
BLOCK 3

**INTERPERSONAL
PROCESSES**

BLOCK INTRODUCTION

The third block of this course consists of three units which reflect the interpersonal processes that take place in organizations.

In the *first unit* of this block, you will come to know about the meaning, relevance and functions of communication. You will also be explained about the elements of communication process, the various types of communication and also about the barriers to effective communication.

The *second unit* of this block deals with power and politics. This unit will help you to understand the influence as well as the bases of power. This unit will also discuss about the concepts of dependency, power tactics and sexual harassment. Through this unit, you will also come to know about the organizational politics, impression management techniques, ethics and politics.

The *third and the last unit* of this block deals with the definition and theories of leadership. The unit discusses about the challenges to leadership construct. At the end of this unit, you will be explained about the Indian perspective on leadership.



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UNIT 7 COMMUNICATION*

Structure

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7.0 INTRODUCTION

This is the first unit of the third block. This block deals with the interpersonal processes that involve interaction between two and more than two persons. In this unit you will come to know about the relevance of communication as one of the interpersonal process. You will be introduced about the different types of communication as well as elements of communication process. At the end of this unit, the barriers of effective communication will be introduced to you.

7.1 OBJECTIVES

After reading this unit, you will be able to:

- Explain the meaning, process and relevance of communication;
- Describe the elements of communication process;
- Elaborate upon the various types and networks of communication;
- Explain the barriers of communication.

7.2 MEANING AND RELEVANCE OF COMMUNICATION

7.2.1 Meaning of Communication

According to the American Psychological Association, communication refers to the “transmission of information, which may be by verbal (oral or written) or nonverbal means (gestures, signs and symbols)”. It is a process that helps in exchange of ideas, knowledge, feelings, and experiences and is required for interpersonal and social purposes. Predominantly, language is a significant source which helps in exchange of thought and opinion of the people. It helps in sharing of information, decision making, problem solving and enhancing performance in organizations. It is a process through which information is passed from one person to another, a meaningful interaction that takes place with the help of a medium (for example: microphones, emails, digital media and so on).

7.2.2 Relevance of Communication

Let us discuss about few of the relevance of the communication:

- It helps in transmitting as well as receiving of information through talking, writing, or making gestures.
- It is a source that helps in solving problems and decision-making processes in organizations.
- It helps the employers to convey the job responsibilities to the employees as well as receive feedback from them.

- It is a process with the help of which the doubts and grievances of the employees can be dealt with. Thus, indirectly it leads to motivation and commitment among the employees.
- Communication is a process with the help of which the attitude and behaviour of the employees can be modified. For example, an individual who is well informed will definitely show better performance than the one who has no information.
- It is a mechanism that enhances socialization, networking and better team management among the employees of the organization.
- It acts as a controlling mechanism for the employers. It helps in controlling the behaviour of the members of the Organization.
- It helps in resolving conflict among the members of the groups and teams of the organizations.
- It helps in performing tasks and perform the job responsibilities by the employees.
- It facilitates cooperation among team members of the organization.

7.2.3 Functions of Communication

By now, you might be aware of the relevance of the communication, let us discuss about the functions of the process of the communication:

7.2.3.1 Expression

Communication is a relevant process in Organization. It is one of the means by which employees express themselves, interact socially and share their grievances. In many professions (like lawyer, telephone operator and so on) their employment is a primary source of social interaction. It also leads to formation of the culture of the organization.

7.2.3.2 Control

With the help of communication, the organizations convey their rules, regulations, norms and culture. It also helps the Organization to maintain discipline and laws among its employees. It helps the employees to share their feelings and opinions as well.

7.2.3.3 Motivation

Motivation refers to a driving force which inspires individual to act or response. Organization or the employers continuously try out ways to motivate their employees to perform efficiently. In such situations, Organization needs to communicate its goals, feedback and also reinforce the employees to improve their performance.

7.2.3.4 Coordination

The organizations need to coordinate its activities, goals, processes, new developments and technology, etc., in order to achieve its targets. Such information may be imparted to the employees through regular meetings. In

the meetings, the employers as well as the employees discuss issues such as production cycles, delivery times and other areas to achieve the desired outcome. Thus, communication helps in coordination within organizations.

7.2.3.5 Problem Solving

Communication helps the employees of the Organization to discuss the task related problems. It helps in brainstorming potential responses and finalizing solutions. Thus, this ultimately benefits the Organization.

7.2.3.6 Conflict Management

Any kind of conflict among employees might lead to the loss of talented employees or lawsuits. With the help of the process of communication, employees can discuss their differences and therefore manage conflicts.

7.3 ELEMENTS OF COMMUNICATION PROCESS

In the above sections, you were explained about the meaning, relevance and functions of communication. Now, let us discuss about the process of communication. Have you ever thought about how does the communication take place? What are the basic components or elements involved in the process of communication? This section will deal with the basic elements that are involved in the process of communication.

Basically, there are five component/elements in an idealized communication system:

7.3.1 Source/Sender

Source refers to the medium from where the communication starts or originates. In speech as a means of communication the source is the person who is speaking, while in a written message, the source is the writer.

7.3.2 Transmitter

It is used to transmit or broadcast information through a mechanism like- radio or television signals.

7.3.3 Channel

In order to transmit or pass on the communication in between the source and destination, there exist a channel through which the communication is transmitted. For example, when a person is speaking, air is the channel of communication, while in writing, the paper is the channel of communication.

7.3.4 Receiver/ Destination Receiver refers to the end person who is receiving the information that is being sent by the sender. For example, a person who hears the speech or reads the message for whom it was meant are the receiver or the destination of communication.

7.3.5 Feedback

In order to keep a check whether the information has been properly communicated to the receiver, the sender needs a continuous feedback. Feedback can be in

form of a verbal or non- verbal response. It helps the sender or the source to confirm whether he/she has sent the message accurately or inaccurately. It also provides an opportunity for the receiver to ask for clarification. Feedback helps in increasing the accuracy of communication.

7.3.6 Noise

Any voice/ signal or sound that creates an interference in the proper sending or receiving of message is called noise. For example, the microphone starts creating a loud noise while you or your boss is speaking. Such a noise will be physical noise, but many a times our thoughts act as a psychological noise as it may disrupt the focus of our listening to, or reading any information.

7.3.7 Encoding and Decoding

Encoding refers to a process in which the sender codes/converts the information that he/she has to convey in his/her own words/ways, while decoding is a process with the help of which the receiver decodes the information and tries to understand it.

7.4 PROCESS OF COMMUNICATION

The process of communication involves exchange of information (between sender and receiver) and is a cyclical process (Fig: 7.1). As discussed earlier, the one who is conveying an information is a sender or the source and the one who is receiving it, is the destination or the receiver. The position of sender and receiver is interchangeable. Let us try to understand this with the help of an example, if a teacher is explaining a phenomenon in the class, then teacher is the sender and the students are the receiver. In the mean time, if a student asks a question to the teacher, then the student becomes the sender and the teacher becomes the receiver. Further, the information is sent to the receiver by the sender with the help of any channel. The communication gets effective with the help of feedback, while gets ineffective in presence of any noise.

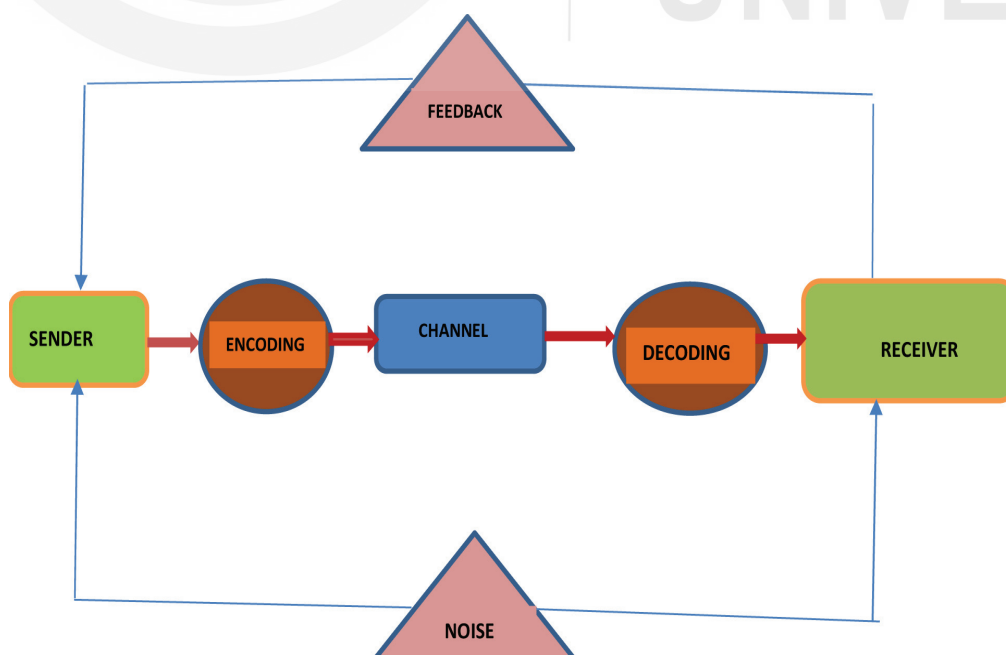


Fig. 7.1: Process of communication

Self Assessment Questions (SAQ-I)

Fill in the following blanks:

- 1) refers to the medium from where the communication starts or originates.
- 2) is a process that helps in exchange of ideas, knowledge, feelings, and experiences and is required for interpersonal and social purposes.
- 3) refers to a driving force which inspires individual to act or response.
- 4) Any voice/ signal or sound that creates an interference in the proper sending or receiving of message is called

7.5 TYPES AND NETWORK OF COMMUNICATION

In this section, we will discuss about the different ways or types of communication that we use for communication with others. Later on, we will also discuss about the different networks of communication.

7.5.1 Types of Communication

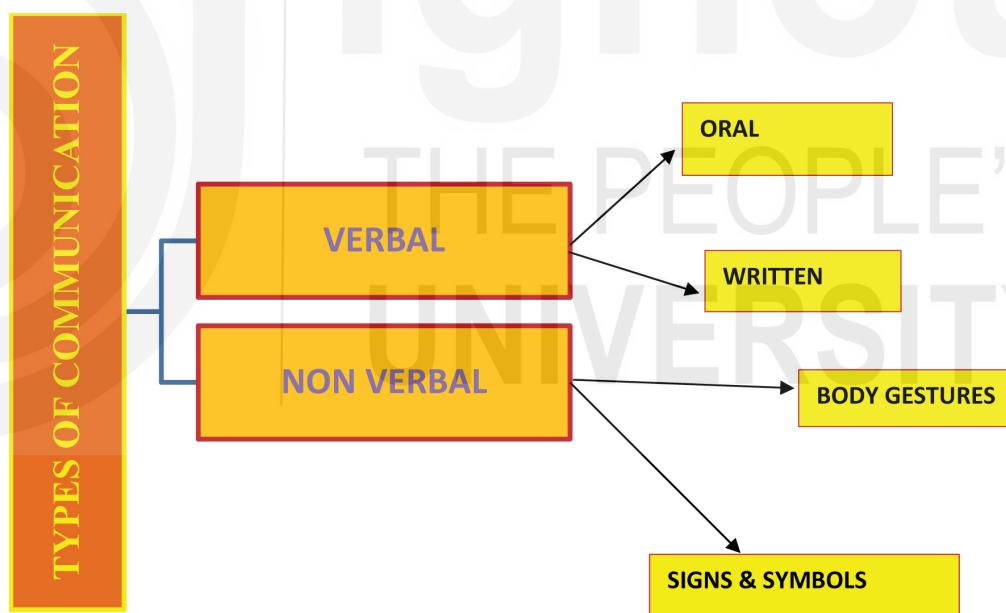


Fig. 7.2: Types of Communication

In general, there are two different types of communication (Fig: 7.2). Let us discuss about them one by one:

Verbal Communication

Any communication that involves the usage of words is said to be as verbal communication. Words can be used while speaking or writing and that is why messages sent through speaking or writing is said to be verbal communication. It is the responsibility of the sender to take care of pitch, tone and clarity of words while speaking whereas, while writing, the message or the information should be self-explanatory. Oral communication can be in form of speech while

written communication in form of emails, digital messages, books, newspapers, letters, reports and so on.

Communication

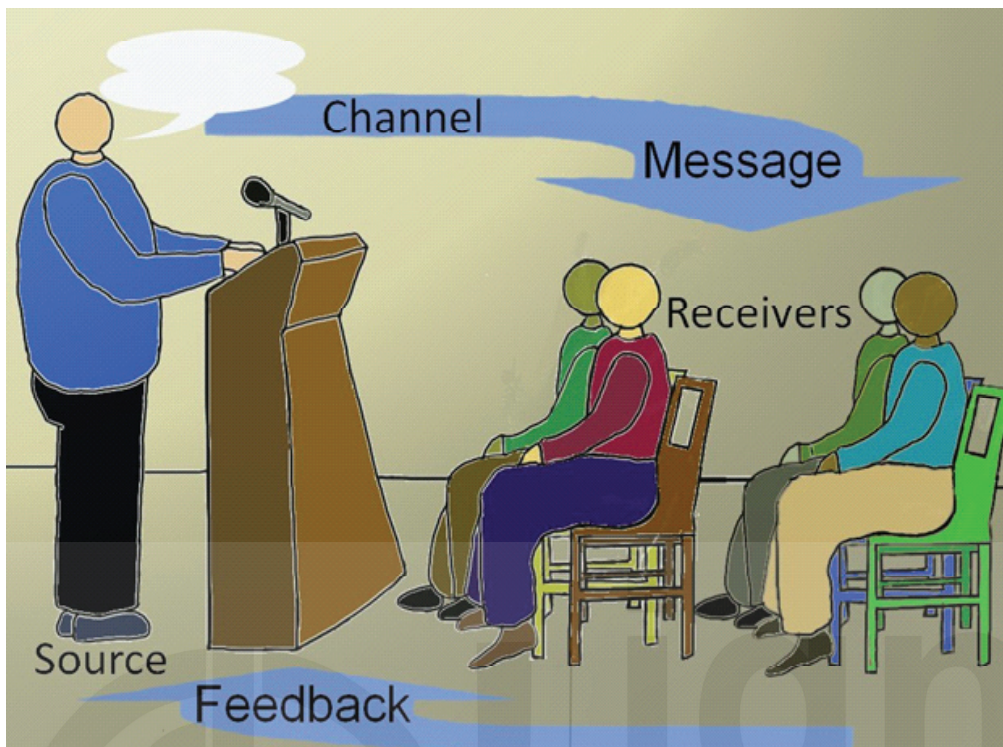


Fig. 7.3: Example of Verbal communication

(Source: <https://lumen.instructure.com/courses/218897/pages/linkedtext54118>)

- **Non-Verbal Communication**

Any communication that is done without the usage of word is known as non-verbal communication. In such a type of communication, an individual uses body languages like facial expressions like smile, frown and so on, gestures, eye movements and hand movements to communicate with others. Even the traffic signals and sign boards that you might see showing symbols of directions, arrows and sign boards are said to be as non-verbal communication.



Fig. 7.4: Example of Non-Verbal Communication

(Source: <https://freesvg.org/1526437618>)

7.5.2 Networks of Communication

Communication network refers to the pattern of contacts and the flow of information among the members of the Organization. These pattern of networks helps in smooth flow of information. The network depends upon the size of the Organization, availability of communication channels and the number of persons involved in the process. There can be many patterns of communication network as follows:

- **Downward/Top- Down Communication**

The information or the communication that takes place from a higher level (as per the hierarchy or position of employees) in an organization to a lower level is termed as - downward communication. So, any information that flows from superiors to subordinates through a chain of command is called a downward communication. With the help of this pattern of communication, the supervisors/managers transmit work-related information to the employees at lower levels. They also give feedback on the lower-level employees' performance, description of their job role and other related aspects.

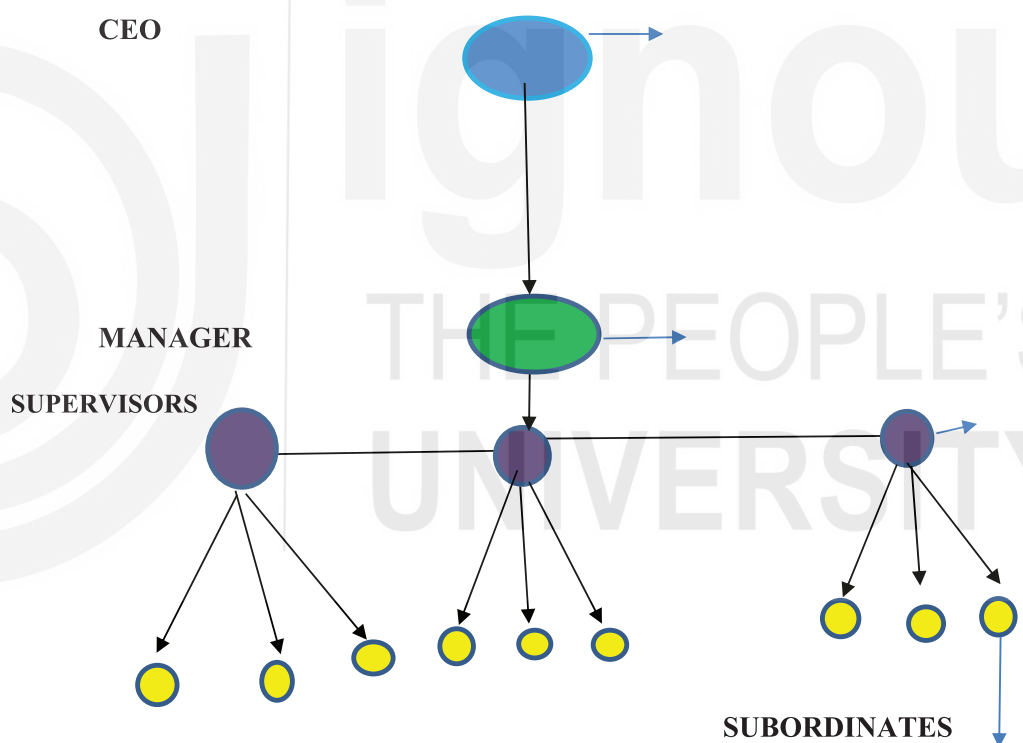


Fig. 7.5 Downward/Top- Down Communication

Upward/ Down-Up Communication

Upward communication refers to flow of information from lower- level employees to a higher level in an organization. It helps in providing feedback on how well the required job is being done by the subordinates to the managers or the supervisors. The subordinates also use upward communication to convey their problems and performances to their superiors. This pattern is also used by the subordinates in sharing their feelings and ideas. In order to encourage this pattern of communication, organizations provide Grievance Redressal System, Complaint and Suggestion Box, Job Satisfaction surveys and so on.

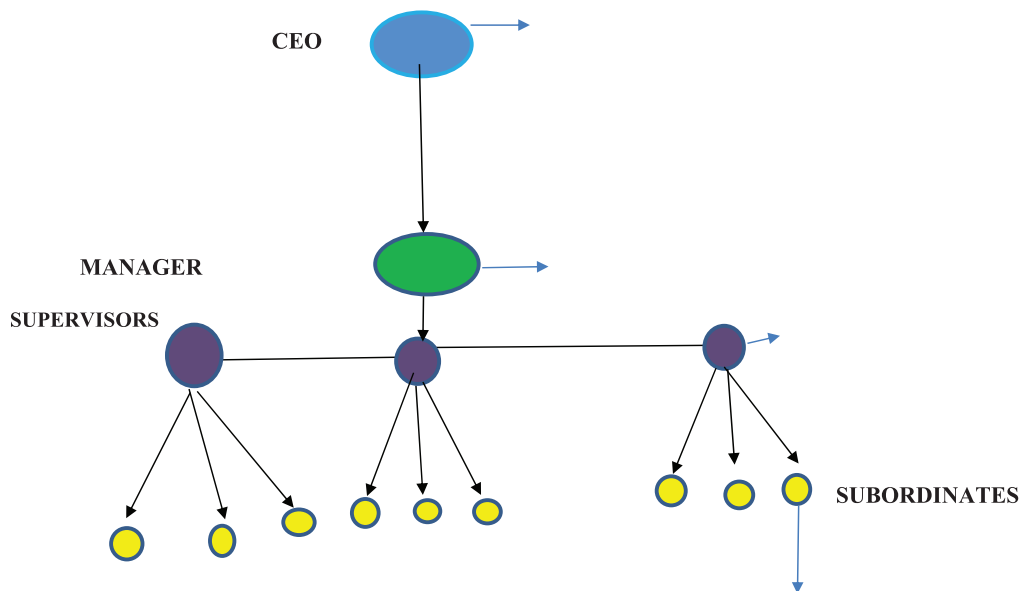


Fig. 7.6 Upward/ Down-Up Communication

Lateral / Horizontal Communication

The pattern of communication that takes place at same levels of hierarchy in an organization is called lateral communication, i.e., communication between peers, between managers at same levels or between any horizontally equivalent organizational member. This pattern of communication helps in coordination of tasks, problem solving, team building, information sharing and resolving conflicts among peers and colleagues.



Fig. 7.7: Lateral / Horizontal Communication

Diagonal Communication

In this pattern, communication takes place between a manager and employees of other workgroups. Such an interaction might take place in training modules, when a training manager interacts with all work groups to enquire about the way they perform their task.

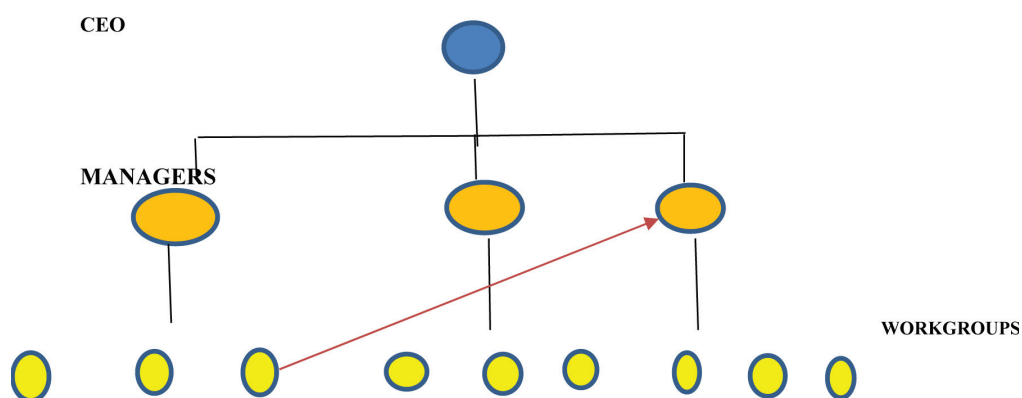


Fig. 7.8: Diagonal Communication

- **Wheel Chain**

In this pattern, the top leaders have direct access to interact with all the employees. Such a pattern of communication saves time and helps in getting direct feedback. But, in such a pattern of communication, the employees can not directly interact with each other.

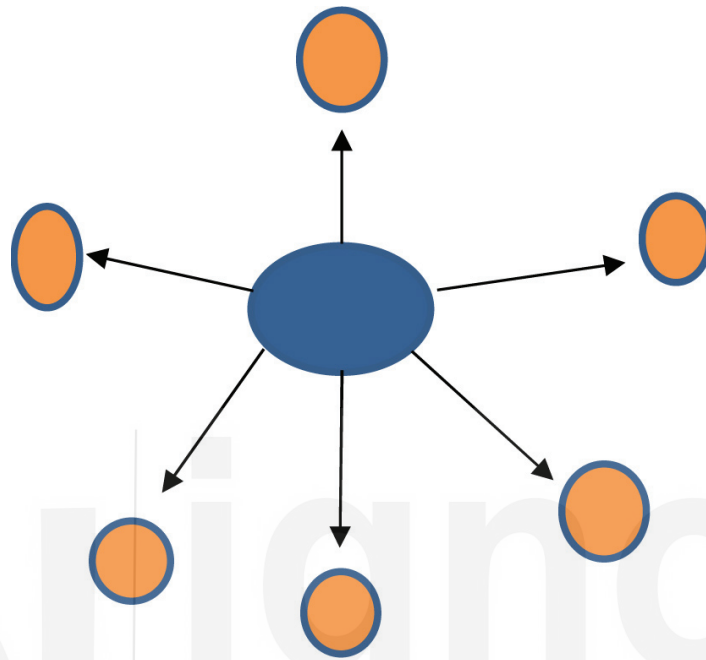


Fig. 7.9: Wheel Chain Communication

7.5.2.1 Grapevine Communication

Grapevine communication is a communication which takes place in a random manner, that is does not follow a recommended structure in an organization. It is a kind of informal communication. So, grapevine communication can be described as a casual and unofficial communication system within the organization.

Such interaction with reference to organizational related issues may take place unofficially in the lunch hour or tea time breaks. It helps in enhancing team building and interpersonal relationships in an informal way. With the help of exchange of information, the employees are able to get on the same page/ platform with their co-workers. So, grapevine communication can be said to be an unofficial and quick conversation that takes place usually among the members of the same rank or position. Now, let us discuss about the various types or ways in which grapevine communication takes place.

7.5.2.2 Types of Grapevine Communication

- **Single Strand Chain**

As mentioned to you earlier also that the grapevine communication usually takes place between the employees at the same level, in the single strand chain the message is passed from one person to another until the information reaches almost to all of the concerned people. It's a simple and uncomplicated way of communication among colleagues. It is an ideal way of communication for sharing information quickly and efficiently.

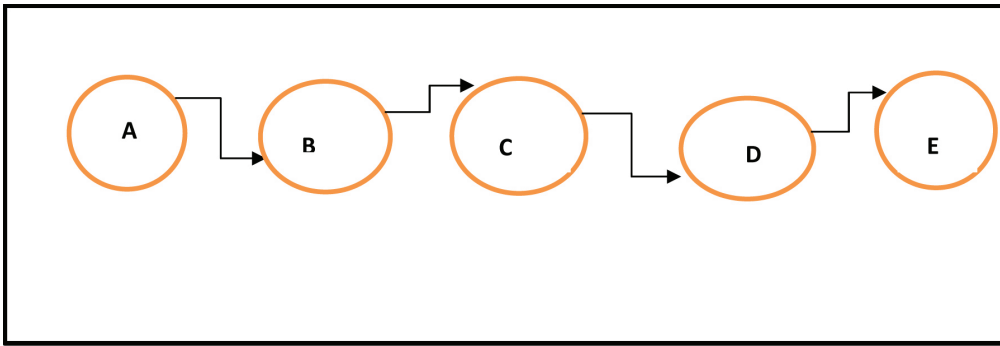


Fig. 7.10: Illustration of Single Strand Chain Communication among employees (A-E)

- **Gossip Chain**

As it can be clearly understood from the figure (Figure 7.11) that in the gossip chain, one person is at the epicenter of the communication wheel who seeks and shares information to others.

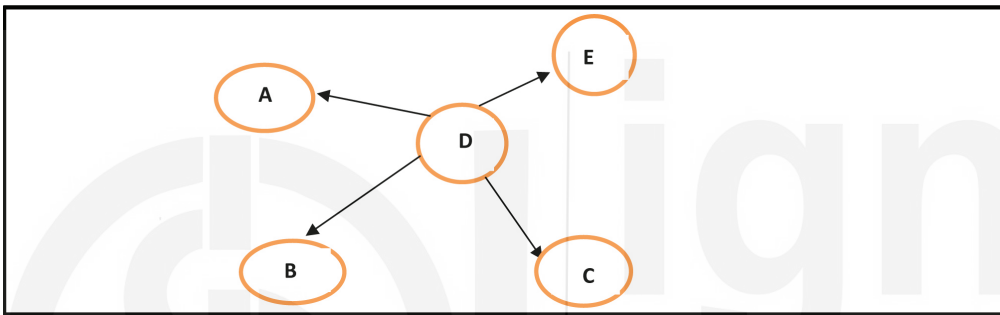


Fig. 7.11: Illustration of Gossip Chain Communication among employees (A-E)

- **Probability Chain**

In this form of communication, the information is shared randomly. Infact, the recipients (those who receive the information), too, follow a similar random way of sharing the same information.

This is a process of sharing information randomly. The recipients, too, follow a similar random way of sharing the same information.

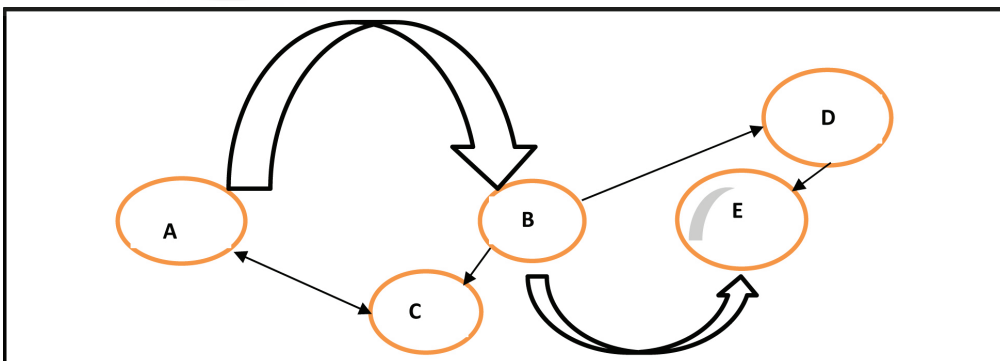


Fig. 7.12: Illustration of Probability Chain Communication among employees (A-E)

- **Cluster Chain**

In this kind of the grapevine communication, a sender or the person or the employee relays information to a few people, who in turn pass it on to selected people.

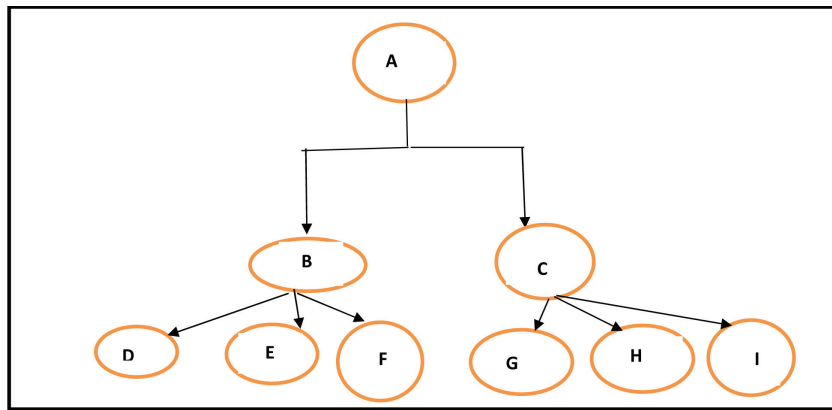


Fig. 7.13: Illustration of Cluster Chain Communication among employees (A-I)

You might be wondering whether what is the relevance of grapevine communication in organization? It is an informal way of listening to others, including their grievances. It also helps in identifying the needs and problems of the team members. It is a communication which skips the complicated formal channel. Though at times, an employee might just end up sharing sensitive information when they are not supposed to do so.

7.6 BARRIERS TO COMMUNICATION

Even if the process and pattern of communication is well defined and well organized in any Organization, yet there are chances of misunderstanding and breaks down in the communication network due to certain gaps, obstacles and barriers. These barriers can be of various types including physical barriers and psychological barriers. Let us discuss about the different types of barriers to communication:

7.6.1 Physical Barriers

The physical barriers are the external or environment related obstacles that create hinderance in effective communication. Few of such barriers are as follows:

- **Distance**

Any communication which is taking place within a hall or at a specific place, where individuals are physically present, might not be effective if the distance between the sender and receiver is large. Though now a days several online meetings take place due to the advancement of digital technology, irrespective of the distance between the sender and the receiver.

- **Noise**

As discussed earlier, if the background noise, which may be the sound of horns, vehicles, microphone might disrupt the interaction between the sender and the receiver.

- **Technology**

Absence of loud speakers, microphones or the public address system may become a physical barrier when one has to communicate to large number of members in a face-to-face meeting. While lack of internet facility or other technologies disrupts the smooth flow of communication.

- **Organizational Climate Dimension**

Interpersonal relationship among group members is a significant organizational climate dimension which might influence the process of effective communication. Unfavorable relationship might lead to misperception and wrong decisions in organizations.

- **Different Time Zones**

The differences in the time zones of sender and the receiver also creates a barrier to effective communication. Time separation leads to lack of coordination in the process of communication.

7.6.2 Psychological Barriers

Many a times the emotions and mental capacities of individuals also act as a barrier to communication. Psychological barriers result in fear of expression, anxiety, absent mindedness, lack of interest, excitement or many other related attributes.

- **Assumptions or Preconceived notions**

Effective communication will not take place if the sender already assumes that the receiver has understood the information and seeks no feedback from them. Further, the personal experiences or the preconceived notions makes the sender or the receiver judgmental and cause a breakdown in effective communication.

- **Emotional state**

The emotional state of the individuals can act as a barrier to communication. If the sender is angry or is aggressive when he or she sends the message, it will affect the way in which the receiver interprets the message and vice versa.

- **Attitudes and values**

Attitude refers to a pre-learned disposition and is a result of self-experiences, beliefs and values developed within individuals over time. A strong belief on a particular topic might lead to a positive attitude and the sender or the receiver might react sensitively towards the information and the individuals might not be ready to listen or speak anything against it or vice versa.

- **Fear of negative self-image**

Many a times with a fear of creation of negative image among individuals, he/she might not express the information with clarity or transparency. This would lead to transmission of misinformation or incomplete information.

- **Poor listening skills**

If the receivers are impatient and tend to listen selectively, then also the complete information may not be received by them.

7.6.3 Other Barriers

Apart from the physical and the psychological barriers there are several other barriers that might also hinder the process of effective communication. They are:

- **Linguistic Barriers**

The incapacity to communicate through proper language leads to inability to express experiences and views orally or in writing. Further, if the language of transmitting of information is not known by the sender, then also the information will not at all be clear to the receivers.

- **Cultural Barriers**

Globalization and acquisition of companies has lead employees of different nation to work together. Each nation has its unique culture and indifferences in culture also leads to hinderance in effective communication.

- **Social Factors**

The indifferences in social status of the individuals also prevent effective communication. Hierarchy, position and designation of employees also obstructs smooth flow of information.

Discussed above are few of the barriers that create a hinderance to the smooth flow of communication. Though, there may be several strategies that can help in overcoming such barriers. For example, with the help of language training, linguistic barrier can be minimised. Awareness and training programs can also help in overcoming the barriers to effective communication.

Self Assessment Questions (SAQ II)

State whether the following statements are ‘True’ or ‘False’:

- 1) In probability chain of grapevine communication, a sender or the person or the employee relays information to a few people, who in turn pass it on to selected people.
- 2) Grapevine communication is a communication which takes place in a random manner, that is does not follow a recommended structure in an organization.
- 3) The information or the communication that takes place from a higher level (as per the hierarchy or position of employees) in an organization to a lower level is termed as –upward communication.
- 4) Any communication that is done without the usage of word is known as non-verbal communication.

7.7 LET US SUM UP

It can be summed up from the above unit, that communication plays a significant role not only in organizations but also in daily life transactions. We discussed about the meaning, relevance and functions of communication. It was followed by the various elements of communication process. There are different types and patterns with which communication takes place in organization. We also discussed how grapevine is a way of spreading information. At the end we discussed about the various barriers that obstructs the process of effective communication.

7.8 UNIT END QUESTIONS

- 1) Explain the meaning, relevance and functions of communication.
- 2) Discuss the various types and network of communication.
- 3) Describe the types of grapevine communication.
- 4) Elucidate upon the various barriers to communication.

7.9 GLOSSARY

Communication	: It refers to the “transmission of information, which may be by verbal (oral or written) or nonverbal means (gestures, signs and symbols)”
Verbal Communication	: Any communication that involves the usage of words is said to be as verbal communication.
Non-verbal Communication	: Any communication that is done without the usage of word is known as non-verbal communication.
Source/Sender	: It refers to the medium from where the communication starts or originates.
Transmitter	: It is used to transmit or broadcast information through a mechanism like- radio or television signals.
Channel	: In order to transmit or pass on the communication in between the source and destination, there exist a channel through which the communication is transmitted.
Receiver/ Destination	: Receiver refers to the end person who is receiving the information that is being sent by the sender. For example, a person who hears the speech or reads the message for whom it was meant are the receiver or the destination of communication.
Feedback	: In order to keep a check whether the information has been properly communicated to the receiver, the sender needs a continuous feedback. It can be in form of a verbal or non-verbal response.
Noise	: Any voice/ signal or sound that creates an interference in the proper sending or receiving of message is called noise.
Encoding and Decoding	: Encoding refers to a process in which the sender codes/converts the information that he/

she has to convey in his/her own words/ways, while decoding is a process with the help of which the receiver decodes the information and tries to understand it.

Grapevine communication : A communication which takes place in a random manner, that is does not follow a recommended structure in an organization.

7.10 ANSWERS TO SELF ASSESSMENT QUESTIONS (SAQ)

SAQ I

- 1) Source
- 2) Communication
- 3) Motivation
- 4) Noise

SAQ II

- 1) False
- 2) True
- 3) False
- 4) True

7.11 SUGGESTED READINGS AND REFERENCES

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UNIT 8 POWER AND POLITICS*

Structure

- 8.0 Introduction
- 8.1 Objectives
- 8.2 Meaning and Definition of Power
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 - 8.2.2 Two Faces of Power
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 - 8.4.4 Referent Power
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 - 8.4.6 Informational Power
- 8.5 Dependency
 - 8.5.1 Importance
 - 8.5.2 Scarcity
 - 8.5.3 Non-substitutability
- 8.6 Power Tactics
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- 8.9 Impression Management
 - 8.9.1 Techniques of Impression Management
- 8.10 Ethics, Power and Politics.
 - 8.10.1 Levels of Ethics
- 8.11 Let Us Sum Up
- 8.12 Unit End Questions
- 8.13 Glossary
- 8.14 Answers to Self-Assessment Questions
- 8.15 Suggested Readings and References

8.0 INTRODUCTION

In the previous unit, you were acquainted with the relevance of process of communication in organizations. In the present unit, you will be introduced about the concepts of power and politics in organizational scenario. With the help of this unit, you will come to know about the different types of power tactics, organizational politics and impression management techniques. At the end of this unit, you will be explained about the ethical concerns with reference to power and politics in organizations.

8.1 OBJECTIVES

After reading this unit you will be able to:

- Define power;
- Differentiate power and influence and explain various bases of power;
- Explain dependency;
- Describe power tactics and its types;
- Explain various aspects of power and sexual harassment;
- Elucidate organizational politics and explain various factors influencing political behaviour;
- Describe impression management and its techniques; and
- Explain ethics, power and politics and levels of ethics in an organization.

8.2 MEANING AND DEFINITION OF POWER

Traditionally, power has been defined as “control over others” (e.g., Dahl, 1957; Pratto et al., 2011). Karkoulin et al. (2009) talked about power in terms of the “force” that instils a behavioural change in someone. These definitions point towards an element of coercion as many early theorists (e.g. Weber, 1947; Bierstedt, 1950; Blau, 1964) understood it, but according to French and Raven (1959), coercion is one of the several bases of power.

Several units and sub-units; the employees, the employers, the users, and general citizens, comprise an organization. Each has its own competing interests, demands, goals and values. These competing processes play a role from the formation of objectives to the implementation of projects or policies. On top of the competition and conflict, most often, resources are limited. Hence, an organization can be seen from the lens of politics. From the political lens, limited resources are allocated on the basis of power (Wilson, 1999). Astley and Sachdeva (1984) define power as the “capacity of social actors to achieve desired objectives or results.” The social actors in this context are organizational members (Wilson, 1999). Power is one of the dominant motivators, besides achievement and affiliation, according to McClelland’s Theory of Needs (McClelland, 1975). We may strive for power as it allows us to get what we desire (Boulding, 1989). Kaplan (1964) talked of power from a dimensional point of view. Firstly, the degree to which A influences B’s behaviour is the *weight* of the power. The quantity of B that is affected by A is the *domain* of power. Thirdly, the range of behaviours that can be affected is the *scope* of power.

8.2.1 Concept of Power

According to the power-based theory (Wilson, 1999), power can be categorised into two types: Leadership Power (Lead-pow) and Subunit Power (sub-pow).

Leadership Power refers to one’s technical and conceptual abilities and political skills. People who possess leadership power can deliver their knowledge, information, and expertise to others (see Hinkins & Schriesheim, 1988). They also hold the responsibility of helping accomplish their subunits’ goals. This requires political skill as they take charge of collaborating with outside groups and agencies that allocate resources needed for the subunit goals (Rourke, 1976).

Subunit Power entails the factors important to the proper running and functioning of the Organization. These are as follows (Astley & Sachdeva, 1984; Hickson et al., 1971; Salancik & Pfeffer, 1977):

- i) Coping with uncertainty: a subunit that is able to overcome or deal with uncertainties about future events, while maintaining optimum performance will be able to increase its power.
- ii) Unsubstitutability: a subunit that is substitutable means that the organization can easily find an alternative subunit that can perform what the current subunit does. Hence, being unsubstitutable would increase the power of a subunit.
- iii) Controlling resources: being able to control the flow and allocation of resources is another source of power.
- iv) Network Centrality: Organizations have multiple networks with the workflow that is interconnected. The more a subunit is central in the networks, the more power it would have.

A subunit's power domain could be the number of other subunits influenced by the subunit. The range of power would be the extent of decisions influenced by the subunit. Finally, the weight would be the extent to which the subunit impacts the decision making processes of the Organization.

8.2.2 Two Faces Of Power

After identifying the need for power in his theory of needs (1975), David McClelland proposed two faces of power: positive and negative. The positive aspect of power is about how its implementation enables and motivates people to do things. While the negative aspect is the standard perception of power as a primitive need to dominate others. Roberts (1986) distinguishes positive and negative faces of power as "collective" and "competitive" powers respectively.

The positive face of power would encourage people to achieve personal or organizational goals through initiation, influence, and leadership. Everybody loves to be a part of a team whose manager executes power and allocates work in a positive mood. The positive face is more prevalent in organizations where problem-solving and consensus-seeking were more used as tactics for cooperation (Patchen, 1974). This face prioritizes group or team goals and their strength. Hence, the positive face of power is termed as *social power* by McClelland.

On the other hand, the negative face of power is recognized as *personal power*. This face prioritizes personal gains over others and is rather "I" oriented. It seeks control over others. One example of the negative face is sexual harassment where the perpetrator seeks dominance over the victim or survivor to feel powerful. This face has negative consequences such as a toxic work environment and lack of motivation.

8.3 POWER AND INFLUENCE

Influence is basically power in action. We learn to influence others right since we are babies; we cry when we are hungry and realize that crying gains the attention of our caretaker. As we grow up, these techniques become more sophisticated. We may smile and act nicely to the flight staff in hopes that they would allot us better seating. We may threaten a restaurant staff and ask for the manager in hopes that they would apologize or compensate for bad service (or one that we perceived poorly).

Unlike authority, power may not come from group consensus. One might hold power as they come across as intimidating to other people and hence others try to avoid arguments with them. In this case, the person who holds the power may not even realize that they are causing this change in behaviour. On the other hand, influence has a greater scope in comparison to power. It is often correlated with leadership, where one can change others' perceptions and behaviour. Also, influence is more related to freedom of choice than power is, and hence changes in behaviour are more voluntary.

The responder may resist, comply, or commit in response to the efforts of influence. If the responder rejects the request or influence strategy outright or passively, it is called resistance. In case the responder does not want to honor a

request but does so, they are resorting to compliance. Finally, the responder can show commitment when they want to support the request and do so actively. In simple terms, influence is more likely to gain commitment while power is more likely to gain compliance.

8.4 BASES OF POWER

James French and Bertram Raven (1959) proposed 5 types of power: Referent Power, Expert Power, Legitimate Power, Reward Power, and Coercive Power. Raven (1993) added a sixth basis of power to the model: Informational power.

8.4.1 Coercive Power

Coercive power is based on fear and punishment. The target is influenced because they want to avoid negative consequences they would face as a result of not complying with the influence agent or making them angry. Coercive power is most notorious and often associated with the traditional definition of power. In an Organization, many supervisors and managers have the authority and power to control important decisions for their subordinates; for example, reducing their salary, obstructing promotion, or even firing them. From an operant learning perspective, because of this power of delivering punishment or negative reinforcement, the target would engage in behaviours and actions desirable to the agent.

8.4.2 Reward Power

Reward power is exactly the opposite of coercive power. It is based on controlling resources and delivering rewards. This would only work if the target values these potential rewards and resources. Only if that condition is fulfilled, the agent has the power to influence the target's behaviour in the desired direction. In an organization, these rewards could mean promotions, pay raise, approval of leaves, or friendly behaviour from colleagues or bosses. From the last example, it is clear that one does not have to be in a position of official authority to exert power as long as the target cherishes the rewards that they can provide. These could be their friendliness, appreciation and acceptance in a social group.

8.4.3 Legitimate Power

This is the formal form of power that comes with one's position of authority, i.e. their legitimate right to exercise power. It is dependent upon their official title and place in the hierarchy. People who possess legitimate power can exercise both reward and coercive powers. Reward and coercive powers are associated with an individual; on the other hand, legitimate power is outside of the individual and connected to the position. It is the position that holds the respect and legitimacy, for example, a school principal, the director of an institute, or the chief minister of a state.

8.4.4 Referent Power

One can use their status as a respected and well-liked individual or unit to attain cooperation or compliance. Hence, referent power is generally gained over time as one accumulates more and more authority and trust. This type of power works as the "followers" identifies with, admire, or respect the leader. A sense

of personal satisfaction is gained in the mere process of identification with the leader. Building a relationship with the leader becomes a strong motivator for the follower to work hard.

Celebrities are a general example of referent power as many people relate and idealise their behaviours. Many businesses hire those social media influencers to advertise their products who have a stable and dedicated following. These celebrities and influencers may not be experts in the areas of products they are promoting, for example; Shahrukh Khan might not know the chemical composition of the soap that he promotes, but people are likely to buy those products because of the trust that they have on the endorser. Such leaders need to possess a level of charm besides trustworthiness. Charisma without integrity and trustworthiness would not lead to referent power.

In an organization, gaining referent power would require one to possess the ability to form a strong rapport, promote employee satisfaction, and engage in other activities that enhance one's reputation over time. They are able to motivate their staff or colleagues to be comfortable and excited about the work. On the negative side, the sole use of referent power might not work in motivating one to do what the leader desires if the former assumes that the leader does not have their best interest at heart. The benefits of this type of power may decline or become a liability if an insecure leader ends up being overly defensive and making unreliable decisions.

8.4.5 Expert Power

Expert power comes from the expertise or from the belief that the leader possesses expert skills, abilities and knowledge in a particular field. Individuals who consistently outperform others can become more influential and powerful. People are likely to be influenced by these leaders as the latter are subject matter experts so they have valuable ideas in the same. This type of power, too, may develop over time and with sufficient presence in a field, whether or not actual expertise is developed. Expert power can also come from qualification, credentials, and reputation among others. For example, you see a steep rise in the shares of a company if a stock market expert expresses confidence in it.

Expert power does not depend only on the leader but it equally depends on the follower as well. The more difficult and important a problem or subject is to the follower, the more exaggerated the perception of expertise of the leader becomes. Hence, the follower's assessment plays an important role in determining the expert power of the leader. The mere perception of expertise could also increase power, for example, many toothpaste commercials hire non-celebrity actors in lab coats to pretend to be doctors and recommend their brands. Expert power can be highly selective as one could possess power in their technical field but not outside of it. For example, a computer engineer in a company could hold power in an office when it comes to computer-related issues but not when it comes to interpersonal or management issues.

8.4.6 Informational Power

Informational power is based on logic and information that could be used to influence the other's behaviour. Information can often be more effective if

it is “overheard” than if it is presented directly (Walster & Festinger, 1962). Perhaps, this could be because overhead conversations could be considered more authentic as they are not perceived as targeted. Indirect communication especially helps in cases where the target is superior in authority to the influencer. For example, a nurse might avoid saying, “Doctor, this medication would be better for this patient because he has a heart condition.” Instead, they would say, “Doctor, this medication helped the other patient with a similar problem.” Direct communication, in this case, may damage interpersonal relationships because it could hurt the doctor’s ego.

Self Assessment Questions (SAQ I)

Fill in the following blanks:

- 1) Coercive power is based on and
- 2) Expert power comes from
.....
3. Power has been defined as (e.g., Dahl, 1957).
4. Reward power is exactly the opposite of

8.5 DEPENDENCY

Dependency is often the key to power. The more that target is dependent on the agent or the relationship with the agent, the more power the agent has over the target. This dependency could be because the target cannot get out of the relationship, seems to lack any alternatives, or lacks comparable alternatives. Dependency, therefore, can exist or be created due to three factors (i.e. the factors that lead to dependency): *importance, scarcity, and non-substitutability* (Mintzberg, 1983).

8.5.1 Importance

If the resource one is offering is not in demand, there would be no dependency on it. The resource could be important because it is necessary for survival or because it is trendy and has a social value attached. Hence, there has to be at least a perception of importance attached to the agent’s services for targets to depend on them. For example, at a social media company like Facebook, software developers and coders might get much more value than at an automobile company like Maruti Suzuki.

8.5.2 Scarcity

To create dependency, there must also be a perceived scarcity of the service or resource one is offering. Doctors in rural areas often hold more respect and value than those in cities because medical knowledge and practice are much scarce in the former. In general, individuals who choose occupations that are high in demand but less occupied, gain dependency on others. People in highly specialized fields can get jobs fairly easily, can negotiate for higher pay, and have more control over their schedule and role.

8.5.3 Non-substitutability

Non-substitutability or unsubstitutability is how difficult it is for organizations or customers to find an alternative for the services or resources one offers. For example, a day-care worker who was selected on the basis of a postgraduate degree can upgrade her skills by doing courses in developmental psychology and hence becoming more valued in the field. She would be in demand at workplaces and positions with higher pay and hence becomes indispensable to her day-care unless she decides to leave herself.

8.6 POWER TACTICS

Distinct ways have been identified that individuals use to translate the bases of power into actions to exert power and these ways are termed as ‘tactics’. The responder may resist, comply, or commit in response to the efforts of influence. If the responder rejects the request or influence strategy outright or passively, it is called resistance. In case the responder does not want to honour a request but does so, they are resorting to compliance. Finally, the responder can show commitment when they want to support the request and do so actively (e.g. Cable & Judge, 2003; Chong, 2014; Blickle, 2000). Specifically, there are nine tactics used to influence co-workers, supervisors, juniors, or others.

8.6.1 Reasoned or Rational Persuasion

This strategy involves using rational arguments, logic, or factual evidence to influence the other person’s decision in your favour. Interestingly, logic does not have to be flawless to work in contrast with no reasoning at all, as demonstrated in a 1978 experiment by psychologist Ellen Langer and her team. In their “Copy Machine Study”, they found out that when a researcher requested to cut in line in front of people queued up in front of a photocopy machine, 63% of the people complied with a simple, “May I go to the head of the line?” But when “reasoning” was added to the request by asking “May I go to the head of the line *because I have copies to make?*” a whopping 90% of the respondents complied with their request. So, 90% did not reject them with a sarcastic, “Oh, I thought this was a line to buy carnival tickets.”

8.6.2 Inspirational Appeals

In this strategy, the persuader appeals to emotions or arouses enthusiasm in another to develop commitment. The target person’s goals, motivations, and values have to be kept in mind to achieve one’s own goals. Many politicians and CEOs use this technique to persuade their followers and employees, respectively. For example, when John F. Kennedy famously said, “Ask not what your country can do for you, ask what you can do for your country,” he appealed to people’s patriotism rather than his own credibility. The more personal, energetic and authentic the appeal seems, the greater is the influence.

8.6.3 Consultation Tactics

This technique works by including the target in the decision-making process by asking them for suggestions. It works well in environments where democratic decision-making is valued as it gives a sense of control even if the participation is inconsequential to the actual result.

8.6.4 Ingratiation or Friendliness

In this technique, the influencing agent uses forms of flattery, appreciation, or cordial behaviour before making a request. The persuader tries to get the target into a good mood before they can put forward a proposal so that the outcome could be more favourable. Research suggests that job applications with cover letters explaining why the applicant wants to work for the Organization are more successful than applications with resumes alone (Varma, Toh, & Pichler, 2006).

8.6.5 Personal Appeal

This tactic utilises friendship or relationship as means to achieve compliance. People are more likely to accept requests from those they know and like. Mere contact might be able to increase the chances of persuasion of a person than no contact at all. Many doctoral candidates suggest that applicants should meet potential supervisors informally in person to increase their chances of getting accepted into a doctoral program.

8.6.6 Exchange Tactics

This tactic uses the give-and-take mentality for favours. In this, the persuader tries to influence their targets in hopes of reciprocity. Here, there is an implication that the influencing agent would return the favour in the future or is requesting to return an already fulfilled favour.

8.6.7 Coalition Tactics

This is a technique in which one forms a team to get support in carrying out the persuasion. For example, many cab and auto-rickshaw drivers have unions in order to protect their rights and themselves from exploitation. When deemed necessary they may go on collective strikes to persuade the authority to meet their demands. Many companies formulate teams of people skilled at negotiation to pitch their products and solutions to their clients.

8.6.8 Pressure Tactics

This tactic uses direct demands, warnings, and even threats to persuade targets into compliance. The idea is to make the responder believe that not complying with the agent would bring about negative and undesirable consequences for the former. Hence, they would comply in order to avoid such outcomes.

8.6.9 Legitimizing Tactics or Upward Appeals

In this, the persuader implies that the request is an expectation from higher authorities to achieve compliance. The appeal is the power allotted to the influencing agent that enables them to influence individuals to comply with laws, rules, and regulations. Think back to the example of how actors dressed up as doctors would be used by toothpaste companies to legitimise the appeal of their products.

8.7 POWER AND SEXUAL HARASSMENT

Power works because it is unequally distributed. The negative side of this unequal distribution is exemplified in occurrences of sexual harassment, including at the workplace. Unwanted, unwelcome behaviour of sexual nature using coercive power to make the target comply and threatening work-related negative consequences is known as *quid pro quo harassment*. This creates a hostile work environment. Additionally, activities just as leering, making uncomfortable sexual jokes, and other inappropriate behaviours are also unprofessional and negative uses of power.

The issue of sexual harassment was started to be taken seriously by organizations only recently when in 1991, law professor Anita Hill accused Supreme Court nominee Clarence Thomas of sexually harassing her. Sexual harassment has been found to be more prevalent in workplaces that are male-dominated (e.g. Ali & Kramar, 2014; Workplace Sexual Harassment Statistics, 2015). While some progress has been made in organizations regarding explicit forms of sexual harassment, such as unwanted touching, consistently asking for dates when a woman has told that she is not interested, and threatening dismissal from the job as a response to the resistance to sexual advances. The challenges being faced now are more subtle or covert forms of sexual harassment as it gets difficult to distinguish between friendly behaviour and harassment.

There is an agreement that power is central to sexual harassment (see Cleveland & Kirst, 1993). Unequal power distribution is likely to enable the powerful person that they can get away with sexual harassment. Many higher-ups sometimes imply the belief that making sexual demands from female subordinates is one of their rights as being able to make demands of other subordinates. Since the high-status individuals make or influence important decisions, such as salary hikes, giving layoffs, performance reviews, they hold more power as they control resources important to their subordinates. On top of that, there is a halo effect surrounding successful people that they cannot do anything wrong because of which victims are often accused of trying to defame them out of jealousy, as was in the Hill-Thomas case. Further, for many victims, it takes time to feel brave or secure enough to speak up against their harassment, because of which others would show disbelief.

Further, co-workers can use their influence to sexually harass their colleagues. While the harassment is generally less extreme than that by supervisors, co-workers are found to be more frequent perpetrators. They exert power using their influence over information, social support, and cooperation, especially when work is generally assigned in teams. There are also cases of male subordinates, who want to decrease the power differential, sexually harassing their female higher-ups. This can be done by undermining the woman's power and highlighting gender stereotypes to threaten her position and question her abilities.

The bottom line in the simplest words is that sexual harassment is illegal and wrong. It creates an unsafe and hostile environment at the workplace and in society, in general. Hence, managers have the responsibility to make sure there

are strict policies and awareness programs in place to prevent harassment and take appropriate actions to create a safe and motivating space at work.

8.8 ORGANIZATIONAL POLITICS

Large groups and hierarchies create power differentials. Different people would use different tactics to exert power. Actively engaging in power activities at work is organizational politics. Effective politics skills translate into the use of power. Specifically, organizational politics is defined as, “those activities that are not required as part of one’s formal role in the organization, but that influence, or attempt to influence, the distribution of advantages and disadvantages within the organization.” (Sashkin, 1984; Robbins, 1998).

Political behaviour lies on the spectrum of legitimate to illegitimate. Daily life politics at work is referred to as legitimate politics, for example, involving the higher authority, forming alliances with colleagues, impeding official decisions by excessively adhering to rules or negligence, and networking outside of one’s Organization professionally. Illegitimate politics breach the explicit or unsaid organizational rules. These include whistle blowing (reporting misconduct of a fellow employee or the whole Organization), sabotaging (causing disruption or damage to operations), and protesting (including symbolic protests).

8.8.1 Factors Influencing Political Behaviour

Politics is the reality of life. The only way an Organization can be non-political is if every member holds the same goals, ambitions, values, and vision. Broadly, Robbins (1998) identified two factors that determine political behaviour: Individual factors and Organizational factors.

8.8.1.1 Individual Factors

Three main factors have been identified at the individual level that affects one’s engagement in political behaviour: High self-monitoring, internal locus of control, and need for power (see Biberman, 1985; see also Ferris et al., 1989).

- i) **High Self-monitoring:** Individuals high in self-monitoring are more sensitive to social cues than low self-monitors. They are also more likely to conform to social norms and generally are more skilled politically.
- ii) **Internal Locus of Control:** Individuals whose locus of control lies in themselves believe that the situations and events around them are a result of their own actions rather than some external forces. Because of this belief, they are more proactive in taking charge of their environment by manipulating things in their favour. Hence, they are more likely to be engaged in political behaviour.
- iii) **Need for Power:** Need and desire for power are often considered a part of the Machiavellian personality, which is characterised by being deceitful and opportunistic for the sake of one’s personal gains. This type of personality is less likely to hesitate when using politics for self-interests. Whether or not one uses illegitimate political tactics would also depend on their ambitions, expectations, and available alternatives.

8.8.1.2 Organizational Factors

Research suggests that political behaviour is more likely to increase when the Organization fosters a political environment than due to individual factors. Organizations with scarce or declining resources, changing environments and policies, and promotion season, would find themselves filled with political behaviour. (Goh & Doucet, 1986; Hardy, 1987; Ferris & Kacmar, 1992).

Uncertainty and insecurity in organizations, for example during downsizing to reduce resources, people are likely to engage in political behaviour for the threat of losing those resources. In fact, any significant change in the allocation of resources would promote politics. Performance appraisals and promotions are likely to create conflicts as people may try to pull down others to meet their ambitions.

When job roles are unclear, i.e., role ambiguity, people are likely to act in roles outside of professional assignments, they might perceive differently what the extension of their roles entails. Lack of trust within the Organization is a breeding ground for illegitimate political behaviours. For an Organization to be more united and less political, it is important for it to take the win-win approach to as many areas as possible. Of course, politics is also promoted through observation. The more employees observe higher-ups engaging in political behaviour, the more likely they are to replicate the behaviour as well.

8.9 IMPRESSION MANAGEMENT

People, generally, want to be perceived positively by others. This is one of the reasons many spend money on gym membership, grooming products, and even plastic surgery. Many take coaching for personality development to make them more appealing physically and behaviourally. One could use strategies that change the way others think about them. When an individual is able to control or influence how others perceive them, the process is called *impression management* (Robbins & Hunsekar, 1996).

Impression management is an important skill as it can affect if one gets hired or promoted, whether they are invited to social gatherings, and if they get other social and professional advantages. Now, the impressions projected may or may not be authentic, whether they are through excuses or acclamation. However, if one comes across as manipulated or dishonest, they would lose credibility and people will start to distrust them.

8.9.1 Techniques of Impression Management

Bolino and colleagues (2008) delineated the following techniques of impression management:

- i) **Conformity:** The act of agreeing to others' opinions or decisions to receive approval. For example: an employee tells their boss, "I agree, we don't need any more resources to get this work done."
- ii) **Excuses:** The act of explaining one's behaviour or a problem situation to diminish the dilemma in the situation and create a defence for oneself. For example: A team member tells their supervisor, "we could not finish this task because there was a time crunch and this was lowest on the priority

- iii) **Apologies:** Accepting responsibility for an unpleasant outcome or behaviour hoping to get forgiveness. This is a defensive technique. For example: An employee tells their supervisor, “that error on the team report is my fault. Please forgive me.”
- iv) **Flattery:** An act of praising and complimenting the other person on their virtues to come across as likeable. This is an assertive technique. For example: A subordinate tells their manager, “the way you managed their conflict was commendable. I can’t imagine anyone handling it better than you did.”
- v) **Favours:** An act of service where one does something nice for another person to gain approval from them. Example: A photographer tells their client, “I know we had a contract of five videos but I wanted to thank you for being such great clients. So, I have included an extra video in the drive for you that you could share with your friends.”
- vi) **Self-promotion:** The act of calling attention to one’s strengths and achievements while downplaying their weaknesses and shortcomings. For example: An employee tells their boss, “had you given this assignment to Rohit, he would have taken a week to finish it given his typing speed. I completed it in two days. I am the fastest typist in the team.”
- vii) **Enhancement:** The act of asserting that one’s efforts were more valuable than others at the same position. For example, a makeup artist tells their client, “Nisha asks for less money because she uses lower quality products, her clients are never satisfied with her. On the other hand, I use the best quality products and all my sample pictures are unedited.”
- viii) **Exemplification:** The act of exceeding job expectations by putting in more effort than needed to exemplify one’s dedication. For example, an employee sending work assignments to their supervisors late at night to show them how late they have been working.

8.10 ETHICS, POWER AND POLITICS

Everyone prefers to work at ethical organizations. It generally leads to a happier workforce, committed employees, and lower turnover rates. However, on the other hand, high commitment to the company may mean that people could ignore unethical activities by their organization. Whistleblowers are said to have a moderate level of commitment to their workplace (Somers & Casal, 1994).

So what is ethics? Ethics can be defined as a set of values delineating what is morally right and wrong. Values are those standards or guidelines that an individual prefers. Hence, ethics can be vague and heavily varied across different individuals, groups, cultures, and organizations. There is a fine line distinguishing unethical from illegal. In an infamous reality TV show episode about alcoholism, the camera crew filmed a drunken woman get into her car and drive it. While this was viewed unethical as no one intervened to stop her from potentially harming herself or others, legally the camera crew was not culpable (Weinstein, 2007).

8.10.1 Levels of Ethics

Four main levels of ethics are defined within the Organization (Rao Rama, 2009): societal issues, internal policy issues, stakeholder issues, and personal issues.

- **Societal Issues**

The first level is societal issues, which is related to the top-level and deeper level concerns around the world, such as environmental concerns, child rights, poverty, etc. Many companies give an option to donate a small amount to charities during purchase. There are some shoe companies that hold the belief that everyone should own shoes. So at the purchase of one pair of shoes, they donate a pair to someone in need. Few other companies have a plan of planting a tree every time someone buys their product. Creating a stand on societal issues is important because the ethics that Organization creates, reflects their values and the values of the individuals working for them and those working with them (such as clients).

- **Stakeholder's Issues**

The second ethical level is stakeholder's issues. Anyone affected by the Organization's actions is known as the stakeholder. At this level, the ethics are related to all the clients, customers, employees, etc. connected with the Organization. This could be in the form of closing the wage gap between male and female employees and transparency about side-effects or dangers of their product. Customers can also be annoyed with company decisions. For example, McDonald's was sued for encouraging children to eat junk food by giving out free toys in their Happy Meals combos.

- **Internal Policy Issues**

The third ethical level is the internal policy issues. This deals with the relationship between the employees and the Organization. This level includes fair pay to employees and management fairness. Fair treatment would translate into employee satisfaction and retention. Hence, treating their employees well is also in the best interest of the Organization.

- **Personal Issues**

The final ethical level is the personal issues. This relates to how we treat others at the workplace, just as how we treat people in our personal lives. The issues of gossiping about others or taking credit for others' work are parts of this level. Hence, behaving right with the human relations that we have might also help us in gaining respect and credibility. A negative impact on human relations would also affect us professionally.

When the organization's ethical standards do not meet an individual's standards. If one believes in gender equality but their organization does not promote women into leadership positions, this would create a gap in ethics. Or say, an organization has a strict dress code, but the individual wears a religious headdress. Hence, it is important to research a company to make sure its value matches your personal values before joining. It is also important for organizations to be inclusive, transparent, and ethical.

State whether the following statements are 'True' or 'False':

- 1) Apology is an act of explaining one's behaviour or a problem situation to diminish the dilemma in the situation and create a defence for oneself. ()
- 2) Coalition technique is a technique in which one forms a team to get support in carrying out the persuasion. ()
- 3) Dependency is often the key to power. ()
- 4) Politics lead to a happier workforce, committed employees, and lower turnover rates. ()

8.11 LET US SUM UP

In the present unit, you were introduced about the concepts of power and politics in organizational sectors. The unit discussed about the different types of power tactics, organizational politics and impression management techniques. At the end of this unit, you were explained about the ethical concerns with reference to power and politics in organizations.

8.12 UNIT END QUESTIONS

- 1) Describe the concept and bases of power.
- 2) Discuss the factors responsible for dependency.
- 3) Elucidate the different types of tactics.
- 4) Explain the techniques of impression management.

8.13 GLOSSARY

Power	: It is the tendency to "control over others".
Influence	: It is basically the power in action.
Impression Management	: When an individual is able to control or influence how others perceive them, the process is called impression management.
Tactics	: Distinct ways have been identified that individuals use to translate the bases of power into actions to exert power and these ways are termed as 'tactics'.
Resistance	: If the responder rejects the request or influence strategy outright or passively, it is called resistance.
Compliance	: If the responder does not want to honour a request but does so, they are resorting to compliance.

Commitment : If the responder want to support the request and do so actively, then it is called as their commitment.

8.14 ANSWERS TO SELF ASSESSMENT QUESTIONS

SAQ I

- 1) False
- 2) True
- 3) True
- 4) False

SAQ II

- 1) fear and punishment
- 2) the expertise or from the belief that the leader possesses expert skills.
- 3) “control over others”
- 4) coercive power

8.15 SUGGESTED READINGS AND REFERENCES

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UNIT 9 LEADERSHIP*

Structure

- 9.0 Introduction
- 9.1 Objectives
- 9.2 Concept of Leader and Leadership
 - 9.2.1 Concept and Relevance of Leaders
 - 9.2.2 Concept and Relevance of Leadership
- 9.3 Theories of Leadership
 - 9.3.1 Behavioral Theories of Leadership
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 - 9.3.3 Transactional Theory of Leadership
 - 9.3.4 Transformational Theory of Leadership
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- 9.6 Let Us Sum Up
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9.0 INTRODUCTION

The present unit discusses the concept of leader and leadership skills in context of organizational environment. The unit will further discuss the different leadership styles based on the proposed leadership theories. It explains the challenges that are faced by the leaders of the organization. At the end, the Indian perspective on leadership will be explained.

9.1 OBJECTIVES

With the help of the present unit, you will be able to:

- Explain the concept and relevance of leaders;
- Elucidate the concept and relevance of leadership;
- Describe the theories of leadership;
- Discuss the challenges of leadership; and
- Enlighten the Indian perspective on leadership.

9.2 CONCEPT OF LEADER AND LEADERSHIP

Let us first try to understand the concept and relevance of leaders in organization, followed by the concept and relevance of leadership.

9.2.1 Concept and relevance of Leaders

Efficiency of any organization depends on how a leader utilizes the available resources like raw materials, machines, buildings, policies, capital, etc. Leadership skills are very important for making organizations successful. A successful leader will always try to balance both organizational growth and subordinate's growth. Good guidance can help the follower to select right path to accomplish the goal. Leaders can help to develop good values among their subordinates which can help in their personal growth apart from organizational progress. Following are the characteristics of successful leaders in the organization through which they can influence others-

- 1) Having clear future vision
- 2) Communicating and expression skills
- 3) Good decision-making skills
- 4) High level of passion and dedication
- 5) Holding good morale and values

Leaders arise in many situations. Even informal social groups have leaders. When groups endure and become formal, the persons are elected leaders. Normally, the persons elected to offices are the ones who are the natural leaders of the groups. Their views get attention from the members even without formal election; but with elections, those natural leaders are consciously acknowledged. When a person, either such informal leader or someone else, is appointed in a superior capacity, the natural leadership relations change. Such change occurs in two respects. First, when a person is appointed in superior capacity, he gets authority from the organization. Secondly, this authority enables him to increase or decrease the satisfaction to his subordinates. However, an appointed (formal) leader cannot solely rely upon the use of authority for getting desired results from his subordinates because as discussed earlier, subordinates seldom put maximum effort under the pressure of authority. Thus, a chief executive having more authority, but lacking leadership qualities, may be less effective as compared to a foreman with less authority but high degree of leadership qualities. Regardless of these differences between formal and informal leaders, however, a leader is able to direct the actions of his followers because they believe he can provide rewards (or prevent penalties) that satisfy their needs.

The leader affects direction of activities in the organization. Motivation is necessary for work performance. A good leader through his leadership motivates his employees for high performance. A good leader may create confidence in his followers by directing them, giving them advice and getting through them good results in the organization. This helps them in enhancing their efficiency. Sometimes, individuals fail to recognize their qualities and capabilities to work in the absence of good direction. Morale is expressed as attitudes of

employees towards organization, management and voluntary cooperation to offer their ability to the organization. High morale leads to high productivity and organizational stability. By providing good leadership in the organization, employees' morale can be raised ensuring high productivity and stability in the organization. Thus, good leadership is essential in all aspects of managerial functions, whether it be motivation, communication or direction.

9.2.2 Concept and Relevance of Leadership

Leadership is an important factor for making organizations successful. Throughout the history, it has been recognized that the difference between success and failure, whether in a war, a political movement, a business, or a team game, can be attributed largely to leadership. Since the organization is basically a deliberate creation of human beings for certain specified objectives, the activities of its members need to be directed in a certain way. Any departure from this way will lead to inefficiency in the organization.

Leadership involves the process of influencing an individual or a group to accomplish a particular goal. The term influencing means the process of transforming, empowering, motivating and inspiring the subordinate or followers to accomplish goals.

“Leadership may be considered as the process (act) of influencing the activities of an organized group in its efforts toward goal setting and goal achievement” (Stogdill 1950).

Hence, from above can understand that leadership is a process of influencing the behaviours of others to work willingly and enthusiastically for achieving predetermined goals. Three important components of this definition.

An interpersonal process between one person or a group.

Can't have leaders without followers.

Criterion for effective leadership goal achievement; however it does not empathise the enthusiasm with which the receiver of the communication will act.

Therefore, to have a detailed understanding of the concept of leadership this chapter includes different types of theories developed and researches done in various fields, challenges of leadership and Indian perspective of leadership.

9.3 THEORIES OF LEADERSHIP

Leaders across the world use different kinds of leadership styles and skills which impacts organizational progress. Some of the early conventional and recent contemporary theories of leadership are explained below.

- **Trait Approach to Leadership**

A lot of scientific research has been done to explore and understand the concept of leadership. If we examine the past- history we can find many leaders who have been appreciated for their effective leadership qualities such as Mahatma Gandhi, Nelson Mandela, and Margaret Thatcher etc. The first leadership theory

was coined in the early 20th century by Thomas Carlyle called as “Great Man Theory” which assumes leaders are born and not made. This theory is also called a trait-based perspective of leadership, explaining that certain dispositional characteristics of a leader(s) are differentiated from non- leaders. This theory focuses on individual differences in personality which are considered to determine effective leadership skills (Mann, 1959; Stogdill, 1948).

Big Five Personality Framework was developed in the early 1960’s to identify major personality traits required to become an effective leader. For example, leaders are meant to have highly extrovert, so that they express their thoughts well and be assertive. Apart from these traits there are a set of skills and traits (mentioned below) that were identified by Stogdill in 1974.

Traits	Skills
• Adaptable to situations • Alert to social environment • Ambitious and achievement-orientated • Cooperative • Decisive • Persistent • Self-confident • Tolerant of stress • Willing to assume responsibility	• Clever (intelligent) • Conceptually skilled • Creative • Diplomatic and tactful • Fluent in speaking • Knowledgeable about group task • Organised (administrative ability) • Persuasive - Socially skilled

Fig. 9.1: Set of skills and Traits (Stogdill, 1974)

Recent research on trait theory of leadership has reflected emotional intelligence as one of the important traits which can help a leader have outstanding training, a highly analytical mind, and a compelling vision which can enable an empathetic leader to read the reactions of others. Even though there have been many researches done in order to identify different traits required to possess by an effective leader, there are no set of traits identified that are consistent over the time. Some leaders might have possessed certain traits but the absence of them did not necessarily mean that the person was not a leader.

9.3.1 Behavioral Theories of Leadership

The foremost study in the field of leadership was done by Kurt Lewin and his associates in 1939. Behavioral theory assumes that leaders are not born rather there are specific behavioral patterns of leaders that can be acquired through learning and experience. Different studies have been done to understand how behavioral aspects affect leadership of an individual. Some of them are explained as follows-

- **Ohio State Studies**

A study by E.A. Fleishman, E.F. Harris and H.E. Burt in 1945 identified two factor conceptualizations in leadership behaviors i.e., *Initiating Structure* which refers to leadership qualities such as directive, task-oriented, organized etc. whereas, *consideration* refers to leadership qualities such as empathetic, understanding colleagues than focusing on only deadlines, supportive, person-oriented leadership.

- **University of Michigan Studies**

Research by Rensis Likert and his associates in 1946 also identified two factor components related to leadership behavior and organization behavior. The first one is an Employee-oriented leader who is concerned about their employees and accepts individual differences in the organization and the second one is a production-oriented leader who focuses on tasks assigned to the employees, rather than on employees.

- **Managerial grid**

- 1) Managerial grid explains how the leadership style can affect organizational progress. *The Managerial Grid (1964)* developed by Robert Blake and Jane Mouton (1964) postulated that there were five leadership types which show whether the leaders focus on tasks or “concern for production/results,” or the focus is on the relationship with the subordinate or “concern for people. Following are the types of leadership styles-
- 2) *Impoverished Management*: The leader pays less attention to both outcome and concern about the people. The apathetic nature of the leader results in behavior that is withdrawn from subordinates and indifferent to success.
- 3) *Country Club Management*- Leaders who practice such type of leadership have low concern for results and high concern for employees resulting in pleasing behavior from the leader. They create very welcoming and friendly behavior for employees.
- 4) *Authority-Compliance Management*: leaders who practice such leadership have high concern for results and low concern for people. This creates a strong boundary and distinction between the leader and other people resulting in lack of compassion.
- 5) *Middle of the Road Management*: leaders practicing such style maintain balance with both concerns for results and with the people working with them. This type of leadership leads to greater success.
- 6) *Team Management*: Leaders practicing such leadership style place a great on production and on people. This optimal balance of developing human relationships and effective results attainment provides for the most satisfying work environment.

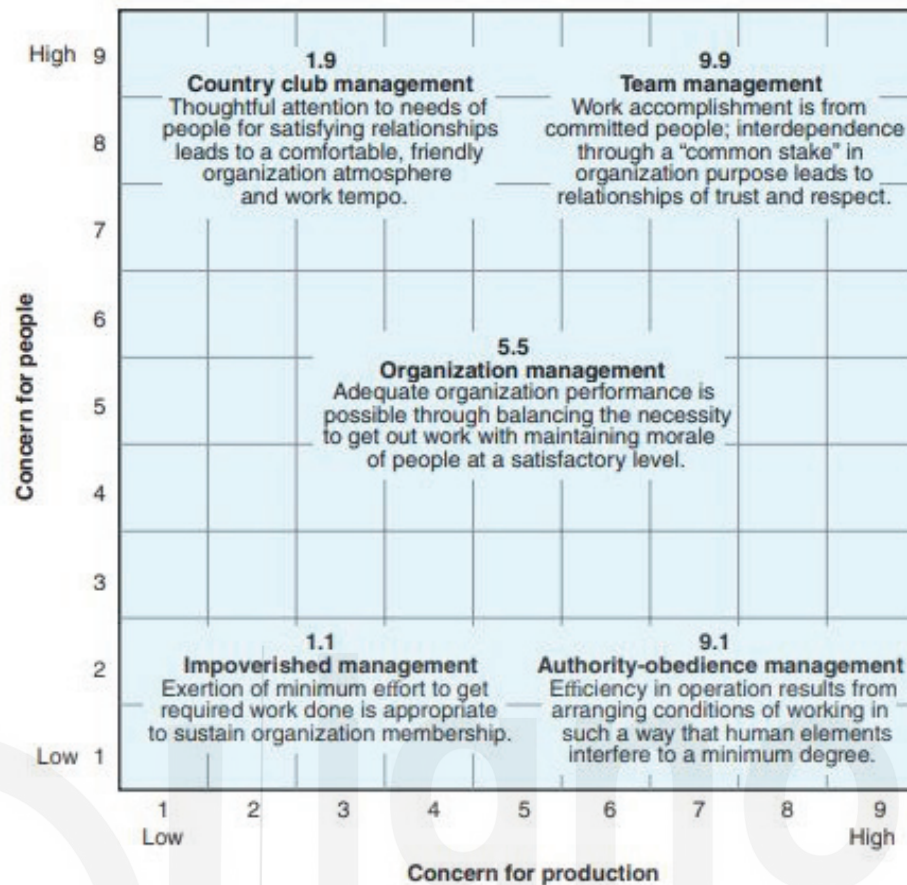


Fig. 9.2: Managerial Grid

- *X and Y Managers Theory*

Douglas McGregor (1960) gave X and Y managers theory which explicitly explains about characteristics of X and Y managers. McGregor believed that management can use either of the needs to motivate his employees, as grouped under theory X and theory Y. Theory X advanced the view that human beings have an inherent dislike for work and can only be made to get results at work by the application of coercive methods and by direction. Theory X emphasizes authoritarian style of leadership where results are the focus of leadership and it is more work-centered than people-centered. Theory Y approach to management, on the other hand, is more people-centered where the individual is valued and appreciated. Theory Y submits that when workers are given the right environment, they can reach their highest potential and can be of great value to their organizations.

McGregor (1960) postulated, that leaders who hold Theory X assumptions believe that people are lazy, abhor responsibility and not motivated and therefore need to be coerced before they will work and show commitment. Such leadership assumptions lead to close supervision and control of workers and siphon the ingenuity of workers and results in lack of motivation in workers. Leaders, who practice Theory Y assumptions on the other hand, involve workers engage in joint-problem solving, understand the needs of team members and integrate personal needs of achievement with organizational objectives. Although with such an approach the leader facilitates and initiates the control process, it is done with the involvement of the workers in mind and can be encouraging and motivating for them.

Following are the characteristics of each group:

Theory X manager's characteristics	Theory Y manager's characteristics
• Managers practice an authoritarian style of management. • Managers give instructions and keep a close check on each employee • Employers are lazy and disinterested in work.	• Managers practice the participative style of management. • Employees are self-directed and self-controlled • Employees' commitment and dedication determine their rewards

Fig. 9.3: Characteristics of Managers in X and Y Manager's Theory
(Douglas McGregor, 1960)

Self Assessment Questions (SAQ I)

Fill in the following blanks:

- 1) Recent research on trait theory of leadership has reflected as one of the important traits which can help a leader have outstanding training, a highly analytical mind, and a compelling vision.
- 2) Efficiency of any organization depends on how a utilizes the available resources.
- 3) The first leadership theory was coined in the early 20th century by Thomas Carlyle called as
- 4) According to the theory '.....', the managers practice an authoritarian style of management.

9.3.2 Contingency/Situational Theories of Leadership

Contingency or situational theories explain that no one leadership style is best for managers in the organization. Every situation is different from one another and hence the leadership style will depend upon the people, the task, the organisation, and other environmental variables. According to the contingency theories of leadership, successful leaders must be able to identify clues in an environment and adapt their leader behavior to meet the needs of their followers and of the particular situation. Even with good diagnostic skills, leaders may not be effective unless they *can* adapt their leadership style to meet the demands of their environment. These theories emerged as a result of the criticism of the trait and behavioral approaches to leadership, which do not recognize the determining role of situations or contexts in leadership.

• *Fiedler's contingency theory*

The Contingency Theory of leadership was developed by Fred Fiedler in 1958 during his research of leader effectiveness in group situations. Fiedler believed that one's effectiveness to lead depended on one's control of the situation and the style of leadership. Unlike the Situational Theory of leadership, leader effectiveness is contingent on the leader's style matching the situation, not

adapting to it. This theory assumes that styles are fixed, and that they cannot be adapted or modified. A leader is most effective when his or her attributes and style of leadership is matched with the situation and environment around them (Gupta, 2009).

The Contingency theory is not concerned with having the leader adapt to a situation, rather the goal is to match the leader's style with a compatible situation. To make best use of this theory, it is important to find what style a leader has. This is done through the Least Preferred Coworker Scale (LPC). The LPC is a list of questions designed to find out what kind of employee a leader would most like to work with, and in turn shows the leader's style. Fiedler's Contingency Model attempts to match the leader's style using LPC to the situation in which they would thrive.

- **High LPC Score**—leader with good personal skills and relies on relationships with others to accomplish tasks (people-oriented leadership style).
- **Low LPC Score**— leader that accomplishes goals through focus on the task and positional power (task-oriented leadership style).

It has been observed that, several situational factors influence the effectiveness of the leadership styles. Fiedler identified three contingency dimensions that define the key situational factors:

- a) **Leader member relations:** It refers to personal relationship between subordinate and their leader. Leader-member relations refer to degree of trust, respect and confidence that exists between the leader and the worker. The quality of leader member relations is the most important influence on managers' power and effectiveness. If the manager gets along well with rest of the group, if the group members respect the manager for reasons of personality, character or ability, then the manager might have to rely on formal authority. On the other hand, if the manager who is disliked may be less able to lead informally and could have to rely on directives to accomplish task.
- b) **Task structure:** Task structure is the second most important situational variable in the leadership situation. It indicates situational favorableness indicating the degree to which job assignment are well structured. A structured task is simple, routine, easily understood and unambiguous. Group members therefore have a very clear idea about what they are expected to do. Task structure refers to the degree to which tasks are clearly explained to the workers. Such tasks are presumed to be more favorable. When the tasks are unstructured, group members' roles are ambiguous.
- c) **Leader's position-power:** It refers to power inherent in leadership role. Degree of influence leader has over the subordinates. Leader's position power is the final situational variable identified by Fiedler. Some positions like president of the company carry a great deal of power and authority. The chairperson of the company, on the other hand, has less power and authority over workers. Thus, high position-power simplifies the leaders' task of influencing others while low position power makes leader's task more difficult.

If first dimension (Leader-member relations) is high leaders are accepted by the followers and situation is favorable. If second dimension (Task structure) is high, task is very structured and everything is spelled out properly; so situation is favorable. If third dimension (Leader's position- power) is high situation is favorable for a leader. Thus, situations are favorable to the leader if all the three dimensions are high. If all the three dimensions are low, situation will be unfavorable. According to Fiedler, a leadership is said to have more control and favorable for organizational situations when the leader-member relations are good, task assignments are highly structured along with a stronger power position. Similarly, the situations in an organization would be unfavorable when the respect that members have for leaders is poor, with unstructured task assignments and weak position power.

After knowing leadership style and the defining the situation one needs to choose the leader who fits the situation. *There are two ways to improve effective leadership:*

- (1) By changing the leader to fit the situation; or
- (2) By changing the situation to fit the leader.

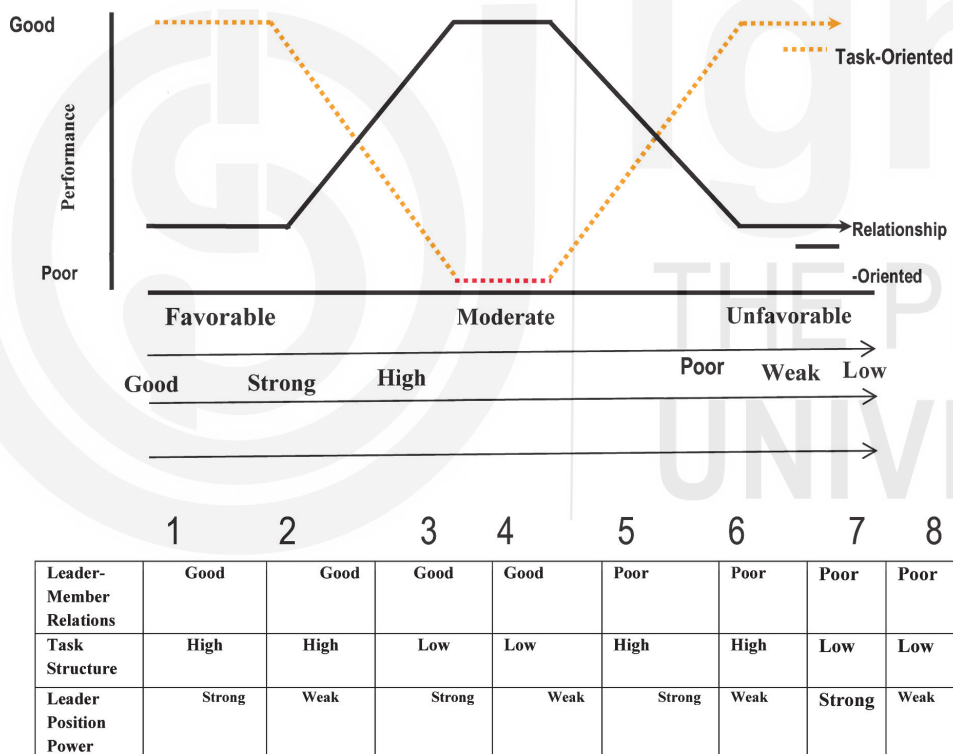


Fig. 9.4: Fiedler's Contingency Theory

Given that personality or style of the leader (task orientation and relationship orientation) is reasonably stable, the Fiedler's contingency model suggests that the situation should be adapted to such an extent that it suits the leader. Fiedler suggested that when the situation is highly favorable (good leader-member relationship, high task-structure and strong position-power) or highly unfavorable (poor leader-member relationship, low task-structure and weak position-power); task-oriented leadership style is more effective. On the other hand, oriented leadership style is more effective when the situation is moderately favorable.

- ***Path-goal theory of leadership***

House (1971) developed the motivation-rich path-goal theory which assumes that leaders will choose and change the path of attaining their goal based on the motivational level of their subordinates. Four types of leadership behavior were identified namely-

1. Directive Leader: leader tries to give direction and guidance required for attaining organization goals.
2. Supportive Leader: leader focuses on interpersonal relationships with followers rather than accomplishing organizational goals.
3. Participative Leader: Leader tries to consult his subordinates to understand their viewpoint before making any decisions.
4. Achievement-Oriented Leader: Leader expects his followers to perform at their highest level by overcoming any type of challenges.

- ***Leader-Participation Model***

Victor Vroom and Phillip Yetton in 1973 develop this model which assumes that there are set of rules that needs to be followed before making any kinds of decision making. This model is also called as Decision-Participation Model and Normative Model. Three set of qualities in the leader determines the capacity of the decision maker which are-

- i) Quality of the decision
- ii) Degree of acceptance of the decision by subordinates and
- iii) Time required in making the decision.

Vroom and Yetton defined 5 different kinds of decision- making procedures mentioned below:

Autocratic (A)	Consultative (C)	Collaborative (G)
A1- Leaders make decisions based on the information available without consulting the team members.	C1- Leaders try to ask opinions individually by not bringing up the whole team together and finally take the final decision by themselves.	G2- Leaders work as a facilitator to reach a final consensus among team members. Here the decision depends upon the Consensus of the group member and not the leader themselves.
A2- Leaders ask for specific information to make their final decision.	C2- Leaders try to interact with the whole team to understand their opinion but finally take the decision by themselves.	

Fig. 9.5 Decision-making procedures (Vroom and Yetton, 1973)

In general, a consultative or collaborative style is most appropriate when:

- You need information from others to solve a problem.
- The problem can't be easily defined.
- Team members' buy-in to the decision is important.
- You have enough time available to manage a group decision.

Whereas, an autocratic style is most appropriate when:

- You have greater expertise on the subject than others.
- You are confident about acting alone.
- The team will accept your decision.
- There is little time available.

9.3.3 Transactional Theory of Leadership

Max Weber in 1947 discovered transactional theory initially and later was developed by Bernard M Bass in 1981. There were various assumptions made by the theorist which are as follows-

- 1) People who are clear about their goals perform better when given clear command by the leader.
- 2) Rewards and punishment motivate workers to work more efficiently.
- 3) Workers consider their primary goal to follow the commands of their leader.
- 4) Leader has to monitor the subordinate while they are doing their assigned work.

Some of the characteristics of a transactional leader are:

- 1) Contingent Reward: the leader focuses on organizational goals and sets SMART (specific, measurable, attainable, realistic, and timely) goals for the subordinates;
- 2) Management by Exception (Active): The leader focuses on monitoring performance, take corrective actions to prevent mistakes;
- 3) Management by Exception (Passive): The practicing passive management style of leadership intervenes only if standards are not met and even use punishments for poor performances; and
- 4) Laissez-Faire: Sometimes leaders give freedom to the subordinates to take decisions and from responsibilities and avoid making decisions, due to which the followers lack direction.

This kind of leadership is not applicable and feasible in various situations because gender plays a very important role in determining the outcome of such leadership behaviours.

9.3.4 Transformational Theory of Leadership

Transformational leadership is also called a charismatic leadership style where the leader inspires her/his followers to transcend their own self-interests for the betterment of the organization. The leader tries to motivate the subordinate or follower to view the existing problem from different viewpoints and encourage them to be creative to come up with new ideas and thoughts for the development of organization and self. There are four dimensions of transformational theory of leadership given by Bass and Riggio (2005), viz. Idealized Influence (II), Inspirational Motivation (IM), Intellectual Stimulation (IS) and Individualized Consideration (IC), which are as follows:

- 1) Idealized Influence (II): leader acts as a role model by exhibiting high morals and ethical standards. They help followers to have a clear mission and future vision about the organization's progress;
- 2) Inspirational Motivation (IM): Leaders show and give high enthusiasm to deal with different types of challenges to their subordinates/followers.
- 3) Intellectual Stimulation (IS): leader tries to enhance creativity of the subordinates and encourage them to develop new ideas, thoughts, problem solving skills etc.
- 4) Individualized Consideration (IC): Leaders try to understand and fulfill subordinates' needs to achieve success.

Apart from above mentioned theories there are many new concepts evolving in the field of leadership. The organizational structures characterized by more fluid, temporal arrangements, rapidly changing technologies, increased globalization and changing workplace demography can affect the staples of leadership. Thus, it is important to incorporate these ideas to make a solid base for leadership construct for its better understanding.

9.4 CHALLENGES TO LEADERSHIP

Due to changing nature of workforce and organizations in today's scenario leaders around the world are facing many issues and challenges some of these are mentioned below:

- 1) *To build trust with the subordinates/followers*— Development of trust is a very slow process but is necessary while working with a person or a team. Leaders have to create secure environment for their followers so that they feel comfortable sharing their viewpoint with the team. If the trust is not developed with the followers/subordinates then it would become very difficult to get work done from them as they might feel de motivated or disinterested.
- 2) *Conflicts among team members*— People working in teams generally go through many conflicting situations before accomplishing their final goal. A successful leader should try to avoid personal bias at the time of conflicting situation so that equality is maintained among all the team members. Leader should try to focus on possible solutions to resolve the conflict and maintain healthy discussions among the team members.

- 3) *Lack of cohesiveness*— Sometimes when a team is formed newly, different factors affect its cohesiveness. Leaders have to deal with different ideas, viewpoints. Thoughts about different issues. Such disparity can lead to lack of cohesiveness among the team members and can act as a barrier in achieving a goal.
- 4) *Lack of common goal*— While achieving a common goal it is important for a leader to take his/her followers/subordinates along with them in the same direction. Every individual can have different perspective about a goal and may work accordingly but the leader has to take them along by giving them clarification and appropriate guidance at every step.
- 5) *Lack of transparency and respect*— Rapport between the team members and leader plays an important role in developing transparency and respect for each other. A leader should always be transparent about rewards so that it creates trust among the team members. Every stage of goal attainment involves such problems which need to be handled sensitively.

9.5 INDIAN PERSPECTIVE ON LEADERSHIP

Ancient history stands as testimony that successful leaders not only lead an organization but also inspire their subordinates/followers by providing a path to achieve the larger goals. Hence, we can say that leadership is a continuous journey of both self and organizational growth. The successful journey involves an individual's constant emotional stability, humility to work on self-development leading to personal growth and robustness to use appropriate leadership style according to the situation.

Leadership skills are impacted by the culture where it is being practiced. In the Indian context, organizations prefer authoritative leaders rather than authoritarian. The leader is considered to be strict in getting the task accomplished by giving suitable guidance to the subordinates but at the same time focus on the well-being of their subordinates which enhance their interpersonal relations.

According to Sinha (1980) such leaders are called “nurturant-task leaders” as they value both organization progress and interpersonal relationships. Therefore, human relations are always valued in India in every organization by leaders, wherein a leader is said to have charismatic qualities when they boost the morale of team members, take personal interest in their well-being, show empathy and understanding, inspire and excite to do their best work and respect and invite their opinions. When we talk about styles of leadership, Sinha (1995) identified three characteristics of NT leadership which are mentioned below-

- Depending too much on the leader even when guidance or support is not required.
- Following hierarchical stratified system in the organization in which the hierarchy.
- Demonstrates a visible status consciousness where respect for, and obedience of elders and superiors is insurmountable.
- Preference for good interpersonal relationships which includes favoritism and nepotism.

Power plays a very important role in Indian organization and leaders have the tendency to centralize power and obtain high status in the organization. Subordinates on the other hand, idolize their leader by valuing and respecting them and they work according to the guidance given by their leader. This relationship of a leader and a follower is term as “*Guru- shishya*” in ancient history as “*shishya*” would follow in his/her guru’s footsteps happily because they are mindful of the following needs/aspects of their team members.

Self Assessment Questions (SAQ II)

State whether the following statements are ‘True’ or ‘False’:

- 1) Laissez-Faire leaders give freedom to the subordinates to take decisions and from responsibilities. ()
- 2) An individual considerate leader tries to enhance creativity of the subordinates and encourage them to develop new ideas, thoughts, problem solving skills etc. ()
- 3) Power plays a very important role in Indian organization and leaders have the tendency to centralize power and obtain high status in the organization. ()
- 4) Victor Vroom and Phillip Yetton in 1973 developed the Path-Goal theory of leadership. ()

9.6 LET US SUM UP

The present unit discussed about the concept of leader and leadership skills in context of organizational environment. The unit also discussed about the relevance of different leadership styles on the basis of leadership theories. With the help of this unit, you came to know about the various challenges that are faced by the leaders of the organization. At the end, the Indian perspective on leadership was explained.

9.7 UNIT END QUESTIONS

- 1) Discuss the concept and relevance of leader and leadership.
- 2) Elaborate upon the behavioral and contingency theories of leadership.
- 3) Describe the transformational and transactional theories of leadership.
- 4) Explain the challenges of leadership.
- 5) Write a shot note on the Indian perspective towards leadership.

9.8 GLOSSARY

Leader	: An individual who can influence people as well as situations and has several followers. S/he always try to balance both organizational growth and subordinate’s growth.
Leadership	: “Leadership may be considered as the process (act) of influencing the activities of

an organized group in its efforts toward goal setting and goal achievement". (Stogdill 1950).

Leadership

9.9 ANSWERS TO SELF -ASSESSMENT QUESTIONS (SAQ)

SAQ I

- 1 emotional intelligence
- 2 leader
- 3 Great Man Theory
- 4 Theory 'X'

SAQ II

- 1 True
- 2 False
- 3 True
- 4 False

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UNIT 10 ORGANIZATIONAL CULTURE*

Structure

- 10.0 Introduction
- 10.1 Learning Objectives
- 10.2 Why Organizational Culture (OC) Is Important?
- 10.3 What is Organizational Culture?
- 10.4 Components of Organizational Culture
- 10.5 How Organizational Culture Develops?
- 10.6 Schein's Model: Levels of Culture
- 10.7 Ways of Learning the Organizational Culture
- 10.8 Assessing Organizational Culture
- 10.9 Let Us Sum Up
- 10.10 Unit End Questions
- 10.11 Glossary
- 10.12 Answer to Self-Assessment Questions (SAQ)
- 10.13 Suggested Readings and References

10.0 INTRODUCTION

Organizational culture is a significant component of organization which not only determines the behavior of its employees, it also reflects upon the vision, mission and norms of the organization. Each organization has its own culture which may be similar to that of other organizations or unique in itself. In the present unit, you will be introduced about the concept of organizational culture. With the help of this unit, you will come to know about the components and models of organizational culture. You will also understand the process with which the level of Organizational culture can be measured.

10.1 OBJECTIVES

After reading this unit, you will be able to:

- Discuss the concept and definition of organizational culture;
- Explain the components of organizational culture;
- Elucidate on the learning and development of organizational culture; and
- Discuss the various scales measuring organizational culture.

Let Us Read the Case of Adobe

“Since Adobe’s establishment, their worldwide revenue has grown to over \$4 billion and has employed over 12,000 people. Spread across 24 different

*Dr Arti Singh, Assistant Professor, Jindal School of Psychology and Counseling, OP Jindal Global University, Sonipat

campuses in 17 different countries, 93% of Adobe employees love their workplace. Adobe's award-winning company culture is based on four core values: Genuine, Exceptional, Innovative and Involved

Adobe is a company that goes out of its way to give employees challenging projects and then provide the trust and support to help them meet those challenges successfully. While it offers benefits and perks like any modern creative company, Adobe's is a culture that avoids micromanaging in favor of trusting employees to do their best.

Adobe products are synonymous with creativity, and only through the avoidance of micromanaging are the people who create those products truly free to create. For example, Adobe doesn't use ratings to establish employee capabilities, feeling that that inhibits creativity and harms how teams work. Managers take on the role of a coach, more than anything, letting employees set goals and determine how they should be assessed.

Employees are also given stock options so that they know they have both a stake and reward in the company's success. Continual training and culture that promotes risk taking without fear of penalty are part of Adobe's open company culture.

Takeaway: *Putting trust in your employees goes a long way towards positive company culture, because trust leads to independent employees who help your company grow."* (From: <https://www.entrepreneur.com/article/249174>)

10.2 WHY ORGANIZATIONAL CULTURE (OC) IS IMPORTANT?

Elliott Jaques first introduced the concept of culture in the organizational context in his 1951 book *The Changing Culture of a Factory*. The culture of an organization defines it. Organizational culture is important not only for the existence of an organization but it also determines how people (employee and customers) will feel and behave in organizations, as it can turn them into advocates or critics. Studies have suggested that a good organizational culture leads to increased employee engagement, decrease turnover, a healthy team environment and develops a strong brand identity.

10.3 WHAT IS ORGANIZATIONAL CULTURE?

Definition

Organizational culture also called corporate culture has been defined as the pattern of values, norms, beliefs, attitudes and assumptions that may not have been articulated but shape the ways in which people in organizations behave and things get done. In other words, how things are done and how employees interact with each other in an organization is a reflection of its culture. The following are some other definitions of organizational culture:

- *The culture of an organization refers to the unique configuration of norms, values, beliefs and ways of behaving that characterize the manner in which groups and individuals combine to get things done, Eldridge and Crombie (1974).*

- *Culture is a system of informal rules that spells out how people are to behave most of the time, Deal and Kennedy (1982).*
- *A pattern of basic assumptions – invented, discovered or developed by a given group as it learns to cope with the problems of external adaptation and internal integration – that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to these problems, Schein (1985).*
- *Culture is the commonly held beliefs, attitudes and values that exist in an organization. Put more simply, culture is ‘the way we do things around here’ (Furnham and Gunter,1993).*

Culture: It is the set of important understandings that members of a community share in common

Pre-requisites of a culture to exist:

- *It must be shared by the vast majority of members of a group or society*
- *It must be passed on from generation to generation, and*
- *It must shape behaviors and perceptions.*

10.4 COMPONENTS OF ORGANIZATIONAL CULTURE

What constitutes organizational culture?

Which component of organizational behavior is considered as a part of the culture and which is not?

As different theorists have proposed various elements of organizational culture; therefore it is not possible to identify exact numbers objectively. To ease this situation, in the following table we have summarized all important theorists and their proposed elements.

Table 10. 1: Proposed Elements of Organizational Culture.

Authors	Proposed elements
Likert (1967)	Leadership, Motivational Forces, Communication Processes, Interaction Processes, Decision Making Processes, Goal Setting Processes, Performance Processes, Control Processes, Training
Robbins (1990)	Individual Initiative, Risk Tolerance, Direction, Integration, Management Support, Control, Identity, Reward System, Conflict Tolerance, Communication Patterns
Gordon (1988)	Clarity Of Direction, Organizational Reach, Integration, Top Management Contact, Encouragement Of Individual Initiative, Conflict Resolution, Performance Clarity, Performance Emphasis, Action Orientation, Compensation, Human Resource Development
Bettinger (1989)	Attitude Towards Change, Strategic Organization Focus, Performance Standards And Values, Rituals, Concern For People, Reward And Punishments, Openness In Communication, Conflict Resolution, Market And Customer Orientation, Sense Of Pride, Commitment, Team Work

Dension (1990)	Organization Of Work, Communication Flow, Emphasis On People, Decision Making Practices, Influence And Control, Absence Of Bureaucracy, Co-Ordination, Job Challenge, Job Reward, Job Clarity, Supervisory Support, Supervisory Team Building, Supervisory Goal Emphasis, Peer Work Facilitation, Group Functioning, Satisfaction, Goal Integration.
Pareek (1996)	Internal, Ambiguity, Tolerant, Context Sensitive, Narcissistic, Future Oriented, Individualistic, Inner Directed, Universal, Role Bound, Androgynous, Power Parity, Expressive, Conserving, Assertive
Parida, Mathur Khurana(1990)	Support, Structure, Conflict Tolerance, Performance Reward, Individual Responsibility, Risk Tolerance, Individual Autonomy, Beliefs, Group Norms, Exercise Of Authority And Identity
Cooke, Lafferty (1989)	Humanistic/Helpful, Affiliation, Achievement, Self-Actualization, Approval, Conventionality, Dependence, Avoidance, Oppositional, Power, Competitive, Perfectionism
Kilan , Saxton (1983)	Task Support, Task Innovation, Social Relations, Personal Freedom
Sashkin (1984)	Work Should Be Fun, Being The Best, Innovation, Attention To Detail, Worth And Value Of People, Quality, Communicating To Get The Job Done, Growth/Profit/Other Indicators Of Success, Hands-On Management, Importance Of A Shared Philosophy

Source: Koteswara Rao, Srinivasan and George (2005)

10.5 HOW ORGANIZATIONAL CULTURE DEVELOPS?

The development of organizational culture and its learning among its employees takes time. As we have learnt till now, that values and norms are the basis of organizational culture, they do not form overnight or immediately after the establishment of an organization. Rather it is a long process which develops primarily due to the following reasons.

- *Leaders as role model:* The first step starts with the leaders, who established and/or shaped the organization in past. According to Schein (1990), the values, goals and behavior of the founding leaders work as role models for fellow employees.
- *Role of critical events:* Schein (1990) suggested that culture is formed around critical incidents – important events from which lessons are learnt about desirable or undesirable behavior.
- *Effective working relationship:* Furnham and Gunter (1993) pointed out that the need to form an effective working relationship among organizational members establishes values and expectations shape up the organizational culture.
- *External environment:* the external environment such as government policies, social situations, labour laws etc. also shapes organizational culture. The external environment may be relatively dynamic or unchanging.

According Robbins and Judge (2014), “The original culture derives from the founder’s philosophy and strongly influences hiring criteria as the firm grows. Top managers’ actions set the general climate, including what is acceptable behaviour and what is not. The way employees are socialized will depend both

on the degree of success achieved in matching new employees' values to those of the organization in the selection process, and on top management's preference for socialization methods" (pp. 558).

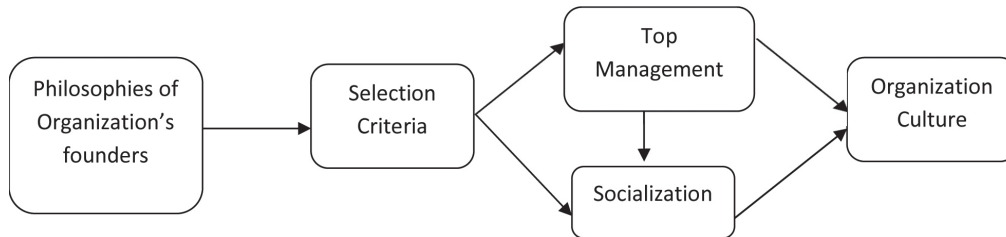


Fig. 10.1: How organization culture forms

Source: Robbins & Judge (2013)

- 1) **Organizational Founders:** Founders of an organization are the ultimate source of their culture. These founders create a culture in three ways; (a) by hiring only those employees who share similar ideas, views and values, (b) by socializing these employees to their way of thinking and feeling, and (c) employees identify with visionary leaders and their values.
- 2) **Selection:** The aim of the employee selection process is not limited to identifying and selecting knowledgeable people but also involves recruiting people with values and ethics similar to the organization. This selection process also provides applicants with an opportunity to assess the match between their values with an organization's values.
- 3) **Top Management:** Through their words and behavior, top management levels are responsible for establishing cultural norms.
- 4) **Socialization:** It is the process through which new employees learn about and adjust to the knowledge, skills, attitudes, expectations, and behaviors needed for a new role within an organization.

Self Assessment Questions (SAQ I)

Answer the following questions:

- 1) What is the role of organizational culture?

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- 2) What are the main components of organizational culture?

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10.6 SCHEIN'S MODEL: LEVELS OF CULTURE

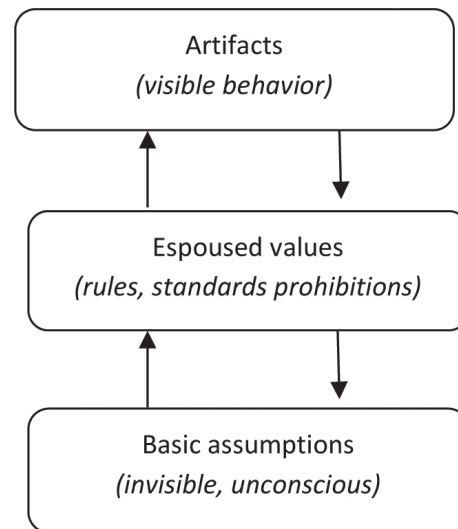


Fig. 10.2: Levels of organization culture

According to Edgar Schein (1984), organizational culture consists of three levels namely; artifacts, values, and underlying assumptions. These three levels range from tangible to deeply embedded assumptions of behaviour. He proposed that these three levels influence each other continuously. His model distinguishes between observable and unobservable elements of an organization's culture. Let us look at these three levels of organizational culture:

Artifacts: Any aspect of an organization that is visible and tangible is a part of artifact. The dress code of the employees, office furniture, facilities, behavior of the employees, mission and vision of the organization all come under artifacts.

Espoused Beliefs and Values: The second level of Schein model is Espoused beliefs. These are the values or beliefs initially developed or proposed by the leader and later adopted by fellow employees or subordinates. Values work as a guiding principle for defining what is good or bad for one's organization. According to Schein, these values shape "underlying assumption" (the third level of organizational culture).

Basic/Underlying Assumptions: Underlying assumptions represent concepts of behavior representing deepest levels. These assumptions are unwritten, taken for granted by group members and thus non-negotiable. According to Schein (1984), "basic assumptions are so taken for granted that someone who does not hold them is viewed as a 'foreigner' or as 'crazy' and is automatically dismissed" (pp. 25).

Similar Terms

Values: According to American Psychological Association (APA), "Value is a moral, social, or aesthetic principle accepted by an individual or society as a guide to what is good, desirable, or important".

Norms: Unwritten rules of what is acceptable and expected behavior of a culture.

An Example of How Espoused Values Develop?

In a young business, if sales begin to decline a manager may say “We must increase advertising” because of her belief that advertising always increases sales. The group, never having experienced this situation before, will hear that assertion as a statement of that manager’s beliefs and values: “She believes that when one is in trouble it is a good thing to increase advertising.” What the leader initially proposes, therefore, cannot have any status other than a value to be questioned, debated, challenged, and tested. If the manager convinces the group to act on her belief, and if the solution works, and if the group has a shared perception of that success, then the perceived value that advertising is good gradually becomes transformed: first into a shared value or belief, and ultimately into a shared assumption (if actions based on it continue to be successful). If this transformation process occurs, group members will tend to forget that originally they were not sure and that the proposed course of action was at an earlier time just a proposal to be debated and confronted (pp.28).

Source: Schein, E. H. (2010). Organizational culture and leadership (Vol. 2). John Wiley & Sons.

10.7 WAYS OF LEARNING THE ORGANIZATIONAL CULTURE

The culture of an organization can be transmitted to employees through various channels. However, majority of studies identify four forms of transmission namely; stories, rituals, material symbols, and language. Let us take a look at these forms one by one:

- **Stories:** Every organization has some stories of their founders, success or failure. These stories of past, help new comers to understand the expectations, beliefs and values of their organization.

Hotel Taj Mahal, Mumbai

“It is said that Jamshedji Tata was inspired to build this hotel after he was refused entry at one of the grandest hotels of British time Watson’s Hotel, which was restricted to ‘whites only. Jamsetji Tata took this as an insult to whole Indians and then decided that he would build a hotel where not only Indians but foreigners could also stay without any restrictions, and that’s how India’s first super-luxury hotel came into being. Now, Taj is a centre of attraction all over the world.”

Source: <https://www.indiatimes.com/trending/human-interest/taj-hotels-a-sweet-revenge-story-of-jamsetji-tata-544117.html>

Such stories about founders or important events provide a glimpse of organizational culture to a new employee.

- **Rituals:** These are repetitive patterns of activity that represent an organizations’ values. It further informs employees what goals are most important and which people are important in their organization.
- **Material symbols:** These are physical or visible aspects of an organizational culture. It deals with questions such as, “How does corporate headquarter look like? How do organizations treat CEO’s and fellow employees? What kinds of perks are given? What is the size of the office? Or what attire is acceptable in office?” The answer to these questions can “convey to employees who is important, the degree of egalitarianism top management desires, and the kinds of behavior that are appropriate, such as risk taking, conservative, authoritarian, participative, individualistic, or social” (Robins& Judge, 2013; pp. 524).

- **Language:** Language play vital role in identifying with cultural expectations of organization. In every organization, unique terms describe equipment, officers, key individuals, suppliers, customers, or products that relate to the business. At first, new employees may find these new terms overwhelming but the use of common language help uniting members of an organization.

10.8 ASSESSING ORGANIZATIONAL CULTURE

A number of instruments exist for assessing organizational culture. This is not easy because culture is concerned with both subjective beliefs and unconscious assumptions (which might be difficult to measure), and with observed phenomena such as behavioral norms and artefacts. Some of the better-known instruments are summarized below:

- 1) **Organizational Culture Inventory** (Cooke and Lafferty 1987): This questionnaire deals with the four orientations referred to earlier (power, role, task and self). Consist of 130 items, its internal consistency ranged between .67 and .92.
- 2) **Harrison's Organizational Ideology Questionnaire** (Harrison 1975): It assess ideology of organization in terms of orientation to power, roles, tasks and individuals. It consists of only 15 items. Respondents rank four statements in each item in terms of how representative they are of (a) the organization and (b) the respondents own attitudes and beliefs.
- 3) **Corporate Culture Questionnaire** (Walker, Symon, and Davies 1996): It measures four principal domains of organizational culture namely; performance, human resources, decision-making, and relationships. It is available in two versions. The longer version consist of 126 items, whereas, shorter version have 69 items in it. It uses 5-point Likert scale with internal reliability ranged between 0.72-0.89.
- 4) **Core Employee Opinion Questionnaire** (Buckingham and Coffman 2000): Consisting of 13 items, this scale measures 13 different issues of an organizational culture. It includes overall satisfaction, understanding of expectations, access to required resources, appropriate use of skills, recognition and praise for achievements, relationship with supervisors, encouragement for self-development, perceptions of worth, engagement with organizational mission, commitment of all employees, friendships, appraisal, opportunities for career progression.
- 5) **Hofstede's Organizational Culture Questionnaire** (Hofstede et al. 1990): This organizational culture measurement instrument is longer than other instruments. It consists of 135 items. Using 5-point likert scale, it measures 3 values: need for security, importance of work and need for authority.
- 6) **Organizational Culture Survey** (Glaser, Zamanou, and Hacker 1987): It addresses six empirical factors: teamwork and conflict, climate and morale, information flow, involvement, supervision, meetings.

Answer the following questions:

- 1) How do employees learn organizational culture?

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- 2) Briefly describe the ways of assessing culture?

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10.9 LET US SUM UP

Now that we have come to the end of this unit, let us recapitulate all the major points that we have covered:

- Organizational culture is important not only for the existence of an organization but it also determines how people (employee and customers) will feel and behave as it can turn them into advocates or critics.
- Organizational culture can be defined as a system of informal rules that spells out how people are to behave most of the time.
- There are many components of organizational culture. Different theorists have proposed different components of organizational culture.
- According to Edgar Schein (1984), organizational culture consists of three levels namely; artifacts, values, and underlying assumptions. These three levels range from tangible to deeply embedded assumptions of behavior. He proposed that these three level influence each other continues.
- Organizational culture can be measured by many instruments.

10.10 GLOSSARY

Organizational culture : It can be defined as the pattern of values, norms, beliefs, attitudes and assumptions that may not have been articulated but shape the ways in which people in organizations behave and things get done.

Artifacts : Any aspect of an organization that is visible and tangible is a part of artifact such as, office furniture, facilities, behavior of the employees etc.

- Espoused values** : Values or beliefs initially developed or proposed by the leader and later adopted by the fellow employees or subordinates of an organization.
- Organizational ritual** : These are repetitive patterns of activity that represent an organizations' values.

10.11 UNIT END QUESTIONS

1. Define organization culture and write a note on (i) its importance and (ii) important components.
2. Explain the process involved in the development of an organization culture.
3. Write a note on Schein's model of organization culture.
4. How organization culture is transmitted among employees?

10.12 ANSWERS TO SELF-ASSESSMENT QUESTIONS (SAQ)

SAQ I

1)

Organizational culture also called corporate culture has been defined as the pattern of values, norms, beliefs, attitudes and assumptions that may not have been articulated but shape the ways in which people in organizations behave and things get done. In other words, how things are done and how employees interact with each other in an organization is a reflection of its culture. The following are some other definitions of organizational culture:

- The culture of an organization refers to the unique configuration of norms, values, beliefs and ways of behaving that characterize the manner in which groups and individuals combine to get things done. Eldridge and Crombie (1974)
- Culture is a system of informal rules that spells out how people are to behave most of the time. Deal and Kennedy (1982)
- A pattern of basic assumptions – invented, discovered or developed by a given group as it learns to cope with the problems of external adaptation and internal integration – that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to these problems, (Schein, 1985)
- Culture is the commonly held beliefs, attitudes and values that exist in an organization. Put more simply, culture is 'the way we do things around here', (Furnham and Gunter, 1993).

2)

Authors	Proposed elements
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Cooke, Lafferty (1989)	Humanistic/Helpful, Affiliation, Achievement, Self-Actualization, Approval, Conventionality, Dependence, Avoidance, Oppositional, Power, Competitive, Perfectionism.
Kilan , Saxton (1983)	Task Support, Task Innovation, Social Relations, Personal Freedom.
Sashkin (1984)	Work Should Be Fun, Being The Best, Innovation, Attention To Detail, Worth And Value Of People, Quality, Communicating To Get The Job Done, Growth/Profit/Other Indicators Of Success, Hands-On Management, Importance Of A Shared Philosophy.

SAQ II

1)

- **Stories:** Every organization has some stories of their founders, success or failure. These stories of past, help new comers to understand the expectations, beliefs and values of their organization.
- **Rituals:** These are repetitive patterns of activity that represent an organizations' values. It further informs employees what goals are most important and which people are important in their organization.

- **Material symbols:** These are physical or visible aspects of an organizational culture. It deals with questions such as, “How does corporate headquarter look like? How do organizations treat CEO’s and fellow employees? What kinds of perks are given? What is the size of the office? Or what attire is acceptable in office?” The answer to these questions can “convey to employees who is important, the degree of egalitarianism top management desires, and the kinds of behavior that are appropriate, such as risk taking, conservative, authoritarian, participative, individualistic, or social” (Robins & Judge, 2013; pp. 524).
- **Language:** Language play vital role in identifying with cultural expectations of organization. In every organization, unique terms describe equipment, officers, key individuals, suppliers, customers, or products that relate to the business. At first, new employees may find these new terms overwhelming but the use of common language help uniting members of an organization.

2)

- **Organizational Culture Inventory (Cooke and Lafferty 1987):** This questionnaire deals with the four orientations referred to earlier (power, role, task and self). Consist of 130 items, its internal consistency ranged between .67 and .92.
- **Harrison’s Organizational Ideology Questionnaire (Harrison 1975):** It assess ideology of organization in terms of orientation to power, roles, tasks and individuals. It consists of only 15 items. Respondents rank four statements in each item in terms of how representative they are of (a) the organization and (b) the respondents own attitudes and beliefs.
- **Corporate Culture Questionnaire (Walker, Symon, and Davies 1996):** It measures four principal domains of organizational culture namely; performance, human resources, decision-making, and relationships. It is available in two versions. The longer version consists of 126 items, whereas, shorter version have 69 items in it. It uses 5-point Likert scale with internal reliability ranged between 0.72-0.89.
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- **Hofstede’s Organizational Culture Questionnaire (Hofstede et al. 1990):** This organizational culture measurement instrument is longer than other instruments. It consists of 135 items. Using 5-point likert scale, it measure 3 values: need for security, importance of work and need for authority.
- **Organizational Culture Survey (Glaser, Zamanou, and Hacker 1987):** It addresses six empirical factors: teamwork and conflict, climate and morale, information flow, involvement, supervision, meetings.

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