

Chapter 7 Leadership

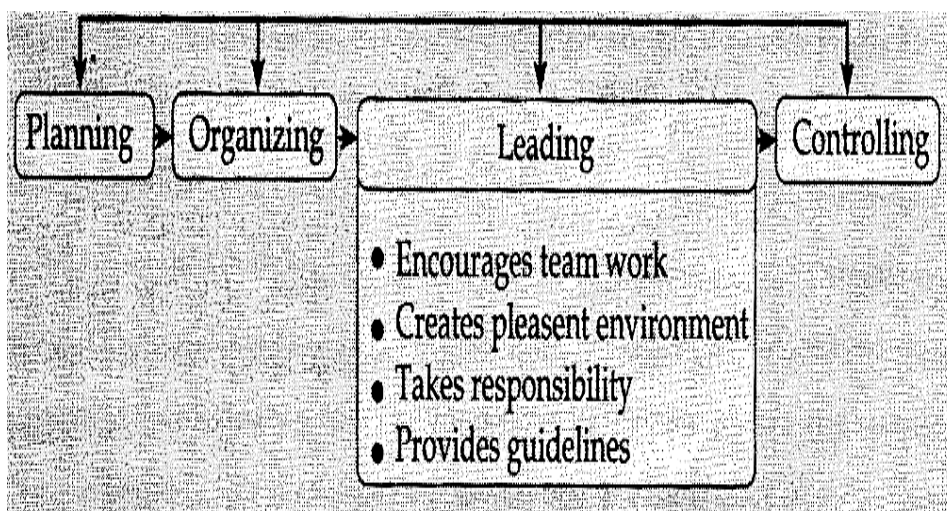
A person, who led the group or organization, is a leader. A good leader is made not, born. If you have the desire and will power, you can become a good leader. A good leader develops through a never ending process of self-study, education, training, and experience. A leader should have qualities of quick decision making, wisdom, high morale, courage, sociable, and so on. Power is an important factor of a leader. Without power he/she cannot provide effective leadership. A leader gets more power than the other managers and employees in the organization. He/ she gets such power from several sources such as reward, force, legally, or due to personal personality or special ability. Leader leads the organization effectively exercising the same power.

Leadership is a process of influencing a group or individuals to achieve corporate goals. It has been described as a process of social influence in which one person can enlist the aid and support of others in the accomplishment of a common task. It is an activity of influencing employees towards achievement of organization goals. Effective leadership can bring changes in employees' behavior. For example- soldiers do not fire their guns in fighting until the commander does not order them

Effective leadership is essential to operate an organization effectively and efficiently. Without effective leadership no organization can exist in this competitive and dynamic environment. Planning, organizing, and controlling are impossible without effective leadership. High productivity and profitability are the results of effective leadership. Without effective leadership an organization becomes like a vehicle without steering

According to **Alford & Beatty**, "Leadership is the ability to secure desirable actions from a group of followers voluntarily without use of coercion"

According to **Stephen P. Robbins**, "Leadership is the ability to influence a group towards achievement of goals."



Leadership Qualities

1. **Ability to inspire followers:** Leader should be honest, faithful, charismatic, and hardworking to be popular among his/her followers. The followers like to give support to such leader and obey his/her order.
2. **Problem solving skill:** Leader should not be afraid of problems. He/she must be able to identify problems, develop alternatives, evaluate the alternatives, and select the best alternative. In fact, a leader should be able to find solution to problems. Thus, he/she should have special ability to solve problems.
3. **Matured behavior:** A leader should pose matured behavior. In other words, the leader should be matured, self-confident, and rational. A leader, who is quick tempered, forces others to agree only with his/her views, and does not respect others feeling cannot be a good leader. His/her behavior should be equally fair to all the followers. Otherwise the followers do not respect, do not trust, and do not obey his/her order.
4. **Ability to understand human behavior:** The leader should understand the feelings, interest, desire, and social values of the employees. All the credit of organizational success should be given to the employees.
5. **Dedication to organizational goals:** A leader should be a visionary and missionary. Personal interest should not be given more importance and should think that organizational interest as his/her interest. A leader should keep the organizational interest at top priority at the time of decision making. He/she must spend time or energy to accomplish the organizational goals.
6. **Willingness to take risk:** The saying high risk high profit and no pain no gain proof that different kinds of risks involve in business. Thus, he/she must have willingness to take business risks. He/she should be a risk bearer not avoider. He/she should manage risk properly. Huge risk should transfer to there insurance company.
7. **Ability to use power:** A leader has specific power or authority, which distinct him/her from others. He/ she must have ability to use this power for the betterment of the organization or organizational interest not personal interest. The person who cannot use his/her power cannot lead his/her subordinates. Thus, the leader should be able to direct his/her subordinates and give the order to hard work.
8. **Ability of act:** The leader should be intelligent and able to act effectively and efficiently. He/she should be able to lead or work according to changing environment. He/she should believe in work, not in fate. Apart from administrative and technical work, he/she should have knowledge of constitutions, laws, rules, and regulations of the country.
9. **Physical fitness:** A leader should be physically fit. He/she should have strength to work with zeal. He/she should be able to work hard. Intrinsic traits such as intelligence, good looks, height, appearance, voice, and so on enhance to leadership, but only these traits are not sufficient to be a good leader. He/she must be physically fit. Unhealthy and dormant leader cannot provide effective leadership.
10. **Situational adaptation:** He/she must work in dynamic environment. The fundamental backup of the situational leadership theory is that there is no single best style of leadership. Effective leadership is task-relevant and the most successful leaders are those that adapt their leadership style to the

maturity. A leader should be situational or he/she should apply different leadership styles according to the situation.

- 11. Self-confidence:** A leader should have a high degree of self-confidence. He/she should understand his/her strong and weak aspects and should remain effortful to reduce weakness and increase strong aspects. He/she should also trust the followers.
- 12. Listening power** A leader should have the patience to listen to others. Most of the leaders do not take patient to listen to others. A good leader should be a good listener. He/she should listen more and more to know others. A leader should be able to listen to new ideas, even if they do not conform to the usual way of thinking.
- 13. Moral integrity:** He/she must show the good examples to the people of the organization. He/she must flow the honesty policy. He/she should keep away immoral activity, dishonesty, fraud, misbehave, and so on.
- 14. Clear vision:** It is very essential quality of a leader for the organizational success. Leadership cannot be effective without clear vision.

Functions of Leadership

- 1. Goal determination:** A leader needs ability and experience to determine organizational goal. Organizational goals can be strategic, tactical, and operational. Organizational goal provides guidance and joined direction for employees in the organization. It also provides mechanism for evaluation and control. Thus, organizational goals should be determined only after having analyzed adequate, reliable, and up-to-date information. Creative leader can craft appropriate goal.
- 2. Organizing function:** It allocates available resources to achieve organizational goals. It also identifies organizational activities, organizes these activities into department, and defines authority of people. It also coordinates authority and responsibility.
- 3. Directing and motivating:** Without the ability to influence subordinates towards goal achievement, a manager cannot be effective. No matter how well-crafted the objectives or how well-organized the resources, nothing can be achieved if employees are unwilling or unable to work towards the objectives. Thus, managerial leaders must have directing ability to motivate their subordinates. A good leader motivates his/her employees to perform activities to achieve organizational goals. Motivation brings change in employees' behavior and makes them dedicated themselves to perform organizational activities. Financial and non-financial techniques can be applied to motivate employee with zeal. Managerial leader makes them sincere, hardworking, loyal, trust worthy, and enthusiastic towards their work through motivating activities.
- 4. Coordinating organizational activities:** Coordination is the process of linking the various functions of different departments of the organization. If coordination lacks, organizational effectiveness cannot be achieved. Effective coordination should be maintained in an organization. Leader coordinates organizational activities to achieve organizational objectives.
- 5. Quick and decision rational** Decision making is the act of selecting best alternative from a set of alternatives. Whatever a leader does, it is done with decision. So, the decision making is very important function of a managerial leader. Decision making only is not a great thing; it should be quick and rational. Delay or bad decision leads the organization towards failure.
- 6. Encourage teamwork** Managerial leader should win the confidence of the subordinates and encourage teamwork. Teamwork plays a very important role to achieve organizational goal. So, the

leader should act as a captain encourages teamwork in an organization. The leadership cannot get success without teamwork. The team members should be motivated to perform their work in team effectively and efficiently.

7. **Represent organization** A leader acts as a represented with outside world on behalf of organization. He/ she represents the organization through the participation in national and international conferences and trade shows. Sales maximizing, launching a new product, developing customer loyalty, developing brand image, and maintaining good relationship with outsiders are the main purpose of representing organization.
8. **Taking initiation:** leader should give equal importance to all the activities of the organization. He/she should never think to do organizational works only after getting advice or suggestion from others. He/ she should take initiation in work for the achievement of the organizational goals.
9. **Taking responsibility** A managerial leader should bear all responsibilities in an organization. Works are done through and by others. Managerial leader delegates authority to the lowest levels of management and makes them responsible towards performance but ultimate responsibility lies with him/her because responsibility can never be delegated. So, the managerial leader should bear the organizational responsibilities by him/her.
10. **Providing guidance to the organization** Another core function of leadership is to provide effective guidance to the organization. Such guidance becomes the source of motivation to the employees and provides mechanism to perform the organizational activities effectively and efficiently. A leader should have foresighted ability and rational decision making qualities to provide guidance to the organization.

Leadership styles

A. Autocratic, democratic and laissez-fair leadership style

- **Autocratic Leadership Style:** The autocratic (also called authoritarian) leader holds all decision making power with him/her. He/she does not make subordinates participative in decision making process. He/she thinks I am the boss. I can do everything. I have the knowledge of every aspect. He/she directs, commands, and threatens subordinates. Autocratic leaders think they have got the power to punish and reward because of their own leadership ability. Such leaders do not care for human aspect of the employees and they behave with them as machines. From the employees' point of view, autocratic leadership shows cruelty and inhumanity. Such leadership does not consider human values and norms. Autocratic leader thinks him/her, a great powerful wise, intelligent, and knowledgeable person. Autocratic leadership is better than other leadership styles in emergency situation. Some projects require strong leadership in order to get things accomplished quickly and efficiently.

Characteristics

- Autocratic leaders trust on threats and punishment to influence employees, do not trust employees, and do not allow for employee input.
- Autocratic leaders make the decisions independently.
- Subordinates are rarely trusted with decisions or important tasks.

Advantages

- If the subordinates are new and inexperienced, authoritarian or autocratic leadership style is suitable.
- Autocratic leadership style increases work efficiency and productivity.
- Autocratic leadership can take quick decisions.
- If the subordinates do not like to bear the responsibility or autocratic leadership style is better.

Disadvantages

- Autocratic leadership lacks feedback mechanism due to one-way communication. Corrective action cannot be take place in time.
- Autocratic leader's decision can quick but it may not be rational.
- As the employees are treated like machines, they do not become excited and dedicated to work.
- If the subordinates are efficient, skilled and experienced, or autocratic leadership style is not suitable.
- **Democratic Leadership Style** The democratic (also called participative) leader is widely accepted and most popular leadership style. It is a type of leadership style in which members of the group take a more participative role in the decision making process. Researchers have found that this leadership style is usually one of the most effective and lead to higher productivity, better contributions from group members, and increased group morale. Typically the democratic leader develops plans to help employees evaluate their own performance, allows employees to establish goals, encourages employees to grow on the job and be promoted and recognizes and encourages achievement. It treats employees with humanity not machinery and gives importance to their values and norms. They provide opportunity of participation in decision making process through teamwork, quality circle, self-managed team, and so on. They encourage group members to share ideas and opinions and lead to higher productivity and profitability. The subordinates respect democratic leader and dedicate themselves on the call of such leader. The leader does not need to ask help of subordinates, they help automatically. Democratic leadership style is supposed the best leadership style.

Characteristics

- People are more committed to actions where they have involved in the relevant decision making.
- Subordinates feel more engaged in the decision making process.
- Creativity is encouraged and rewarded.
- People are less competitive and more cooperative.

Advantages

- Democratic leadership style brings satisfaction in subordinates and leads higher productivity and profitability.
- The democratic leader gets advice, help, and confidence from subordinates.
- The democratic leader increases the morale and ethics in the subordinates.
- The democratic leader wants to keep employees informed about matters that affect them.

Disadvantages

- Subordinates should be wise, skilled, knowledgeable, experienced, and enthusiastic in participative or democratic leadership style, which cannot be easily possible forever.
- Many views come from many minds in the democratic leadership style due to which decision making process becomes long, quick decision cannot be taken, due to which golden opportunities may slip from the hand of the organization.
- The democratic leader gives priority to norms and values of employees honor them and respect them but they want financial rewards than these things.
- Subordinates participate in decision making process in participative or democratic leadership style, if their idea or view is not passed, they become disappointed, and they may think they are worthless.
- **Laissez-fair Leadership Style** The laissez-fair (also called free reign (rule) leader offers little or no guidance to group members and leave decision making authority to subordinates. Laissez-fair leaders do not command or direct to the subordinates. Such leaders never use power and authority. They think all the subordinates have vision, skill, efficiency, foresightedness, and wisdom to perform their duty wisely. Laissez-faire leadership is a type of leadership style in which leaders are hands-off and allow group members to make the decisions. Researchers have found that this is generally the leadership style that leads to the lowest productivity among group members. As this style is very liberal, sometimes such leadership may be weak and ineffective. This leadership style may be effective and successful only if the subordinates are highly intelligent, highly qualified, and highly skilled in the area of expertise.

Characteristics

- Laissez-faire leaders provide very little guidance to subordinates.
- Complete freedom for subordinates to make decisions.
- Laissez-faire leaders provide the tools and resources.
- Subordinates are expected to solve problems on their own.

Advantages

- Laissez-Faire Leadership style creates democratic environment in an organization.
- Highly intelligent, qualified, and skilled subordinates in the area of expertise can make rational decisions.
- Laissez-faire leader creates free and informal working environment in an organization.
- As the employees become autonomous in performance, they are dedicated to work and feel growth of organization is their own growth.

Disadvantages

- Due to lack of a strict leader, there might be chances of increase undue activities, which badly impact the organizational effectiveness.
- Due to the lack of clear power and authority for decision making, the employees work spirit might be decline gradually in laissez-faire leadership style.
- Subordinates may give priority to personal interest rather than organizational interest.
- Laissez-faire leadership style may lose mutual co-operation in organizational activities.

- B. Situational Leadership Style** The situational leadership (also known as contingency leadership) is developed by Professor and Paul Hersey and Ken Blanchard in 1969. The situational leadership stresses a leader has to adopt his/her style according to the situation of his/her organization. It is a kind of adaptable leadership style. The motive of situational leadership is not self-interest but the growth and effectiveness of the organization. The situational leadership is a model not a theory; it is based on tested methodologies and provides practical guidance to leadership can work in a dynamic environment effectively and efficiently. See leadership approaches for detail.
- C. Behavioral Leadership Style** Behavioral leadership theory focuses on the study of specific behaviors of a leader. A leader behavior is the best predictor of his/her leadership influences and as a result, is the best determinant of his/her leadership success. The behavior-focused style provides real marketing potential, as behaviors can be conditioned in a manner that one can have a specific response to specific incentives. Ohio State University and University of Michigan are major two behavioral leadership studies. There are **people-concern** and **task-oriented behavior** leadership styles. The **people concern** leaders are focusing their behaviors on ensuring that the inner needs of the people. Leaders with a people focus will have behaviors that are in line with: encouraging, observing, listening, and coaching and mentoring. In the other hand the **task concerned** leaders are focusing their behaviors on the organizational structure, the operating procedures and they like to keep control. Task-oriented leaders are still concern with their staff motivation; however it's not their main concern. They will favor behaviors that are in line with: initiating, organizing, clarifying, and information gathering. It makes clear by the Managerial Grid developed by Blake and Moutons.

Approaches to Leadership

A. Trait Approach According to trait approach, the leader should possess special qualities to provide effective leadership. The leader should have

- (i) physical related quality such as energy, appearance, and height
- (ii) Intelligence related qualities such as adoptability, aggressiveness, enthusiasm, and self-confidence
- (iii) performance related qualities such as achievement, drive, resolve, and creativity, and
- (iv) Social qualities such as co-cooperativeness, interpersonal skills, administrative ability, etc.

If such qualities are not in the leader, he/she cannot lead the organization no can the organization operate effectively. But all the leaders may not have such qualities and some other non-leader may have such qualities. This depends on persons. So, qualities of leader should be critically studied to find which qualities exist in a particular leader and which qualities are expected to be strong. A research found out that the qualities such as height, weight, facial appearance do not play any greater role for effective leadership but the qualities such as honesty, ability, foresightedness, positive thinking, self-confidence, etc. play a great role for effective leadership. So, the leader should possess such qualities to provide successful leadership.

Generally, leader should have the following qualities for effective leadership:

- **Drive:** Drive is a quality of a successful leadership. He/she should be high spirited to take initiative. He/she should be highly able and should have intense desire for achievement.
- **Motivation:** A leader should be heartily desirous to provide leadership and should be able to influence others to make them support the organizational activities.

- **Integrity:** A leader should behave sincerely with all and should show consistency in work and deeds. Works and deeds should not contradict and cheating should be avoided. The Leader should be honest.
 - **Self-confidence:** A leader should have self-confidence to provide effective leadership. He/she should be a good decision maker and resolute, his/her work and behaviors should make others believe in him/her.
 - **Intelligence:** A successful leader should have the quality of intelligence. He/she should collect information, analyze them, and make the best conclusion for solving risky, difficult, and complex problems.
 - **Knowledge:** A leader should be well informed about the organization, should have clear vision and knowledge of business, and should be familiar about technical works. The leader should have practical knowledge. Most of the leaders lack technical knowledge.
- B. Behavioral Approach** Behavioral leadership theory focuses on the study of specific behaviors of a leader. A leader's behavior is the best predictor of his/her leadership influences and as a result, it is the best determinant of his/her leadership success. The behavior-focused style provides real marketing potential, as behaviors can be conditioned in a manner that one can have a specific response to specific stimuli. Ohio State University (1940s) and University of Michigan (1950s) are major two Behavioral leadership studies. There are **people-concern** and **production-concern** behavior leadership styles.

The **people concern** leaders focus their behaviors on ensuring that the inner needs of the people. They give emphasis on encouraging, observing, listening, and coaching and mentoring. The people-concern leader shows the following behaviors in the organization:

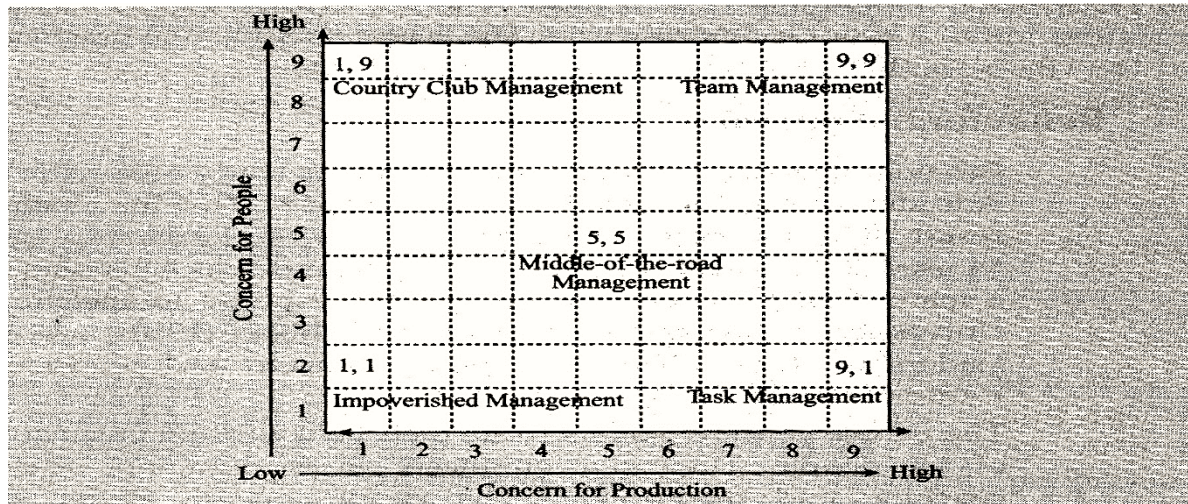
- Shows support to the followers or people or employees.
- Develops social relationship with them.
- Respects their feelings.
- Becomes sensitive and understanding towards the necessities of the followers or employees or people.
- Makes the followers/employees/people believe.

The **production concerned** leaders focus their behaviors on the organizational structure, the operating procedures and they like to keep control. Production-concern leaders are still concern with their staff motivation; however it's not their main concern. They give emphasis on: initiating, organizing, clarifying, and information gathering. The production concern leader shows the following behaviors in the organization:

- Makes a plan of the work to be done and defines it.
- Divides work responsibilities and hands over.
- Determines clear working standard.
- Requests to complete the work.
- Monitors the result of the performance.

Many research studies have been done on leadership behaviors. They have shown that the people concern leadership style becomes more productive than production-concern leadership. But, the reports of the latest researches have given suggestions to adopt both production and people concern styles to be a successful leader. Blake and Mouton have developed a model for leadership

training model. It is called Blake and Mouton's Managerial Grid. This managerial grid has used the behavioral dimensions concern for people and concern for production and evaluates a leader's use of these behaviors, ranking them on a scale from 1 (low) to 9 (high). Given figure depicts the Blake and Mouton's Managerial Grid.

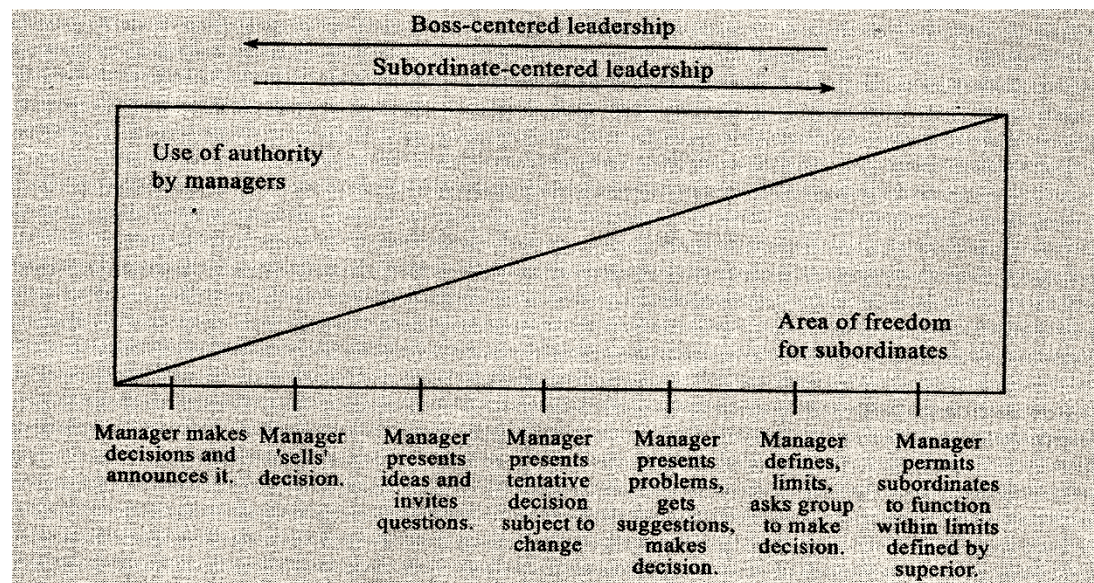


1. **1, 1 style leader** Blake and Mouton have named it as Impoverished Management. This style leader gives less importance to both production and people.
2. **1, 9 style leader** Blake and Mouton have named it as Country Club Management. The leader who adopts this style gives more importance to people and less to production.
3. **9, 1 Style leader** Blake and Mouton have named this style as Task Management. The leader who adopts this style gives more importance to production and less to people.
4. **9, 9 Style leaders** Blake and Mouton have named this style as Team Management. The leader who adopts this style gives importance to both production and people.
5. **5, 5 Style leaders** Blake and Mouton have named this style as Middle-of-the Road Management. The leader who adopts this style gives equal importance to production and people.

C.Situational Approach The situational leadership (also known as contingency leadership) is developed by Professor Paul Hersey and Ken Blanchard in 1969. The situational leadership stresses a leader has to adopt his/her style according to the situation of his/her organization. It is a kind of adaptable leadership style. The motive of situational leadership is not self-interest but the growth and effectiveness of the organization. The situational leadership is a model not a theory; it is based on tested methodologies and provides practical guidance to leadership. Situational leadership can work in a dynamic environment effectively and efficiently. Situational approach examines the fit between the leader and the situation and provides guidelines to managers to achieve this effective fit. Many researchers and management experts have developed the models of situational approach. Among them the main ones are as follows:

1. Tannenbaum and Schmidt's Boss-centered and Subordinate-centered Model

According to this model, a leader may be both boss-centered and subordinate-centered. The style of leadership can be changed from boss-centered to subordinate-centered style. This model has not any certain model to be adopted. Thus, this model is called situational leadership style leadership. As per this model, if the leader wants to be participatory, he/she becomes subordinate-centered and if he/ she wants to be autocratic, he/ she becomes boss-centered. He/ she can also adopt any other style giving up these two styles depending upon the situation. Figure depicts the boss-centered to subordinate-centered situational leadership style.



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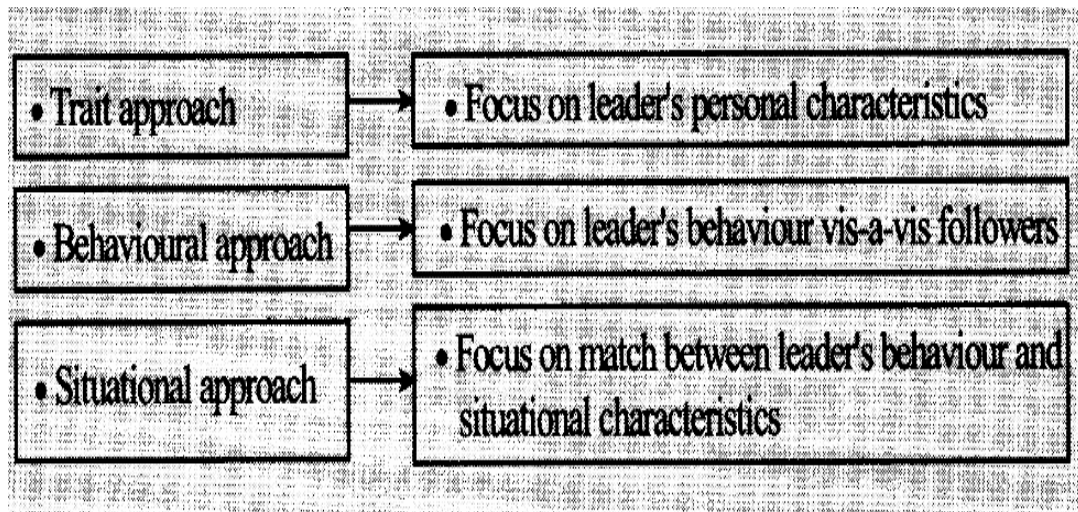
3. **Fiedler's Contingency Model** According to Fielder's contingency model, there may be different situations in an organization. The leader should adopt different styles according to situation. So, the situation should be clearly understood to make the best decision. According to him, three contingency elements can be used to understand the situation. They are as follows:

- **Task structure:** The task can be highly structured, fairly unstructured, or somewhere in between. Goal, procedure, and guidance should be clear.
- **Leader and member relation:** This element applies to the amount of loyalty, dependability, and support that a leader receives from his or her employees.
- **Positioning power:** Positioning power measures the amount of power or authority a manager perceives the organization has given him/her for the purpose of directing, rewarding, and punishing subordinates.

4. **House's Path Goal Theory** The House's Path Goal Theory is another model of contingency approach. According to this model, the leader makes a clear path for the followers or employees, on which the employees including the manager walk for the achievement of goal. The leader removes any obstacles and difficulties that occur on the path and gives rewards after the achievement of goal. The House has presented the following four models of leadership style in his Path Goal Theory.

- **Directive leadership:** This leadership gives orders what to do, how to do, maintains the standard of performance and plays leadership role in his/her team.

- **Supportive leadership:** This leadership makes work interesting, shows equal behavior to all the team members, becomes friendly, accessible, and gives importance to the welfare of the subordinates.
- **Achievement oriented leadership:** This leadership forms challenging goals, expects standard performance, and gives emphasis to regular improvement and quality achievement.
- **Participatory leadership:** This leadership involves the subordinate employees in decision making process, takes advice and suggestions from them, and uses the advice and suggestions in decision making.



Group Formation

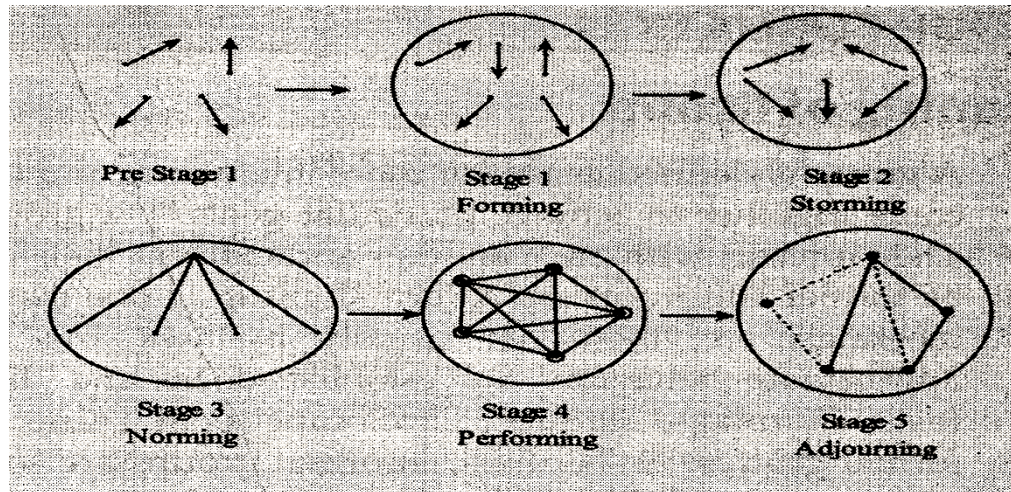
A group is defined as two or more interacting and interdependent individuals who come together to achieve particular goals. A group consists of certain members. They interact with each other and express their ideas and feelings. A group can be formal and informal. A formal group is one that has structure, officers, regular meetings, etc. there are usually by-laws and a charter. In formal groups, appropriate behaviors are established by and directed towards organizational goals. Command Groups, Cross-functional Teams, Self-managed Teams, etc. are formal groups. In contrast, informal groups are social. Informal groups are those which are formed by individuals along the lines of friendships, common interests or hobbies, and do not have the formal structural elements. For example, three employees from different departments who are regularly eat lunch together are an informal group.

According to **Ricky W. Griffin, 2000**, "A group is two or more persons who interact regularly to accomplish a common purpose or goals."

According to **Stephen P. Robbins**, "A group is defined as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives."

In conclusion, group is a team of interacting and interdependent individuals who come together to achieve pre-determined organizational goals. Group can be formal and informal. The duties, authorities, and responsibilities of formal group are clearly defined but the informal group is suddenly formed and its duties, responsibilities, and authorities are not defined.

Stages of Group Development



1. **Forming stage** Forming is the first stage of group development. At this stage, the group members get together, interpersonal behavior is tasted, and behavior is accepted or rejected. As the members of the group have to depend on others, they show symptoms of acceptable behavior.
2. **Storming stage** Storming is the second stage of group development. Some group members try to identify themselves as the member of the group. But this stage lacks unity and interaction among the members.
3. **Norming stage** Norming is the third stage of development of a group. At this stage all the members get acquainted with one another. Each of them agrees and identifies each other's' roles.
4. **Performing stage** The fourth stage of group development is performing. At this stage the group becomes problem centered. The members begin to work according to their roles, interact and the group effort is directed towards goal achievement. It is the final stage in development of permanent work group.
5. **Adjourning stage** Adjourning is the final stage of group development for temporary group. In this stage of group development, members are concerned with wrapping up of activities rather than performance.

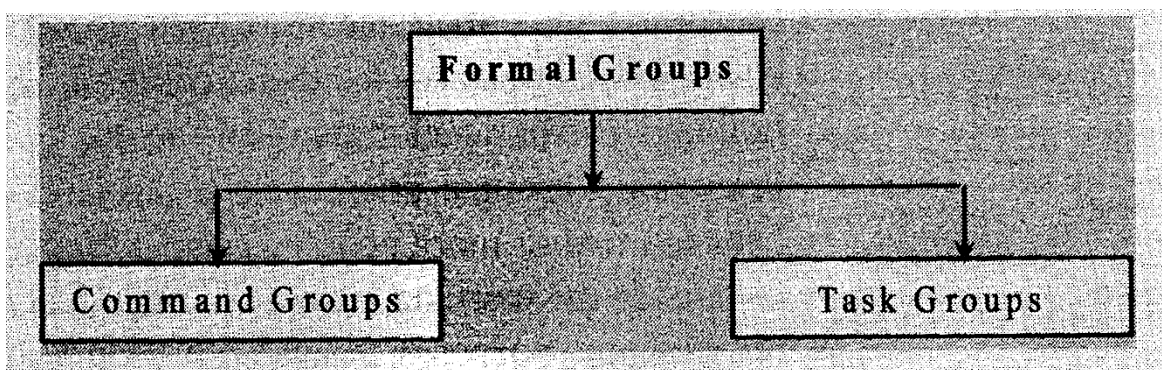
Reasons for joining Group

People join the group for different reasons. The main ones are as follows:

1. **Security** Security is the main reason for joining a group. People feel security in a group because it becomes difficult to fight alone against insecurity or problems such as social insecurity, demotion, transference to remote places, layoff, dismiss, etc.
2. **Self-respect** People feel proud to join a group. They feel that they are important in society, organization, or group. Their norms and values are valued in group. They get social respect. Group increases self-respect people working in an organization.
3. **Power** People join a group for power. The group is accumulated power. For instance- manager takes decision to dismiss an employee from a job, the manager does not hear single person request for not to dismiss him/ her, but if the labor union presses him/her with threats of strike, he/ she withdraws his/her decision.
4. **Mutual interest** Enhancing mutual interest is another reason for joining a group. Some activities must be done in group, not alone. For example- Sport Program, Literacy Program, Immunization, Environment Protection, etc.
5. **Goal achievement** A group is formed to achieve goal. For example- the goal of a commission formed for investigating an incident is to bring the fact of the incident in public.
6. **Social needs** Human beings are sociable. People want to participate in social activities. They want to interact with other members of the society. Thus, people join in group to fulfill social needs.

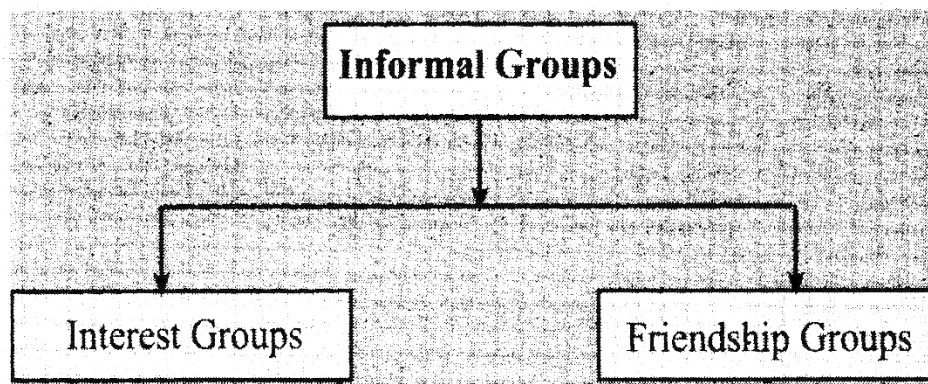
Types of Groups

1. **Formal groups:** Formal group is clearly defined by organizational structure. All the organizations have formal groups. Formal groups are supposed to be important organs of the organization. Such groups have legal and formal authority. There may be several kinds of formal groups in an organization. They can be classified into two as command groups and task groups.



- **Command group:** They are formed permanently. It is shown in organization chart and composed of individual who report directly to a given manager. So it has permanent nature. Command group consists of quality control manager, technician, lab assistant, and office assistant.

- **Task Groups:** Task groups are formed for a special task or activity in an organization. Organizations now create task groups for temporary activities that might have once been carried out by adhoc committees. Committees, quality control circle, etc. are the examples of task groups.
- 2. **Informal groups** Informal groups are unstructured groups. They are not directly shown in organizational structure but they affect the organization. Leadership appears on the basis of personal charisma. No rules or regulation nor code of conduct is framed, but the purpose of the informal group is to promote interests of the members. For this, the employees join informal group. Such group maintains discipline. The organization can also get benefits from the informal organization. It should not be taken only with negative point of view. There may be several kinds of informal groups in an organization. They can be classified into two as interest groups and friendship groups.



- **Interest groups:** Interest groups are associations or organizations of individuals who share a common interest and declare their collective strength in the organization. The group members support to strengthen the interest group. They think that the organization should be developed and from it they also should get something from the organization. Interest groups are especially concerned with their facilities such as salary, allowances, benefits, education allowance to their children, games, cafeteria, library, holidays, career development, and so on.
- **Friendship groups:** Friendship is a relationship of mutual affection between two or more people. Friendship groups can be formed inside or outside the working area of the organization. Such group is formed for different purposes. Friendship groups involve the employees in social activities. Such groups are formed on the basis of some specialties like same political view, place, religion, language, etc.

Characteristics of a Group

1. **Role structure:** Each of the group members has to play a certain role to achieve the goal of the group. All group members have their own task but the goal of a group is common. The role structure defines the role of each of the members of the group.

2. **Behavioral norms:** The standard of behavior is accepted by the group or by its members. Behavioral norms bring discipline among the group members. So, behavioral norm is the boundary of acceptable and unacceptable behavior of group members. Such boundary should not be broken showing unacceptable behavior or else such persons have to suffer punishment.
3. **Cohesiveness:** It is that degree where, the members remain trustful and dedicated to the group being complete with it to the extent they can. In the group where cohesiveness is more, the members work together and trust one another. If there is no cohesiveness, mutual coordination lacks in group and group members do not support one another. In such condition, goal achievement becomes difficult. Inter-group competition, personal attraction, favorable appraisal, compromise, and interaction strengthen cohesiveness.
4. **Informal leadership:** Generally, in operational group the leader is appointed by the organization or elected by the members of the concerned group. But spontaneously leader developed in a group is called informal leader. His/her leadership is informal. He/she is not formally recognized. In a group, the same person may be both formal and informal leader or informal and formal leaders may be different persons.
5. **Collection of people:** Group formed from people coming from different departments. Thus, group is the collection of people. The number of members of a group depends on nature of group. They work for common objectives.
6. **Similar interest:** Interests of informal group members have similar. Their needs and wants are similar. They work for common interest. Job security, attractive salary, insurance package, fringe benefits, etc. are the examples of similar interest. Group members trust mutual co-operation.
7. **Leadership:** A leader provides leadership to the group. He/ she is capable, experienced, and motivated. He/she is visionary. He/she provides leadership based on principle of equity. He/she has foresighted capacity.
8. **Common goal:** All group members have their own goals but they work for common goals. There is well integration of personal goals and common goals.

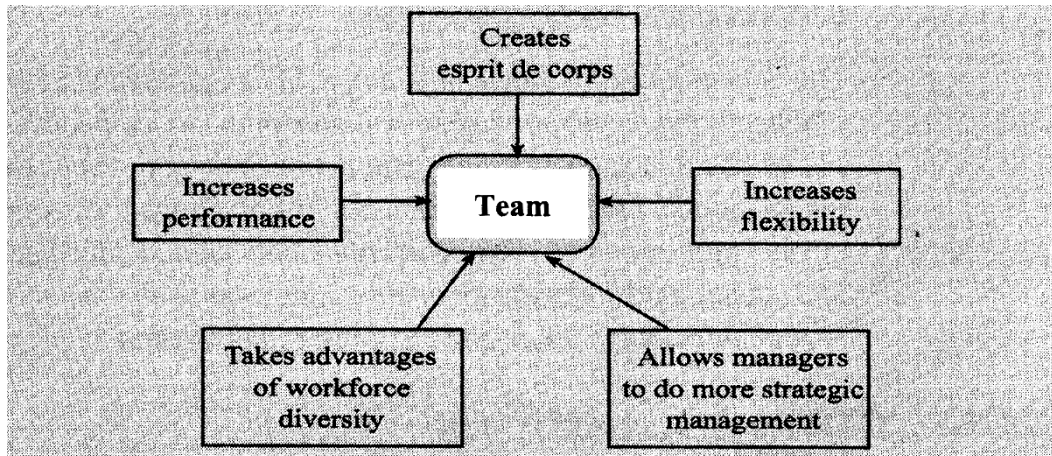
Team Management

A team comprises a group of people for common purpose. A team creates feeling of co-operation, increases flexibility, gives agreement to managers for strategic management, takes benefits from workforce, and increases work efficiency. A team must have clear goals, relevant skills, mutual trust, unified commitment, and good communication.

Team management refers to the various activities which fix a team together by bringing the team members closer to achieve the set targets. Team management is the ability of an individual or an organization to administer and co-ordinate a group of individuals to perform a task. Team management involves teamwork, communication, objective setting, and performance appraisals. It is a collective term used to describe various strategies and processes that are designed to promote unity and coordination between the members of a team. The goal for any team management process is to actively involve all group members in working toward a common goal, providing a means for each group member to participate in that attempt.

According to **Ricky W. Griffin, 2000**, "Team is a group of workers that functions as a unit, often with little or no supervision, to carry out organizational functions."

In conclusion, a team comprises a group of people for common purpose whereas team management is the ability of an individual or an organization to administer and co-ordinate a group of individuals to perform a tasks or services of tasks. The team management has an important role in rational decisions. The figure below depicts the importance of team and team management.²⁷



Types of Teams

1. Problem solving team: The problem solving team is a team which has 5 to 12 employees from the same department or functional area who are involved in efforts to improve activities or to solve specific problems. It is a kind of task force team; such team is formed for a special purpose of working on any specific project or finding a solution to a very critical problem. The team holds meeting for discussions at least once a week. This team plays an important role to improve quality of services or goods and work environment. Quality Control Circle (QCC) is an example of problem solving team. The team members of the problem solving team should have knowledge about:

- Method of solving problems
- Method of using statistical tools, and
- Method of working in a group.

2. Virtual team: The virtual team is a type of work team that uses computer technology to link physically dispersed members in order to achieve common goal. It is temporary network formed by an organization. This team keeps contact with different sides of organization through information technology. This team becomes able to identify and grab opportunities. The working boundary of such team is vast, but face to face communication is impossible and interactions of the team with society become limited.

3. Cross functional team: The cross-functional team is a type of work team that's a hybrid grouping of individuals who are experts in various specialties and who work together on various tasks. The team formed of same level employees representing different departments for performance of special task is called cross functional team. Committee and project team are the examples of cross-functional team. The members of such team become experts of different sectors.

4. Self-managed team: The self-managed team is a type of work team that operates without a manager and is responsible for a complete work process or segment. Here, as the name suggests every individual is accountable for his/her individual performance. Individuals take the initiative on their own and are their own guides and mentors. The team members of self-managed team must respect each other and should never lose focus on their target.

CONFLICTS IN ORGANIZATION

Conflict is a disagreement among two or more individuals, groups, or organizations. It is related with human behavior. It is a struggle between people with opposing needs, ideas, beliefs, values, or goals. Conflict on teams is unavoidable; however, the results of conflict are not predetermined. Conflict might lead to non-productive results. It may take place among goals, persons, teams, and organizations. Conflict happens between two sides with a certain reason. If conflict is not managed in time, relation between management and employees becomes shocking. Strike, lock- up, slogans, demonstration, pen down, mass absence, non-cooperation, etc. are related with conflict. It is difficult to point out specific reasons for conflict. Conflict may emerge for different reasons. Conflict in organization is universal. Perhaps there are no organizations having no conflict. There are three concepts in conflict.

- **Traditional concept:** Conflict is bad and must be avoid within certain time.
- **Human relation concept:** Conflict is a natural and inevitable outcome in a group.
- **Inter-actionist concept:** Some conflict is necessary for a group to perform effectively and efficiently or to make good results.

Conflict management is the principle that all conflicts cannot necessarily be resolved, but learning how to manage conflicts can decrease the odds of nonproductive growth. It involves acquiring skills related to conflict resolution, self-awareness about conflict modes, conflict communication skills, and establishing a structure for management of conflict in your environment.

According to **Ricky W. Griffin, 2000** "Conflict is a disagreement among two or more individuals, groups, or organizations."

In conclusion, conflict is a disagreement among two or more individuals, groups, or organizations. It is the result of misunderstanding among persons, among groups, and among organizations. It is created for the reason of power, rights, interests, values, norms, role, etc. In the other hand, conflict management is the use of a variety of techniques to prevent conflict and resolve it when it arises.

Types of Conflicts

1. Substantive and emotional conflicts:

Substantive conflicts involve disagreements over such things as goals, the allocation of resources, distribution of rewards, policies and procedures, and job assignments. Such conflicts can be clearly identified. They can be managed through discussions with the concerned parties. Generally, such conflicts are created in organization due to lack of managerial efficiency and ability. If such conflicts cannot be managed in time, they become very destructive. If they are managed in time, they become helpful to increase creativeness and new inventions.

Emotional conflicts result from feelings of anger, distrust, dislike, fear, displeasure, personality, etc. This conflict has psychological nature. If such conflict takes place, it should be managed within a certain time. Otherwise it brings restlessness in a person and may take terrific form. If such conflict is identified and managed in time, it becomes helpful to increase creativeness and new invention. and new inventions, because the person gets rid of anger, fear, and displeasure.

2. Constructive and destructive conflicts

Constructive conflicts are functional conflicts. These conflicts help to increase creativity in both organization and persons. This conflict is advantageous in the following ways:

- It increases in creativeness and helps in new inventions.
- Greater efforts.
- Increased cohesion.
- Reduced tension.

The traditional concept that conflict is always destructive has been proved wrong by constructive conflict.

Destructive conflicts are dysfunctional conflicts. They become bad for persons, group, and organizations. Destructive conflict appears for not being able to work two persons together, to create consensus among committee members on collective goal, etc. If team members cannot work together, the common goal cannot be achieved. This directly affects the organization. It brings decline in productivity of the organization. So this type of conflict should be managed as soon as possible.

Managing Conflict in Organization

Conflict management is the practice of being able to identify and handle conflicts sensibly, fairly, and efficiently. Since conflicts in a business are a natural part of the workplace, it is important that there are people who understand conflicts and know how to resolve them. We know a conflict is a situation when the interests, needs, goals or values of involved parties interfere with one another. A conflict is a common phenomenon in the workplace. Management must resolve such conflict in time. Conflict management involves doing things to limit the negative aspects of conflict and to increase the positive aspects of conflict. Whenever conflict arises in the organization, it should be managed cordially so that its negative effect is reduced. The action of conflict management should start after recognizing the causes of conflict. It should be managed at proper time. Here we discussed conflict management suggested by J.R. Schermerhorn, Jr.

1. **Avoidance (No winners, no-losers)** Under this technique, conflict is managed by withdrawing, sidestepping or postponing. This is no winners and no losers. This technique is appropriate when- the conflict is small, more information is needed, you have no power, more important issues are pressing you and you are too emotionally involved. Important decisions may be made by default postponing may make matters worse are the major drawbacks of this technique. The essence of this technique is- this isn't the right time or place to address this issue.
2. **Accommodation (I lose you win)** Accommodation technique (also known as smoothing) is another important technique of conflict management. This is I lose and you win approach of conflict management. The technique is appropriate when- the issue is not important, you have no choice; you accept that you are wrong; you know you cannot win, harmony is extremely important and you

are willing to let others learn by mistake. One's own ideas don't get attention and credibility can be lost are the major drawbacks of this technique.

3. **Compromise (You/bend, I bend)** It is the technique of managing conflicts by being moderately co-operative and self-confident or each party giving up something of value but not being extreme. This is you bend and I bend approach of conflict management. The technique is appropriate when- the goals are moderately important, the involved parties do not know each other well, forcing do not work and equal status of parties. Important values can be disrupted, may not work if initial demands are too great, and can issuedistrust are the major drawbacks of this technique. The essence of this technique is- winning something while losing a little is okay.
4. **Competition (I win, you lose)** Competition technique (also known as forcing) is another important technique of conflict management. This is I win and you loss approach of conflict management. The technique is appropriate when- you know you are right, quick decision is needed, you need to stand up for your rights resolve a long-lasting conflict and you need to stand up for your own rights. Escalate conflict and losers may retaliate are the major drawbacks of this technique. The essence of this technique is- winning a conflict with competition.
5. **Collaboration (I win, you win)** Collaboration technique (also known as problem confronting or problem solving) is another important technique of conflict management. This is win-win approach of conflict management. It is the best approach of managing conflict in an organization. The technique is appropriate when- a high level of trust, consensus and commitment of other parties is important, a collaborative environment, required to address the interests of multiple stakeholders, long-term relationship is important, you need to work through hard feelings and you don't want to have full responsibility. The process takes lots of time and energy and some others may take advantage of other people's trust and openness, etc. are the major drawbacks of this technique. The essence of this technique is teamwork and cooperation help everyone achieve their goals while also maintaining relationships.