

## 4. ADMINISTRATIVE BEHAVIOUR

### 4.1 DECISION-MAKING

Decision-making is a common everyday phenomenon. Decision-making is the basis of all organisations be it Public or Private. It is the essence of management. Of all the problems in management, the problem of decision-making is the most difficult. In Public administration, decision-making is not as easy as in business and we cannot keep things pending indefinitely. In Public administration, we need right decisions. Decision-making in Public administration is not free from outside influences. All types of pressures, direct and indirect, exert themselves and a decision may have to be taken, much to the displeasure and disapproval of the decision-maker. While, the business administration is much more free from pressures. Effective management, of public or private organisations, believes in making right and responsible decisions.

**Meaning and definition:** Decision-making is defined as selection of a course of action from amongst alternatives, and it covers matters relating to planning, organising, directing, staffing and controlling. A decision is an act of choice wherein an executive forms a conclusion about what must be done in a given situation.

*Webster's dictionary* defines the-term Decision-making as "the act of determining in one's mind upon an opinion or course of action."  
According to Terry, it is "the selection of one behaviour alternative from two or more possible alternatives."

In the words of Seckler-Hudson, "Decision making in government is a plural activity. One individual may pronounce the decision, but may contribute to the process of reaching the decision. It is part of the political system." According to Ishwar Dayal, "Decision is the commitment of the decision-maker to act, thereby committing the personnel, material and financial resources of the organisation towards the action objectives."

Decision-making includes all the considerations that go into identifying a problem, reaching a conclusion and then taking action.

#### **Characteristics:**

1. Decisions are usually made to achieve some purpose or goal.
2. No decision stands alone. They are all linked together in a sequential chain.
3. It occurs over a period of time so that concurrent events influence the outcome.

**Rational Decision-making process:** It involves several steps leading towards optional solutions. The steps are:

- (a) To diagnose problem.
- (b) To analyse the internal (time, money, management talent, workers' skills and other resources) and external (economic climate, interest rates, capital markets, politics and social changes and environmental factors).
- (c) To state the problems correctly.
- (d) To develop alternatives which indicate the various courses of action that may achieve the objective.
- (e) To evaluate alternatives. The advantages and disadvantages of each alternative are taken into consideration. Usually alternatives are evaluated to satisfy criteria such as sufficiency, feasibility.
- (f) To select best alternative that will maximise the results in terms of existing objectives.

**Assumptions of Rational Decision-making:**

1. There is no conflict over the goal.
2. All the relevant criteria can be identified and all viable alternatives can be listed. Further all possible consequences for each alternative are known.
3. Alternatives can be assigned numerical values and ranked in a preferential order.
4. The alternative that would maximise satisfaction would be selected.

**Types of Decisions:** The various types of decisions in an organisation are

- (a) *Organisational and personal decisions:*  
Decisions taken by an executive which affect organisational functioning directly are organisational decisions. Personal decisions are decisions taken by the executive which affect his personal life.
- (b) *Policy and operative decisions:* Policy decisions are very important and have a long term impact and are taken by top management to determine the basic policies. Operative decisions relate to the day to day operations that are handled by the lower levels of management.
- (c) *Individual all group decisions:* Individual decisions are taken by an individual alone and group decisions are taken by a group of people together.
- (d) *Routine all strategic decisions:* Routine decisions refer to decisions taken in relation to the day to day workings of the organisation. Being repetitive in nature routine decisions are generally delegated to the lower levels of the organisation. Strategic decisions affect organisational structures, objectives, facilities and finance, and are taken at the higher levels of management.

**Bases of Decision-making:** The means of arriving at a decision may be rational, deliberate, emotional, impulsive or habitual. Intuition, facts, experience and authority are among the most common bases used in arriving at a decision.

Seckler-Hudson enumerates twelve factors which must be considered in decision-making - legal limitations, budget, mores, facts, history, internal morale, future as anticipated, role of superior. Pressure groups, staff. nature of programme and subordinates.

**Hindrances in sound Decision-making:**

Some of the hindrances are:

- (a) Involvement of routine activities.
- (b) The difficulty of timely selection of the problem for solution.
- (c) What is right decision? (The right decision must accord with the general interest, the constitutional spirit, and the moral principle).
- (d) Bias (It means a swaying influence or undue leaning to one side and it may take the form of prejudice in the negative sense and predilection in the positive sense. Bias may be conscious or unconscious, personal or institutional. In Public administration, bias means whether a given decision has been taken in accordance with the departmental rules, norms and traditions).

**Essentials of Decision-making:** Some of the important requirements for effective decision-making are:

- (a) Management Information System.
- (b) Knowledge of management techniques (programme evaluation and review techniques, Critical path method, Cost-Benefit and Cost effectiveness, Operation research, etc.).
- (c) Familiarity with the aspirations of the clients.
- (d) Knowledge of the environment.
- (e) Personnel and organisational requirements. Contribution of Herbert Simon: To Simon. decision-making process is the core of all administrative activity. Silllon was very much influenced by Follet's ideas on group dynamics in organisation, the Human Relations approach pioneered by Elton Mayo and others, and by Barnard. In fact, Barnard's *Functions of the Executive* had a positive influence on Simon's thinking about administration.

Herbert Simon's principal publications are:

1. *Administrative Behaviour* (1947),
2. *Fundamental Research in Administration* (1953),
3. *Organisations*(1958),
4. *The New Science of Management Decision* (1960),
5. *Shape of Automation* (1960),
6. *Sciences of the Artificial* (1969),
7. *Human Problem Solving* (1972).

Simon equates 'administration' with decision-making. He lays emphasis on how decisions are made, and how they can be made more effectively. Simon calls the traditional concepts of administration as proverbs and myths. The reason for such an ambiguity, according to him, is the 'inadequate' diagnosis of situations and definitions of terms and lack of detailed research into real situations. The missing factor, according to him, is correct decision-making.

Simon views an organisation as a structure of decision-makers. According to him, decisions are made at all levels of organisation, some of them affecting many members, while others are relatively less important decisions about detail. Each decision is based on a number of premises, and Simon focuses his attention on how these premises are determined. Some of these premises pertain to the decision maker's preferences, some to his social conditioning, and some others to the communications he receives from component units of the organisation. Simon asserts that the top management cannot dictate to every member of the organisation what each decision must be, but it can influence some, perhaps the most important premises on which the decisions are based. It can also create a structure which will permit and stimulate the transmission of necessary information. Simon divides the decision-making process into three phases, viz.,

1. **Intelligence activity:** It involves finding occasions calling for decision.
2. **Design activity:** It involves identifying, developing and analysing all possible alternative courses of action.
3. **Choice activity:** It involves selecting a particular course of action from the available choices.

Simon explains that decision-making basically involves choice between alternative plans of action, and choice, in turn, involves facts and values. According to him, every decision consists of a logical combination of fact and value propositions. Facts mean existence or occurrence of something tangible and concrete which can be verified by anyone. On the other hand, value is a matter of preference. Simon expounds the necessity of being rational in making a choice. He defines rationality as one concerned with the selection of preferred behaviour alternatives in terms of some system of values whereby the consequences of behaviour can be evaluated. He explains rationality in terms of means ends construct. The term 'means' (instrumental purpose) refers to any state or situation which is earlier in time than some other state or situation. The term 'ends' (ultimate purpose) refers to any state or situation which is later in a purpose chain or set of chains. "If appropriate means are chosen to reach desired ends, the decision is rational: However, there are many complications to this simple test of rationality. For, it is difficult to separate means from ends because an apparent end may only be a means for some future end. This is commonly referred to as the means-end chain or hierarchy."

Simon disputes the concept of total rationality in administrative behaviour. He observes that human behaviour is neither totally rational nor totally nonrational. It involves what he calls 'Bounded rationality'.

Three main aspects of the Bounded rationality theory are:

- (a) Alternatives were to be discovered through search and usually only a limited number of alternatives are considered.
- (b) The consequences of the alternative choices had to be found through some kind of search.
- (c) In place of optimising decisions based on total rationality he advances the idea of 'satisficing' which involves the choice of a course of action which is satisfactory or at least good enough.

Simon also made a classification of decisions into programmed and unprogrammed ones. Decisions are programmed to the extent that they are repetitive and routine in nature. The techniques of programmed decisions are - habit, knowledge and skills, and informal channels.

Non-programmed decisions are those which are novel. Unstructured and consequential and have to be tackled independently as no cut-and-dried methods are available for handling them. The techniques of non-programmed decisions are selection and training of executives possessing higher skills, innovative ability, etc. There has been a revolution in the recent past in the use of such techniques. Simon suggests that the application of mathematical tools, operations research, electronic data processing, systems analysis, computer simulation, etc., can be profitably used to make decisions and reduce the dependency on the middle managerial personnel and lead to centralisation in decision-making. He also argues that the use of computers and the new decision-making techniques will lead to recentralisation and make the executive's work easier and satisfying.

## 4.2 COMMUNICATION

Communication is one of the most basic functions of administration. The organisation cannot succeed unless it has a properly developed communication system.

The word 'Communication' has been derived from the Latin word *Communist* which means common. Communication, therefore, refers to the sharing of ideas, facts, opinions, information and understanding. It is the transfer or transmission of some information and understanding from one person to another.

Pfiffner has rightly described it as "the heart of management". Millet says communication means "shared understanding of a shared purpose."

Peter Drucker has defined communication as "the ability of the various functional groups within an enterprise to understand each other and each other's functions and concerns."

A very simple and concise definition of communication may be that it is a process of transmitting information, thoughts, opinions, messages, facts, -ideas or emotions and understanding from one person, place or thing to another person, place, or thing.

**Features of Communication:** The features are as follows:

- (i) It involves people,
- (ii) It involves shared meaning,
- (iii) It is symbolic,
- (iv) It is a two-way process,
- (v) It is a pervasive function, applying to all phases of management and to all levels of authority.

**The Communication Process:** Any communication involves

1. *A sender* - Who sends out the message.
2. *A receiver* - Who receives the message.
3. *A medium* through which the message is communicated. This message could be written, oral or non-verbal.
4. *Message* - It is the physical form into which the information is encoded (the translation of the information into a series of symbols).
5. *Channel* - The mode of transmission of the message.
6. *Decoding* - The interpretation of the message by the receiver.
7. *Noise* - This refers to the factors that hinder effective communication.
8. *Feedback* - The receiver's reaction to the message sent by the sender.

**Communication Patterns:** Communication could be

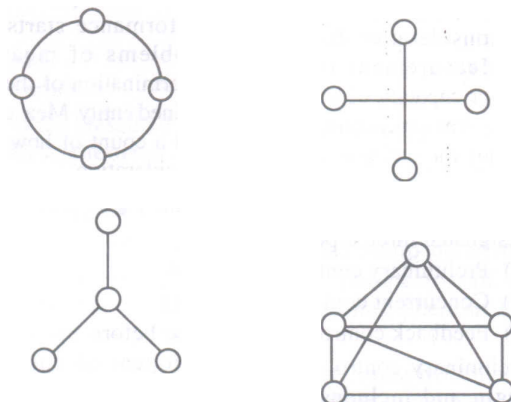
- (a) *Downward*, when it flows from the superior to the subordinate.
- (b) *Upward*, when the flow is from the subordinate to the superior.
- (c) *Lateral*, when it takes place at peer level.
- (d) *Diagonal*, when communication takes place between a manager and members of other work groups, for instance, the production manager talking to a salesman.
- (e) *External*, when members of an organisation communicate with people outside the organisation.

Each of these patterns will enhance effective communication if

1. In downward communication, job instructions are clear, important points repeated and if the situation demands, by passing formal communication channels, thus minimizing role ambiguity.
2. In upward communication, relevant aspects of the information are sent, biases are detected and status difference is cut down.
3. In horizontal communication, an atmosphere of openness and trust is established.

**Communication Networks:** The five most common networks are:

1. *Chain* - where one person transmits information to another as per the chain in the organisational hierarchy.
2. *Wheel* - where one person can communicate with a number of other persons who do not communicate with each other.
3. *Circle* - where each of the individuals can communicate with all others.
4. *Inverted* - network where two people report to a boss who has two levels above the communication flows in the pattern shown below.
5. *All Channel* - where communication is transmitted through all channels.



Some of these networks allow for speedy flow of communication and some others are better for controlling unnecessary flow of information.

### Types of Communication

1. *Formal Communications:* These are usually written in black and white and derive their support from the formal organisational structure. These communications travel through the organisational hierarchy and are associated with the particular positions of the communicator and the recipient in the structure. Formal communication usually flows in three directions (downward, upward and lateral).
2. *Informal Communications:* The informal network of communication is based on social relations within the organisation and cuts across rank or authority lines and follows any path - horizontal, vertical, diagonal and zig-zag. Two persons at different levels in the organisation may be communicating with each other in a way not formally charted out in the organisation. Informal channels of communication are also termed as 'grapevine'. Grapevine is a powerful medium through which messages get transmitted by word of mouth; acts, as an informal system through which information gets transmitted quickly and often in a distorted manner.

In an organisation, a message must pass three tests:

- (1) It must be understood.
- (2) It must be believed.
- (3) It must be accepted.

### Circuit Model of Communication

The communication situation involving just two persons is a circuit communication model. It includes not only the flow of information to the receiver but also the flow of feedback to the sender, for the model forms a closed circuit which is known as Circuit model of communication. The diagram of this model is given below for better understanding.

**Barriers to effective Communication:** The barriers are

- (a) Language difficulties,
- (b) Frame of mind,
- (c) Screening or filtering,
- (d) Lack of desire,
- (e) Ideological barrier (differences in the background, education and expectations),
- (f) Mutual distrust,
- (g) Inattention,
- (h) Resistance to change,
- (i) Overloading,
- (j) Timing
- (k) Size of organisation,
- (l) Lack of definite and recognised means of communication.

Every sound organisation must take these factors into consideration and must devise its internal communication machinery so as to make the flow of information and orders easy, rapid and accurate.

## 4.3 CONTROL

Control has been called one of the 'Siamese twins' of management; its twin is planning. Controlling is evaluating the performance and applying corrective measures so that the performance takes place according to plans. Controlling can be viewed as detecting and correcting significant variations in the results obtained from planned activities. Some errors, loss of efforts, and ineffective directives are bound to take place and make for unwanted deviation from the intended goal. So control

is necessary. Controlling should never be viewed as negative in character. It should be positive. It is a managerial necessity and not an impediment or a hindrance. Controlling exists at every management level. If the other fundamental functions of management such as planning, organising, and actuating were performed perfectly, there would be little need for controlling. Controlling does not exist without previous planning, organising, and actuating. It is related to a part of the outputs of the other three fundamental functions of management. Planning bears a close relationship to controlling. Failure of controlling means sooner or later failure of planning, and success of planning means success of controlling. Effective controlling assists in the effort to regulate actual performance to assure that it takes place as planned.

Controlling consists of a process made up of three definite steps. These are:

- (i) Measuring performance,
- (ii) Comparing performance with the standard, and ascertaining the difference, if any,
- (iii) Correcting unfavourable deviation by means of remedial action.

In other way, controlling consists of (a) finding out what's being done, (b) comparing results with expectancies, which leads to (c) approving the results or disapproving the results.

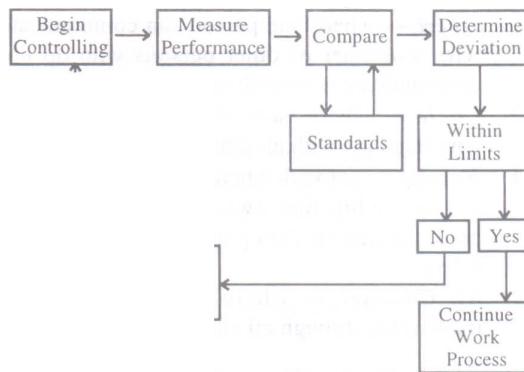


Fig. The Control Process

In the above process, the first step of measuring the performance starts with a consideration for the problems of measuring. Measurement is the determination of the quantity or capacity of a welldefined entity. Measurement requires a measuring unit and a count of how many times the entity is under consideration.

**Types of Control:** R. C. Davis and others have designated three types of control. These are:

- (a) Preliminary control,
- (b) Concurrent control, and
- (c) Feedback control.

Preliminary control takes place before operations begin and includes the development of policies, procedures, and rules that are designed to ensure that planned activities will be carried out properly. Concurrent control takes place during the 'action' phase of carrying out the plans and includes direction, monitoring, and fine tuning of activities as they occur.

Feedback control focuses on the use of information about previous results to correct possible future deviations from the acceptable standard.

#### 4.4 THEORIES OF LEADERSHIP

Leadership is one of the most observed phenomena on earth. Throughout history it has been recognised that the difference between success and failure, whether in war, a business, or a protest movement, can be largely attributed to leadership. Yet, despite its recognised importance, leadership remains more of an unexplainable concept.

The dictionary meaning of leadership is 'to lead', 'to excel', 'to be in advance', 'to be prominent'. The other meaning is 'to guide others, to be head of an organisation, and to hold command'

According to George R. Terry, "Leadership is the activity of influencing people to strive willingly for group objectives." Koontz and O'Donnell have described leadership as "the activity of persuading people to co-operate in the achievement of a common objective."

Most management writers agree that leadership is the process of influencing the activities of an individual, or a group in efforts toward goal achievement in a given situation. From this definition of leadership, it follows that the leadership process is a function of the leader, the follower, and other situational variables  $L = f(I, f, s)$  where

L stands for leadership process, I stands for function,

I stands for leader,

f stands for followers, and

s stands for situational variables

Theories of leadership can be broadly classified into two categories - Universalist theories and Contingency theories.

#### **Universalist Theories**

Here there is one type of leadership behaviour inherently superior to others, irrespective of the situation in which the leader operates. There are two theories under it. They are:

(1) *Trait Theory*: It seeks to determine what makes a successful leader from the leader's own personal characteristics. The most frequently mentioned attributes of an effective leader are fairness, intelligence, general knowledge ability, understanding, emotional balance, communicative ability and technical competence.

#### **Limitations:**

- (a) The mere possession of a trait does not guarantee its successful use for the purpose of leadership.
- (b) It is difficult to define universal traits applicable in every type of situation.
- (c) There is a problem of measuring the traits.
- (d) Effective leadership is not a function of traits alone.

(2) *Behavioural Theory*: It emphasises that the strong leadership is the result of effective role behaviour. The behavioural theories of leadership are - the Ohio State Studies, the Michigan Studies and the Managerial Grid.

#### **Ohio State Studies**

The leadership studies initiated in 1945 by the Bureau of Business Research at Ohio State University attempted to identify two leadership behaviours - Initiating structure and consideration after analysing actual behaviour in a wide variety of situations.



Initiating structure refers to "the leader's behaviour in delineating the relationship between himself and members of the work group and in endeavouring to establish well-defined patterns of organisation, channels of communication and methods of procedure."

Consideration refers to the ability of the leader to establish rapport, mutual respect and two-way communication with employees.

- |  |   |
|--|---|
| <p><b>Consideration</b></p> <p>(a) The leader finds to listen time group members</p> <p>(b) The leader is willing to make changes</p> <p>(c) The leader is friendly and approachable</p> | <p><b>Initiating Structure</b></p> <p>(a) The leader assigns group members to particular tasks</p> <p>(b) The leader asks the group members to follow standard rules and regulations</p> <p>(c) The leader lets group members know what is expected of them</p> |
|--|---|

In studying leadership behaviour, the Ohio State staff found that initiating structure and consideration were separate. The behaviour of a leader could be described as any mix of both dimensions. Thus, the leadership behaviour was first plotted on two separate axes and four quadrants were developed to show various combinations of Initiating Structure (task behaviour) and Consideration (relationship behaviour), as illustrated in the following figure

High Consideration and Low Initiating Structure	High Initiating Structure and High Consideration
Low Initiating Structure and Low Consideration	High Initiating Structure and Low Consideration

(Low) - Initiating Structure ---->High

**Criticism:**

1. Ohio researchers have ignored the impact of environmental variables on specific leadership behaviours.
2. Most people will find it difficult to change their style for each situation they encounter.

**Michigan Leadership Studies**

Researchers of the University of Michigan identified two concepts - employee orientation and production orientation.

Employee Centred Leaders take interest in everyone, accepting their individuality and personal needs and every employee is important. Production or Job Centred Leaders emphasize production and the technical aspects of the job. Employees are seen as tools to accomplish the goals of the organisation.

The studies favour the employee centred leaders who were associated with higher group productivity and higher job satisfaction.

**Criticism:**

1. It does not lay stress on environmental variables.
2. It does not specify in advance which style will be more effective.

**Managerial Grid:** Robert R. Blake and Jane S. Mouton developed a conceptual framework for studying leadership which is called the Managerial Grid. They used two variables - concern for people and concern for production, plotting them on the vertical and horizontal axis respectively, with nine divisions on each axis, we get the following diagram - the Managerial Grid

The Managerial Grid describes five types of managerial styles. The five styles are:

*Impoverished Management:* Exertion of minimum effort to get required work done is appropriate to sustain organisational membership.

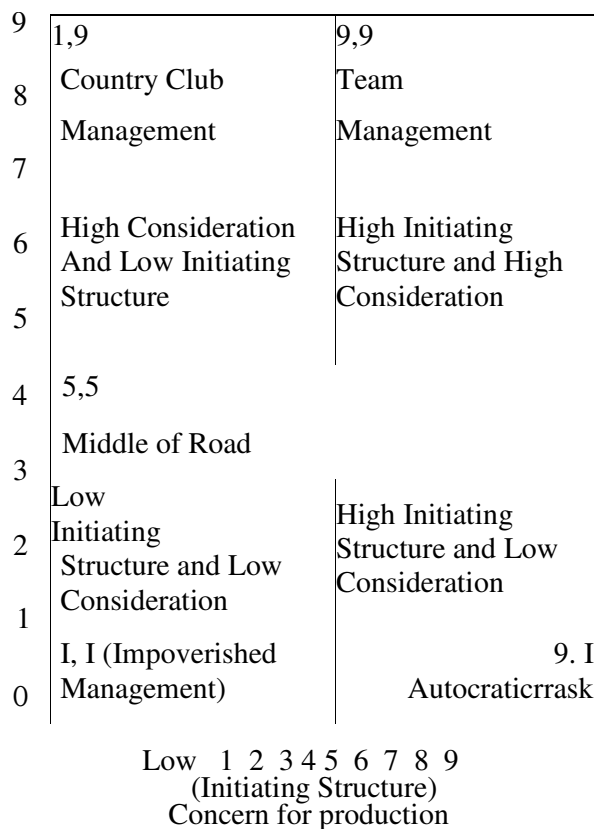
*Country Club Management:* Thoughtful attention to needs of people for satisfying relationship leads to a comfortable friendly organisation atmosphere and tempo.

*Task Management:* Efficiency in operations results from arranging conditions of work in such a way that human elements interfere to a minimum degree.

*Middle-of-the Road or Dampened Pendulum:*

Adequate organisation performance is possible through balancing the necessity to get out work while maintaining morale of people at a satisfactory level.

*Team Management:* Work accomplishment is from committed people; interdependence through a 'common stake' in organisation purpose leads to relationships of trust and respect.



1. The (9,1) task oriented leader is primarily concerned with production and has little concern for people.
2. The (1,9) country club management leader is primarily concerned with people and has little concern for production.
3. The (1, I) impoverished management leader has little concern for production and for people.
4. The (5,5) oriented leader (middle of the road) shows a moderate concern for both production and people
5. The (9,9) team management leader shows a maximum concern for both production and people.

According to Blake and Mouton, leadership effectiveness is highest when the manager uses the 9-9 approach to leadership.

*Criticism:*

1. There is little substantive evidence to support the conclusion that (9,9) style is more effective in all situations.
2. The extreme positions explained by Blake and Mouton rarely occur in organisations.

**Contingency Theories**

These leadership theories depend on the diagnosis of the situation, the group and the leader. The Contingency theories are also referred to as Situational theories.

Three major Contingency theories are

- (a) Fiedler's Contingency Theory,
- (b) House's Path Goal Theory,
- (c) Hersey and Blanchard's Situational Theory.

**Fiedler's Contingency Model:** Fiedler developed a contingency model of leadership assuming that the effectiveness of the leadership is based on his ability to act in terms of situational requirements. Three major situational variables seem to determine whether a given situation is favourable to leaders:

- (1) The leader-member relationship is the most critical variable in determining the situation's favourableness.
- (2) The degree of structure in the task that their group has been assigned to perform; and
- (3) The power and authority that their position provides.

Fiedler defines the favourableness of a situation as "the degree to which the situation enables the leader to exert his influence over his group." Situations are favourable if all the three dimensions are high, if the leader is generally accepted by his followers, if the task is very structured and if a great deal of authority is formally attributed to the leader's position. If the opposite exists, the situation is very unfavourable to the leader.

Fiedler has also attempted to determine what the most effective leadership style is - task-oriented or relationship-oriented. In a re-examination of old leadership studies and analysis of new studies, Fiedler has concluded that:

- (i) Task-oriented leaders tend to perform best in group situations that are either very favourable or very unfavourable to the leader.
- (ii) Relationship-oriented leaders tend to perform best in situations that are intermediate in favourableness.

Test Oriented style	Relationships oriented style	Task-oriented style
<----->		
Favourable leadership situation for leader	Situation intermediate in favourableness	Unfavourable leadership situation

Fiedler's model, however, seems to be reverting back to a single continuum of leadership style, suggesting that there are only two basic leadership styles; while most studies indicate that leadership styles can be plotted on two axis. Thus, it is not necessary that a leader, who is high on one dimension, is low on other dimension. Rather, a combination of the two is found.

**Evans and House's Path Goal Theory:** This theory states that effective leaders clarify the path or means by which subordinates can attain both high job satisfaction and high

performance. The specific style of leader's behaviour should be determined by two variables - Employee and Task characteristics.

- (a) *Employee characteristics*: It states that a particular leadership style will be accepted by subordinates to the extent that they perceive it as an immediate source of job satisfaction or as necessary for future job satisfaction.
- (b) *Task characteristics*: When tasks are non-routine and complex, a task-centered leadership style is appropriate.

To conclude, Path Goal theory attempts to explain why a particular leadership style will be more effective in one situation than in another. Hersey-Blanchard's Situational Theory: For its description of leadership behaviour, the approach draws heavily on the Ohio dimensions of consideration and initiating structure. Hersey and Blanchard produced four basic leadership behaviour styles. These are:

1. High tasks and Low relationship,
2. High tasks and High relationship,
3. Low tasks and High relationship,
4. Low tasks and Low relationship.

Thus, a person's leadership style involves some combination of either task behaviour or relationship behaviour. They advocated that the leadership style should change as an employee matures on the job. Maturity is defined as task related ability and willingness to accept responsibility. Hersey and Blanchard explain four styles of leadership that match different maturity levels of subordinates. These are

- (a) *Telling*: Followers are both unable and unwilling to do the job, they require specific directions as to what, how and when to do the various tasks. The subordinates are neither competent nor confident. Hence, they need directive behaviour from the leader. This involves high task behaviour and low relationship behaviour.
- (b) *Selling*: For members of moderate maturity who are unable but willing to do the job, the leadership behaviour must be both supportive and directive. This style involves high task behaviour and high relationship behaviour.
- (c) *Participating*: In this case subordinates are able but unwilling to do the job and they require adequate motivational force. These capable subordinates need and want support but not direction. It involves high relationship and low task behaviour.
- (d) *Delegating*: Subordinates are at high level of maturity and are both willing and able to take responsibility. They are confident and neither need nor want direction or support. Low relationship and low work behaviour characterise this style.

*Criticism*: The theory has not been tested properly through scientific analysis and, hence, results are open to doubt.

### **The Vroom-Yetton Contingency Model:**

The aim of the approach is to enable the leader to enhance both the quality of the decisions that he or she makes and also their acceptability to subordinates. In seeking to enhance these two outcomes: the model seeks to specify the impact of varying degrees of participative leadership on the quality and acceptability of decisions. Five levels of participation are proposed which follow a code such that A = an autocratic process, C = a consultative process and G = group discussion. The model suggests that a number of situational factors impinge on the likelihood that either an autocratic or a participative approach will be appropriate.

According to this model, a leader should be both autocratic and participative varying his style according to various situational factors.

**Situational Continuum:** Robert Tannenbaum and Schmidt theorised that the most effective leadership style depends on the 'forces' in

- (a) the leader,
- (b) the follower, and
- (c) the situation.

Forces in the leader include the leader's value system, his personality make-up, his attitude to delegation, his confidence in subordinates, his reactions in crisis situations and his natural inclination towards an autocratic or democratic style of functioning, etc.

Forces in the subordinates include their ability to learn skills needed for the organisation, their willingness to assume responsibility, their personal aspirations and expectations from organisation, their capacity to share in decision-making and implementation.

Forces in the situation include organisational structure, whether centralised or decentralised, the organisational culture, character of work groups whether co-operative or hostile, working conditions and environment, etc.

Tannenbaum and Schmidt preferred a subordinated leadership style in general, but they did add the appropriateness of the other styles in an organisation, that really depends upon the situation and environment of the organisation.

**An Integrated Leadership Model:** Leadership involves a complex relationship between (1) the leader, (2) the followers, (3) organisation, and (4) environment.

1. *Leader:* It includes his personal values, his attitude to subordinates and his reactions to the surroundings.
2. *Follower:* It includes skills, knowledge and experience of subordinates, degree of their identification with organisational goals, their need for psychological and emotional support, their attitude towards accepting responsibility, their need for independence.
3. *Organisation:* It includes organisational structure, degree of specialisation and consequent need for integration, extent of use of technology and the nature of jobs and tasks within the organisation whether structured or unstructured.
4. *Environment:* It includes all the social, cultural, economic and political forces that 'impinge on the organisation. Every leader has to cope with these environmental forces.

The task of the leader is to integrate these forces and chalk out a course of action to achieve organisational goals.

#### 4.5 THEORIES OF MOTIVATION (Maslow and Herzberg)

In the study of individual behaviour, probably no concept has received more attention than 'motivation'. Motivation is not a personal trait; rather it is the result of the interaction of the individual and the situation. Individuals differ in their basic motivational drive, and this varies both between individuals and within individuals at different times.

Motivation represents an unsatisfied need which creates a state of tension or disequilibrium causing the individual to move in a goal directed pattern towards restoring a state of equilibrium by satisfying the need.

Lillis observes, "It is the stimulation of any emotion or desire operating upon one's will and promoting or driving it to action."

Davis says, "Motives are expressions of a person's needs, hence they are personal and internal."

According to Durbin, "Motivation refers to expenditure of effort towards a goal."

So, we may define motivation as "a willingness to expend energy to achieve a goal or reward. It is a force that activates dormant energies and sets in motion the actions of the people. It is a function that kindles a burning passion for action among the human beings of an organisation."

Motivation consists of three interacting elements of needs, drives and goals.

*Needs:* These are deficiencies, and are created whenever there is a physiological (or psychological imbalance).

*Drives :* These are action-oriented and provide an energizing thrust towards goal accomplishment. They are the very heart of motivational process.

*Goals :* Goals are the incentives or pay offs that reinforce private satisfaction, that in turn reinforce the perpetuation of needs.

Types of Motivation: There are various types of motivation. These are as follows:

1. *Incentive or Positive Motivation:* It is generally based on reward. People work for incentives in the form of 4P's of motivation - Praise, Prestige, Promotion and pay cheque. Incentive motivation is the fuel mechanism. It leads to good team spirit, co-operation and a feeling of happiness.
2. *Negative or Fear Motivation:* It is based on force and fear. Fear motivation is a push mechanism, Fear causes persons to act in a certain way because they are afraid of the consequences if they do not work. But it has been used to achieve the desired behaviour as in the case of fire. a breakdown, a panic or a riot. However, in recent years the trend has been towards the positive motivation.
3. *Extrinsic Motivation:* It is concerned with external motivators which employees enjoy pay promotion, status, fringe benefits, retirement plans, holidays and vacation, etc. By and large these motivators are associated with financial rewards.
4. *Intrinsic Motivation :* It is concerned with the feeling of having accomplished something worthwhile, i.e., the satisfaction one gets after doing one's work well. Praise, responsibility, recognition, esteem, status, competition and participation is examples.
5. *Financial Motivation:* It is connected directly or indirectly with money. Wages and salary, bonuses, profit-sharing, leave with pay are included under this type. Money is needed to provide for material goods and satisfy physiological, social and esteem needs. For this reason, money is sometimes regarded as a reliable motivator.
6. *Non-Financial Motivations:* These motivators are not connected with monetary rewards. Job enlargement (the employee performs more varied tasks, which are all on the same level, the idea being to make the jobs less monotonous), Job rotation (shifting of an employee from one job to another), Job loading (making the job more

interesting), Job enrichment (deliberate upgrading of responsibility, scope and challenge), Job security, Delegation of Authority, Status and Pride, Praise or Recognition, Competition and Participation are the examples of non-financial motivations.

## THEORIES OF MOTIVATION

### Traditional Theory

This theory assumed that human beings can be motivated to work hard and produce more if sufficient financial incentives are made available to them. The fear of punishment for non-performance can motivate them to work harder.

Taylor was the advocate of this 'Carrot and Stick' rewards and punishment approach.

### Content Theories

These theories are based on the needs, motives, or desires that drive employees to get satisfaction on the job. The theories are as follows:

(1) **Maslow's Need Hierarchy Theory:** According to Maslow, human beings have five basic needs. They are arranged in the following ascending order:

- (i) Biological Needs : Hunger, thirst, sex and other physiological needs.
- (ii) Safety Needs : Security and protection from physical and emotional harm, desired from the family and community.
- (iii) Love and belongingness Needs : Affection, acceptance, friendship and affiliation.
- (iv) Esteem Needs : Self-respect, autonomy and achievement, status, recognition and attention.
- (v) Self-actualisation : Growth, realizing one's potential and self-fulfilment.

Maslow's theory is based on two principles which are as follows:

- (a) *Deficit Principle:* Needs that are satisfied will not motivate behaviour.
- (b) *Progression Principle :* The hierarchy defines a step by step process in which lower order needs are recognised, met and replaced by higher order needs.

Maslow holds that the non-fulfillment of the basic needs of an individual can lead to sickness, both physical and mental.

(2) **Theory X and Theory Y :** McGregor (1960) proposed this theory. Here, he identified two distinct views on human beings: one basically negative, labelled Theory X and the other basically positive, labelled Theory Y.

The four assumptions under Theory X are as follows:

- (i) Individuals inherently dislike to work and, whenever possible, will attempt to avoid it.
- (ii) Since individuals dislike work, they must be coerced, controlled, or threatened with punishment to achieve goal.
- (iii) Individuals will shirk responsibilities and seek formal direction whenever possible.
- (iv) Most individuals place security above all the factors associated with work and will display little ambition.

In contrast to these negative views towards the nature of human beings, McGregor listed four other positive assumptions called Theory Y. These are:

- (i) Individuals can view work as being as natural as rest or play.
- (ii) People will exercise self-direction and self control if they are committed

to the objectives.

- (iii) The average person can learn to accept, even seek, responsibility.
- (iv) The ability to make innovative decisions is widely dispersed throughout the population and is not necessarily the sole province of those in administrative management position.

(3) **Herzberg's Two-Factor Theory:** The Two Factor theory divided job-related factors into two categories - Motivators and Hygiene factors.

*Motivators:* Factors which lead to job-satisfaction belong to this category. They are intrinsic to the job, i.e., all related to job content like job enrichment, achievement, recognition, challenge. These have a positive influence on satisfaction, efficiency and higher productivity. In the presence of motivators, workers may feel motivated but their absence does not make them dissatisfied. These factors are called Job content factors and are real motivators.

*Hygiene Factors:* Factors which combat dissatisfaction with the job are called Hygiene factors. They are extrinsic to the job and describe man's environment, e.g., company policy administration, supervision, working conditions, interpersonal relations, salary, status, job security and personal life. In the absence of hygiene factors, workers feel dissatisfied but, the presence of these factors does not motivate them. These are called Job context factors.

(4) **ERG Theory:** Rewarded on Maslow's theory Alderfer (1969) revised the Need hierarchy theory and proposed ERG theory. Alderfer argues that there are three groups of core needs - existence, relatedness. and growth. The existence group is concerned with providing our basic material existence requirements. They include the items that Maslow considered as physiological and safety needs. The second groups of needs are those of relatedness - the desire for maintaining interpersonal relationship. They align to Maslow's love need and external component of self-esteem classification. Finally, Alderfer isolates growth an intrinsic desire for personal development. These include the intrinsic component of Maslow's esteem category and the characteristics included under self actualization.

ERG theory further proposed that (1) more than one need may be operative at the same time, and (2) if the gratification of a higher-level need is stifled, the desire to satisfy a lower-level need increases.

(5) **Three Needs Theory:** David McClelland and others proposed the Three Needs theory. These three needs are achievement, power, and affiliation.

- (i) *Need for Achievement:* It has been found that some people have compelling drive to succeed. They strive for personal achievement rather than the reward of success. They have desire to do something better or more efficiently than it has been done before. This drive is the achievement need (n/ACH). McClelland found that high achievers differentiate themselves from others by their desire to: do things better. They seek situations where they can attain personal responsibility for finding solution to problems. They dislike succeeding by chance.
- (ii) *Need/or Power:* The need for power (n/PWR) is the desire to have "impact, to be influential, and to control others. Individuals high in n/PWR prefer to be placed into competitive and status-oriented situations, and tend to be more concerned with gaining influence over others and prestige than with active performance.
- (i) *Need/or Affiliation:* This" need can be viewed as Dale Carnegie type of need - the desire to be liked and accepted by others. Individuals with high (n/AFF) motive strive for friendship, prefer co-operative situation rather than of mutual understanding.



### Expectancy Theories

Proponents of these theories suggest that major determinants of performance are motivational levels, abilities and traits and role perceptions,

- (1) **Vroom's Expectancy Theory:** Vroom holds that people will be motivated to do things to reach a goal if they believe in the worth of that goal and if they can see that what they do will help them in achieving it. In other words. He makes the point that motivation is a product of anticipated worth that an individual places on a goal and the chances he or she sees of achieving that goal. Using his own terms, Vroom's theory may be stated as:

$$\text{Force} = \text{Valence} \times \text{Expectancy}$$

(Level of Motivation)

Where force is the strength of a person's motivation, valence is the strength of one individual's perception of an outcome, and expectancy is the probability that a particular action will lead to desired outcome.

- (2) **The Porter and Lawler Expectancy Model:**

According to this theory the amount of effort people are prepared to put in to accomplish a task depends on three factors:

- (a) *Expectancy* - whether the effort will produce better results.
- (b) *Instrumentality* - whether the performance will payoff in terms of promotions.
- (c) *Valence* - whether the possible outcome is attractive for the individual concerned,

- (3) **Equity Theory:** This theory is proposed by, J. Stacy Adam. It is based on the assumption that individuals are motivated by their desire to be equitably treated in their work relationship. Employers and employees both have certain expectations from each other. When these expectations are fulfilled, as perceived by both parties, people are satisfied and their moral is high.

### Reinforcement Theories

- (1) **Skinner's Operant Theory:** The behaviour modification theory, as evolved from the work of Skinner, better known as Organisational Behaviour Modification assumes that the causes of behaviour are outside the person and in the environment.

Behaviour modification is achieved through operant conditioning. Operant behaviour is that what can be modified by its consequences. If the consequences of certain behaviour are favourable to the person, his behaviour will be strengthened, but if they are unfavourable it will be weakened. In this manner operant conditioning occurs.

Behaviour is encouraged through positive reinforcement which provides a favourable consequence that encourages a repetition of the behaviour. For example, if an employee finds that high quality work earns him recognition in the shape of a reward, he may produce such a quality work again. His behaviour is, thus, reinforced. Behaviour response for removal of something undesirable is repeated when that undesirable state is encountered again. This is negative reinforcement.

The strength of Skinner's approach is that, it is so closely akin to the requirements of good management, it emphasizes removal of obstructions to performance, careful planning and organizing, control through feedback and the expansion of communication.