Such powers and functions of the registrar under this Act as it may, by order, specify and define the local limits within which any such additional or deputy registrar shall exercise and discharge the powers and functions so specified.

(b) Mode of Registration:

Any seven or more members of a trade union may, by subscribing their names to the rules of the trade union and by otherwise complying with the provision of this Act with respect to registration, apply for registration of the trade union under this Act.

(ii) Where an application has been made under subsection (i) for the registration of a trade union, such application shall not be deemed to have become invalid merely by reason of the fact that, at any time after the date of the application, but before the registration of the trade union, some of the applicants, but not exceeding half of the total number of persons who made the application, have ceased to be members of the trade union or have given notice in writing to the registrar dissociating themselves from the application.

c) Application for Registration:

(i) Every application for registration of a trade union shall be made to the registrar and shall be accompanied by a copy of the rules of the trade union and a statement of the following particulars, namely—

1. The names, occupations and addresses of the members making application.
2. The name of the trade union and the address of its head office.
3. The titles, names, age, addresses and occupations of the office bearers of the trade union.

(ii) Where a trade union has been in existence for more than one year before the making of an application for its registration, these shall be delivered to the registrar, together with the application, a general statement of the assets and liabilities of the trade union prepared in such form and containing such particulars as may be rescribed.

(d) Provisions to Be Contained In the Rules of a Trade Union:

A trade union shall not be entitled to registration under this Act, unless the executive thereof is constituted in accordance with the provisions of this Act.

(e) Power to Call For Further Particulars and To Require Alterations of Names:

(i) The registrar may call for further information or the purpose of satisfying himself that any application complies with the provisions of Section 5, or that the trade union is entitled to registration under Section 6, and may refuse to register the trade union until such information is supplied.

(ii) If the name under which a trade union is proposed to be registered is identical with that by which any other existing trade union has been registered or, in the opinion of the registrar, so nearly resembles such name as to be likely to deceive the public or the members of either trade union, the registrar shall require the persons applying for registration to alter the name of the trade union stated in the application, and shall refuse to register the union until such alteration has been made.

Registration

:

The registrar, on being satisfied that the trade union has complied with all the requirements of the Act in regard to registration shall register the trade union by entering in a register, to be maintained in such form as may be prescribed, the particulars relating to the trade union contained in the statement accompanying the application for registration.

Certificate of Registration:

The registrar, on registering a trade union under section and, shall issue a certificate of registration in the prescribed form which shall be conclusive evidence that the trade union has been duly registered under this Act.

(h) Cancellation of Registration:

A certificate of registration of a trade union may be withdrawn or cancelled by the registrar on the application of the trade union to be verified in such manner as may be prescribed in if the registrar is satisfied that the certificate has been obtained by fraud or mistake or that the trade union has ceased to exist.

It has to provide not less than two months' previous notice in writing specifying the ground on which it is proposed to withdraw or cancel the certificate shall be given by the registrar to the trade union before the certificate is withdrawn or cancelled otherwise than on the application of the trade union.

Registered Office:

All communications and notices to a registered trade union may be addressed to its registered office. Notice of any change in the address of the head office shall be given within fourteen days of such change to the registrar in writing, and the changed address shall be recorded in the register referred to in Section-8 of the Companies Act.

(j) Incorporation of Registered Trade Union:

Every registered trade union shall be a body corporate by the name under which it is registered and shall have perpetual succession and a common seal with power to acquire and hold both movable and immovable property and to contract, and shall by the said name sue and be sued.

Rights and Liabilities of Registered Trade Unions:**1. Objects on Which General Funds May Be Spent:**

The general funds of a registered trade union shall not be spent on any other objects than the payment of salaries, allowances and expenses to the office bearers of the trade unions; expenses for the administration of the trade union; the presentation or defiance of any legal proceeding

to which the trade union of any member thereof is a party; the conduct of trade disputes and compensation of members for loss arising out of trade disputes; provision of education, social or religious benefits for members; upkeep of a periodical published.

2. Constitution of a Separate Fund for Political Purposes:

A registered trade union may constitute a separate fund, from contributions separately levied for or made to that fund, from which payments may be made for the promotion of the civic and political interests of its members, in furtherance of any of the objects such as the payment of any expenses incurred, either directly or indirectly; the holding of any meeting or the distribution of any literature/documents in support of any such candidate; the registration of electors of the selection of a candidate for any legislative body constituted under or for any local authority; the registration of electors or the selection of a candidate for any legislative body constituted under/or for any local authority; holding of political meetings of any kind.

3. Criminal Conspiracy in Trade Disputes:

No office bearer or member of a registered trade union shall be liable to punishment under sub-section (2) of Section 120 B of the Indian Penal Code, 1860 in respect of any agreement made between the members for the purpose of furthering any such object of the trade union as is specified in section its unless the agreement is an agreement to commit an offence.

4. Immunity from Civil Suit in Certain Cases:

(i) No suit or other legal proceeding shall be maintainable in any civil court against any registered trade union or any office bearer or member thereof in respect of any act done in contemplation or furtherance of a trade dispute to which a member of the trade union is a party on the ground only that such act induces some other person to break a contract of employment, or that is in interference with the trade, business or employment of some other person or with the right of some other person to dispose of his capital or of his labour as he wills.

A registered trade union shall not be liable in any suit or other legal proceeding in any civil court in respect of any fortuitous act done in contemplation or furtherance of a trade dispute by an agent of the trade union if it is proved that such person acted without the knowledge of, or contrary to express instructions given by the executive of the trade unions.

5. Enforceability of Agreements:

Notwithstanding anything contained in any other law for the time being in force, an agreement between the members of a registered trade union shall not be void or voidable merely by reason of the fact that any to the subjects of the agreement are in restraint of the trade.

6. Right to Inspect Books of Trade Unions:

The account books of a registered trade union and the list of members thereof shall be open to inspection by an office bearer or member of the trade union at such times as may be provided for in the rules of the trade union.

7. Right of Minors to Membership of Trade Unions:

Any person who has attained the age of 18 years may be a member of a registered trade union subject to any rules of the trade union to the contrary, and may subject as aforesaid, enjoy all the rights of a member and execute all instruments and give all acquittances necessary to be executed or given under the rules.

8. Effects of Change of Name and of Amalgamation:

The change in the name of a registered trade union shall not affect any rights or obligations of the trade union or render defective any legal proceeding by or against the trade union. An amalgamation of 2 or more registered trade unions shall not prejudice any right of any of such trade unions or any right of a creditor of any of them.

Shortcomings of Trade Unions:

Trade union movement in our country suffers from the following weaknesses:

1. Uneven Growth: Trade unions are concentrated in large scale industry sector and in big industrial centers. There is very little trade union activity in small sector, agricultural labour and domestic sector. Trade unionism has touched only a portion of the working class in India.

2. Small Size:

Most of the unions have low membership though the number of unions and union membership are increasing, average membership is inadequate.

3. Weak Financial Position:

The average yearly income of unions is very low and inadequate. The subscription rates are low and many members do not pay the subscription in time. Due to their financial weakness, most of the unions are not in a position to undertake welfare programmes for workers.

4. Political Leadership:

Trade unions are under the leadership and control of political parties and outsiders. Politicians exploit unions and workers for their personal and political gains. Thus, the political leadership is very harmful to the trade union movement in India.

5. Multiplicity of Unions:

There exist several unions in the same establishment or industry. The existence of rival unions with conflicting ideology is greatly responsible for unhealthy growth of trade union movement. In some cases employers encourage split in unions to undermine their bargaining power.

6. Problem of Recognition:

Employers are under no obligation to give recognition to any union.

7. Absence of Paid Office-Bearers:

Most of the unions do not have full-time paid office-bearers. Union activists working on honorary basis devote only limited time and energy to union activities. Union officers lack adequate knowledge and skill due to lack of proper training, weak financial position and political leadership are the main reasons for this state of affairs.

8. Apathy of Members:

Majority of workers do not take keen interest in union activities. The attendance at the general meetings of unions is very poor.

9. Opposition from Employers:Trade unions in India have to face opposition from employers. Many employers try to intimidate or victimise labour leader, start rival union and bribe union officials. **Inter-Union Rivalry:**Multiple unions create rivalry. Unions try to play down each other in order to gain greater influence among workers. Employers take advantage of infighting. Inter-union rivalry weakens the power of collective bargaining and reduces the effectiveness of workers in securing their legitimate rights.

In India the Trade Union movement is generally divided on political lines. According to provisional statistics from the Ministry of Labour, trade unions had a combined membership of 24,601,589 in

2002. As of 2008, there are 11 Central Trade Union Organisations (CTUO) recognised by the

Ministry of Labour.

Problems in Indian trade union

- ✓ Multiplicity of union : Political influence Outside leadership Inter union rivalry Lack of recognition
- ✓ Legal changes are enormous
- ✓ Donations are linked to obligations
- ✓ Membership subscriptions are must exploitation by political parties outside leadership
- ✓ Unions are blamed for all difficulties Recognition of T.U. leads to bargaining. Lack of knowledge
- ✓ Preoccupation with many unions Centralised decision making. Illiteracy among employee ignorance