Unit: III - Group Behaviour in Organisation and Leadership.

Meaning and Types of Groups, Stages of Group Formation. Meaning and Types of Work Teams. Creating Effective Teams. Styles of Leadership, Leadership Theories: Trait Theory, Behavioural Theories.

Meaning and Types of Groups

There are numerous types of groups which differ from each other because of their size, purpose, membership criteria, formation, functioning, arrangement, etc. In our daily lives, we come across this word 'group' indefinite times.

However, selecting a particular group may or may not be in the hands of its members; each one of us belongs to one or the other group in some manner.

Classification of Groups

A person becomes a part of a group, knowingly or unknowingly; for a purpose or as a choice; and for short-term or long-term. Groups can be differentiated into the following nine major categories:

Primary and Secondary Groups

In terms of face to face or indirect interaction between the parties, groups can be bifurcated as follows:

Primary Group: The group where an individual directly interacts with other members is termed as the primary group. It is responsible for the initial learning and social behaviour of an individual.
Secondary Group: When a person in a group is indirectly associated with or influenced by other members, he/she is said to be in a secondary group.

Formal and Informal Groups

We can categorize the groups into two major classes according to the purpose it serves. Whether it is for fulfilling an organizational objective or for meeting the self-interest of the members.

Formal Groups

When people collaborate to attain the organizational goals or objectives, they are said to form a formal group.

Following are the three major types of formal groups existing in an organization:

Command Group: As a result of hierarchical arrangement in an organization, a command group is made of the superiors and their subordinates representing the flow of command or orders from top to bottom level.

Task Group: A group which includes individuals with different skills and knowledge, to successfully carry out the assigned project, is called as a task group.

Committees: For the special assignments or projects, a group is formed by appointing the specialists or people with superior knowledge; which is termed as a committee. After the project responsibilities are executed successfully, the members can disassociate from the committee.

Informal Groups

When the individuals associate with one another to serve their common interest or for self-satisfaction, they are known to form an informal group. Some of the most common informal groups are:

Interest Groups: The individuals who join hands for a common purpose (related to self-interest) create an interest group.

Friendship Groups: The group which is formed as a result of personal choice by the individuals who are already familiar and feel comfortable with one another, is called a friendship group.

Cliques: In a workplace, few colleagues join hands to form a small group (usually with two to six members) to share ideas and thoughts on their mutual interest.

Sub-cliques: When a clique comprises of few organizational employees along with some non-employees (who are associated with the other members in either way), it termed as a sub-clique.

Sayles' Classification of Groups: L.R. Sayles categorized the groups into the following types depending upon the degree of pressure prevalent in each:

1. **Apathetic Groups**: The group in which the leader does not pressurize the members; moreover, leadership is hardly widespread; it is termed as an apathetic group. Usually, it is formed by the lower-level workers who are unskilled and work on low wages.
2. **Erratic Groups**: When the people belonging to a group gets enraged quickly and similarly calms down, they are said to be in an erratic group. Such a group comprises of semi-skilled workers who perform task desiring communication between them.
3. **Strategic Groups**: Such a group includes skilled workers, who hold various job positions to execute the independent technological task. These members have the skills of systematically applying pressure on the management and the other groups, by framing a suitable strategy.
4. **Conservative Groups**: The group which comprises of the stable and highly skilled individuals or professional, who have extreme powers to regulate the functioning of the organization, is called as a conservative group.

Membership and Reference Groups

We can also distinguish between the different groups by the need for official registration of the members, into the following two categories:

Membership Group: Groups in which the members must get themselves registered and acquire a membership card or certificate for becoming a part of it, is termed as a membership group.

Reference Group: It may not be a real association of individuals, an illusionary group to which an individual relates himself/herself due to the

same profession or other similar attributes is called a reference group.

Small and Large Groups

Based on the number of members involved in a group, we can classify it as follows:

Small Group: Small groups consist of as little as three to ten members. Such groups are usually well managed and organized.

Large Group: The groups made up of more than ten members are considered to be large groups. These massive groups are challenging to handle and unsystematic at times.

Organized and Unorganized Groups

Given below is the categorization of the groups in terms of its structure and bonding among the group members:

Organized Group: When the individuals belonging to a particular discipline work together systematically as a [team](#) by supporting each other, they are said to be in an organized group.

Unorganized Group: The disorganized group is not formed purposefully. Instead, the individuals just did not happen to fall into a single group where they have any attachment to one another nor have any belongingness.

In and Out-going Groups

We can also distinguish among groups according to the belongingness and involvement of the individuals, as below:

In-Group: A group where an individual is socially active and adopts strong values from the other members is termed as an in-group.

Out-going Group: The other groups, except the prevalent in-group, where no inter-group exchange of values is facilitated is termed as out-going

groups.

Accidental and Purposive Groups

The purpose of the group formation provides a basis for its classification into the following two categories:

Accidental Group: When a group is formed coincidently or unknowingly, that too without any purpose, it is known as an accidental group.

Purposive Group: The group which is made for a definite reason or aim of task fulfilment is termed as a purposive group.

Open and Closed Groups

Based on the scope for entry and exit of the members in a group, it can be distinguished as follows:

Open Group: The group where the new individuals can freely enter and old members can exit anytime, is known as an open group.

Closed Group: The restricted group where no further entries are entertained is called as a closed group.

Temporary and Permanent Groups

A group can be formed for a short period or a long duration. Let us now discuss the two categories of groups based on these criteria:

Temporary Group: When the individuals come together for a particular project or task accomplishment, they are known to be in a temporary group. Such a group disintegrates after the successful performance of the task.

Permanent Group: Such groups represent a long-term association of the group members. Here, people belonging to a particular organization are known to be in a single group.

Nominal and Non-performing Groups

Based on the need for action, groups can also be bifurcated into the following types:

Nominal Group: The group, in which the members are involved in problem-solving, take up challenges and carry out operations, is termed as a nominal group.

Non-performing Group: Whenever the individuals are put together in a single group, just on a sheet of paper; however, they need not carry out any task, they tend to be in a non-performing group.

STAGES OF GROUP FORMATION

Tuckman was responsible for coining the 5 main stages in the process of group discussion. They are also known as Tuckman's 5 stages of group development. Moreover, these stages of group formation are meant to be followed in the exact sequence as they are below:

Forming

This is a beginning stage and lasts only a few days (or weeks). Members begin by planning their work and their new roles. Moreover, the emotions here are positive. The groups should begin by learning about team processes in preparation for the rough times ahead.

However, it is crucial for them to learn the aspects of conflict resolution, communication, group decision-making and time management.

Storming

There exists a considerable amount of fights and arguments in this stage. People begin to feel the stress of frustration, resentment, and anger. Moreover, as the problem festers, the job remains undone.

Managers also experience frustration and are worried about the situation, thereby, are tempted to intervene. Members experience a drastic emotional roller coaster from elation to depression.

Moreover, the situation seems bleak. Usually, the storming period may last 1-2 months. Also, without effective training and support, the team may experience retarded growth.

Conflicts are usually frowned upon. However, they are the definition of normal, natural, and even necessary events in an organization. It is critical for the group to handle it well because they are great in helping to build skill and confidence for the next stage

Norming

In the norming stage, the group works through individual and social issues. The group establishes its own norms of behaviour and begin to trust each other. Moreover, as the group develops interpersonal skills, it becomes all the more skilled.

Members begin the art and knack of problem-solving. They also cross-train and learn new and adequate job skills. This stage usually lasts for 4-12 months.

Performing

In this stage, the group is ready to begin performing its respective task and assigned jobs. In this stage, the group has become well acquainted with one another and has clarity with regard to what needs to and has to be done. The performing stage begins when the group is comfortable to work and ends when the job is completed.

Adjourning

Post the performing stage, the group is adjourned. The adjourning stage ends the process of group formation. Because the group is adjourned once the task that is assigned to the group is completed.

MEANING AND TYPES OF WORK TEAMS

1- Functional work team

In this work team, all the members belong to the same functional area and respond to a single manager, responsible for the management of the whole group. It's very common in companies with rigid hierarchies and you'll recognize them for the examples we are going to give: such as Accounting and HR departments or the Maintenance team and other specialized groups like these.

2- Inter-working team

In this case, the work team is made up of members from different areas of activity, and its members usually have the same hierarchical level.

This type of work team is usually formed to develop work with a multidisciplinary view, in which each area represented by team members complements the knowledge of others, bringing more creative and comprehensive results.

Examples of these types of work teams would be committees and councils, where members from different areas work together to solve specific problems, such as a Sustainability Committee, for example; or strategic, as is the case with the Boards of Directors of companies.

3- Troubleshooting team

Organizations employ these teams usually to improve processes to find out how to solve the problems that are harming them.

When determining the options for solving the causes of problems, they are sent to the departments responsible, as this kind of work team does not implement the solutions it suggests.

4- Self-managed teams

Groups of employees who work in an extremely integrated and collaborative way because they don't have a formal leader.

Members define the division of labor, responsibilities and the distribution of tasks, as well as make decisions and even control and supervise themselves.

5- Project team

These are work groups an organization creates to implement a specific project until completion. Afterward, the group dissolves as it achieved its objectives.

Typically, **members come from different areas of the company** and perform other tasks related to their home department.

But, as far as the project is concerned, they answer to the project leader.

6- Task Force team

This is one of the most interesting types of work teams. They **form only when emergency situations emerge** which the organization needs to solve.

Its members are usually the best of the company in the area. During the resolution of the emergency, they will dedicate themselves exclusively to this task. Their goal is to do this in the best way and in the shortest possible time.

The first rule of team building is an obvious one: to lead a team effectively, you must first establish your leadership with each team member. Remember that the most effective team leaders build their relationships of trust and loyalty, rather than fear or the power of their positions.

- Consider each employee's ideas as valuable. Remember that there is no such thing as a stupid idea.
- Be aware of employees' unspoken feelings. Set an example to team members by being open with employees and sensitive to their moods and feelings.
- Act as a harmonizing influence. Look for chances to mediate and resolve minor disputes; point continually toward the team's higher goals.
- Be clear when communicating. Be careful to clarify directives.
- Encourage trust and cooperation among employees on your team. Remember that the relationships team members establish among themselves are every bit as important as those you establish with them. As the team begins to take shape, pay close attention to the ways in which team members work together and take steps to improve communication, cooperation, trust, and respect in those relationships.
- Encourage team members to share information. Emphasize the importance of each team member's contribution and demonstrate how all of their jobs operate together to move the entire team closer to its goal.
- Delegate problem-solving tasks to the team. Let the team work on creative solutions together.
- Facilitate communication. Remember that communication is the single most important factor in successful teamwork. Facilitating communication does not mean holding meetings all the time. Instead it means setting an example by remaining open to suggestions and concerns, by asking questions and offering help, and by doing everything you can to avoid confusion in your own communication.
- Establish team values and goals; evaluate team performance. Be sure to talk with members about the progress they are making toward established goals so that employees get a sense both of their success and of the challenges that lie ahead. Address teamwork in performance standards. Discuss with your team:
- What do we really care about in performing our job?

- What does the word success mean to this team?
- What actions can we take to live up to our stated values?
- Make sure that you have a clear idea of what you need to accomplish; that you know what your standards for success are going to be; that you have established clear time frames; and that team members understand their responsibilities.
- Use consensus. Set objectives, solve problems, and plan for action. While it takes much longer to establish consensus, this method ultimately provides better decisions and greater productivity because it secures every employee's commitment to all phases of the work.
- Set ground rules for the team. These are the norms that you and the team establish to ensure efficiency and success. They can be simple directives (Team members are to be punctual for meetings) or general guidelines (Every team member has the right to offer ideas and suggestions), but you should make sure that the team creates these ground rules by consensus and commits to them, both as a group and as individuals.
- Establish a method for arriving at a consensus. You may want to conduct open debate about the pros and cons of proposals, or establish research committees to investigate issues and deliver reports.
- Encourage listening and brainstorming. As supervisor, your first priority in creating consensus is to stimulate debate. Remember that employees are often afraid to disagree with one another and that this fear can lead your team to make mediocre decisions. When you encourage debate you inspire creativity and that's how you'll spur your team on to better results.
- Establish the parameters of consensus-building sessions. Be sensitive to the frustration that can mount when the team is not achieving consensus. At the outset of your meeting, establish time limits, and work with the team to achieve consensus within those parameters. Watch out for false consensus; if an agreement is struck too quickly, be careful to probe individual team members to discover their real feelings about the proposed solution.

STYLES OF LEADERSHIP

A leader is a person who influences a group of people towards the achievement of a goal while leadership is the art of motivating a group of people to act towards achieving a common goal. Different leadership styles will result in different impact to organization. The leader has to choose the most effective approach of leadership style depending on situation because leadership style is crucial for a team success. By understanding these leadership styles and their impact, everyone can become a more flexible and better leader.

1. Autocratic Leadership

Autocratic leadership is defined by a top-down approach when it comes to all decision-making, procedures, and policies within an organization. An autocratic leader focuses less on collecting input from team members and tends to make executive decisions that others are expected to follow.

Pros

- Can be efficient, especially when it comes to decision making
- Keeps teams cohesive and consistent since one person is taking charge
- May make everyone's individual roles clearer since they'll be delegated specific duties and won't be encouraged to step outside of that role

Cons
- Can stifle creativity, collaboration, and innovation
- Doesn't lead to diversity in thought
- May lead to disengaged individuals and teams who feel like they don't have a voice
- Doesn't allow any room for mentorship or professional growth

2. Transactional Leadership

Transactional leadership is defined by control, organization, and short-term planning. Leaders who adopt this style rely on a system of rewards and punishment to motivate their followers. As you can see, there are many similarities between transactional leadership and autocratic leadership. The main difference is that transactional leadership, as the name implies, involves a clear exchange between the leader and the team members. For instance, in exchange for compliance and high performance, an employee might be rewarded with a promotion.

Pros

- Can be an efficient way to reach short-term goals
- Clearly defines expected behavior from team members due to system of reward and punishment
- Provides structure and stability

Cons

- Limits creativity, growth, and initiative
- May not be impactful on people who aren't driven by extrinsic motivation
- Can be discouraging for those who are looking for professional and personal development opportunities

3. Bureaucratic Leadership

Bureaucratic leadership relies on a clear chain of command, strict regulations, and conformation by its followers. As the name implies, this is a leadership style that's commonly found in government entities, as well as military and public organizations.

Pros

- Stable in terms of job security and outcomes
- Removes favoritism from the equation
- Very clear roles, responsibilities, and expectations
- A highly visible set of processes and regulations

- Inefficient since everything has to go through a chain of command
- Doesn't encourage an individual's personal or professional growth
- Stifles creativity, innovation, and free thinking
- Doesn't foster collaboration or relationship building within teams
- Can make it difficult to respond to change

4. Charismatic Leadership

Charismatic leadership is defined by a leader who uses their communication skills, persuasiveness, and charm to influence others. Charismatic leaders, given their ability to connect with people on a deep level, are especially valuable within organizations that are facing a crisis or are struggling to move forward.

- Pros
- Highly inspirational and motivating
- Encourages a sense of camaraderie, collaboration, and union
- Makes followers feel heard and understood
- Creates movement toward positive change

Cons

- Can become more focused on themselves than their people
- Has the potential to become self-serving
- Frequently viewed as shallow or disingenuous

5. Transformational Leadership:

Transformational leaders create a vision based on identified needs and guide their teams toward that unified goal through inspiration and motivation. The main difference between transformational leadership and the other styles we've covered so far is that this one is focused on changing the systems and processes that aren't working – unlike

transactional leadership or bureaucratic leadership, which don't aim to change the status quo.

Pros
- Motivating for the team
- Conducive to building strong relationships and encouraging collaboration
- Gives team members autonomy to do their jobs
- Can lead to more creativity, growth, and empathy on teams

Cons
- May not be the best fit for specific organizations (i.e. bureaucratic)
- Can cause feelings of instability while disrupting the status quo
- Lots of pressure on the leader, who needs to lead by example

6. Coaching Leadership

Coaching leadership is a style defined by collaboration, support, and guidance. Coaching leaders are focused on bringing out the best in their teams by guiding them through goals and obstacles.

Pros
- Encourages two-way communication and collaboration
- Involves lots of constructive feedback
- Facilitates the personal and professional development of individuals
- Focuses on being supportive, not judgmental
- Creates opportunities for growth and creative thinking

Cons
- Resource intensive since it requires a lot of time and energy
- Doesn't always lead to the fastest, most efficient results
- May not be the ideal choice for high-pressure or strictly results-driven companies

7. Democratic Leadership

Democratic leadership, which is also commonly known as participative leadership, is about letting multiple people participate in the decision-

making process. This type of leadership can be seen in a wide range of contexts, from businesses to schools to governments.
Pros

- Encourages collaboration
- Inclusive of a variety of opinions and ways of thinking
- Leads to higher group engagement and productivity
- Can result in more creative solutions
- The outcome is supported by the majority

Cons

- The minority opinion is overridden
- The involvement of multiple people can lead to more communication gaps and confusion
- Can take a longer time to come to a decision
- An unskilled or untrained group can result in more decision making

8. Collaborative Leadership

Collaborative leadership is focused on encouraging people to work together across functional and organizational boundaries. The purpose of this leadership style is to encourage collaboration with other teams and departments to accomplish shared goals.
Pros

- Can lead to more creative, innovative ways of thinking
- More opportunities for diversity
- Can strengthen cross-team relationships
- Builds trust within an organization

Cons

- May lead to ambiguity in roles and responsibilities
- Can create cross-team conflict
- Potential power struggle between leaders

9. Servant Leadership

Servant leadership puts the needs and wellbeing of followers first. In other words, these types of leaders adopt a serve-first approach and growth

mindset to prioritize their organization, employees, and community above themselves.

Pros

- Focuses on the development and growth of others
- Can lead to improved performance, innovation, and collaboration
- Creates a safe environment where people aren't afraid to fail
- Reduces turnover and disengagement
- Increases trust with leaders

Cons

- Servant leaders can become more easily burnt out
- Resource intensive
- Difficult to train other leaders in the serve-first mindset
- Can take longer to see results or reach goals
- Has the potential to be perceived as 'weak'

10. Laissez-Faire Leadership

Laissez-faire leadership takes a hands-off approach to leadership and gives others the freedom to make decisions. While leaders still provide their teams with the resources and tools they need to succeed, they remain largely uninvolved in the day-to-day work. This is a leadership style you'll commonly find in creative settings, such as advertising agencies or startups, due to its encouragement of independent thinking.

Pros

- Empowers individuals to practice their leadership skills
- Can lead to increased creativity and innovation
- Less fear of failure
- Encourages trust between team members and leader
- Instill a sense of independence

Cons

- Can result in low productivity
- Conflict amongst team members is common
- May lead to confusion about roles and responsibilities
- Won't be effective with an unskilled or unmotivated team

TRAIT THEORY

Theories on leadership exhibit the evolution of thoughts and development in thinking process from one dimension of leadership to the other. Each theory of leadership highlights some aspects of it ignoring the other. These are the characteristics of theories. The important aspects of theories are the development of thoughts. In the various theories different aspects of leadership are explained by the experts.

Trait theory of leadership highlights the personality traits of a successful leader. It is the oldest theory of leadership. According to theory the personal traits or characteristics of a leader makes him different from the followers. The researchers have taken great pains to find out various traits of leadership.

The following are the traits identified by them:

1. Good Physiques:

Good health, vitality, energetic, enthusiast, endurance, forcefulness, masculinity.

2. Creativity and Intelligence:

Problem solving talents, sound judgment, teaching ability, rational attitude, scientific outlook, self understanding, decision making prowess, better education, risk taking, hard work.

3. Social Traits:

Fearless, ability to inspire, knowledge of human psychology, ability to influence people, social interaction, self confidence, ability to pursue, initiative, tactfulness.

4. Moral Traits:

Moral power, will power, sense of integrity, fairness, tolerance. All above qualities can be developed in a leader. These are not the inborn qualities hence leaders can be made through training, development and education. They are not born as leaders. Successful leaders must be able to motivate, work hard and should be capable of taking risk. The theory explains the notion that what should the leader be like. Theory also tries to distinguish

between the leader and the follower. It is a very simple theory of leadership.

It suffers from the following weaknesses:

1. Personality traits of successful leaders are too many. There is no final list of those traits. Every researcher has added new traits to the long list. Some of the traits are also possessed by those who are not leaders.

2. There is no solid method to measure these traits. Psychological traits are still more difficult to measure.

3. Leaders cannot be distinctly different from the followers. Leader cannot necessarily be more intelligent than the followers. In certain cases followers are more intelligent than their leaders.

4. Effectiveness of leadership cannot be solely determined by traits alone. Situation is also responsible for it.

5. Leadership is a changing process. It changes from situation to situation.

6. Many traits can be acquired through learning, training and education. Traits are not in born.

7. The theory does not make distinction between the traits of leadership and those for sustaining it.

In spite of these limitations the theory is still relevant and we cannot ignore it completely.

Behavioural Theories:

Limitations of trait theory diverted the focus of attention of researchers to the behavioural aspect of the leadership. The emphasis was given on the behaviour of leaders than their personality traits. According to behavioural approach the actions of the leader in attaining goals are important. It

studies the kind and types of behavior that affect the job performance of the subordinates and their job satisfaction.

Trait theories lay emphasis on study of personal features and separated leaders from non-leaders or followers while behavioral theories lay emphasis on studying behavior of leaders and their effects on followers' performance and their satisfaction. This is the striking difference between the two sets of theories. The following are the behavioral models of leadership.

Ohio State University Studies:

The studies were conducted to know the effects of behaviour of leader on the performance and satisfaction of subordinates. Analyses of actual leadership behavior in wide variety of situations were made and researchers at Ohio State University have identified two leadership dimensions.

1. **Initiating Structure**: Implies the leader's behaviour in distribution of work among subordinates in a well-defined manner and supervision of their activities.

2. **Consideration**: Implies the leaders behaviour towards his subordinates as to how he is concerned about them, his trust, friendship, respect, support, openness, warmth etc. with them. As shown in the diagram below both the dimensions of behaviour initiating structure and consideration are not placed on continuum.
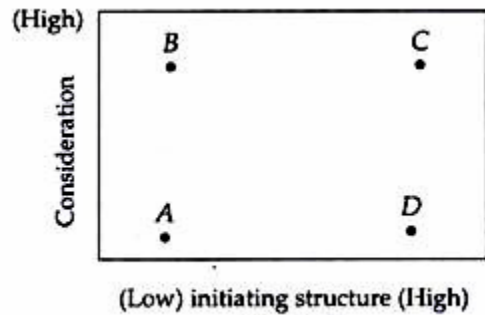
Fig. 16.2

The researchers found that consideration and initiating structure were not mutually distinct dimensions as is visible from the diagram. Point A represents low consideration and low initiating structure. B represents high consideration and low initiating structure, C represents high consideration and high initiating structure and D represents low consideration and high initiating structure.

The Michigan Studies:

The researchers of Michigan University have conducted studies at several factories.

They have studied the behaviour of several supervisors of these factories and identified two distinct dimensions of leaderships:

(i) Production centred, and

(ii) Employee centred

(i) Production centred leadership is one who sets rigid targets and work standard, treats employees as machines and exercises close supervision.

(ii) Employee centred leadership is one who gives human treatment to employees, encourage their participation in decision making, inspires them

for high performance through positive motivation and looks after their welfare.

Employees are given due importance under employee centred leadership and production its quality and quantity is given more importance by production centred leadership. McGregors Theory X principles are applied by production centred executive and principles of Theory Y are applied by employee centred executive. The behavioural theories have mainly contributed on behavioural pattern of leadership. The behavioural aspects include communication, delegation of authority, motivation, supervision etc.

All these qualities in a leader can be developed through proper training and development methods. Trained managers in leadership behaviour can lead their subordinates effectively towards the accomplishment of organisational goals. This is the most significant contribution of leadership behaviour theories.

The Managerial Grid:

Blake and Mouton have developed a grid combining task oriented and relations oriented behaviours of leadership's styles. It is represented in a square diagram given below wherein x axis represents concern for production and y axis represents concern for people. This diagram shows managerial grid.

Fig. 16.3
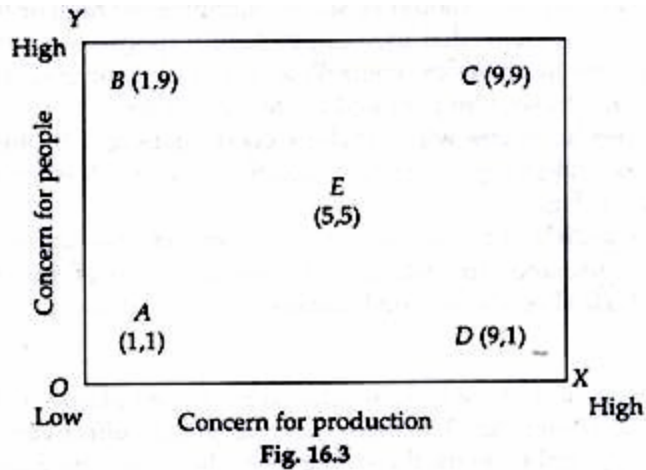
Managerial grid recognized five different leadership styles. The point A i.e. (1, 1) represents impoverishment in managing i.e. quite poor management having low concern for people and low concern for production. The leadership cares for minimum here. It does not exert to get increased production neither it cares for employees. This cannot be sustained for long. The point B i.e. (1, 9) represents high concern for people and low concern for production.

The leadership pays more attention to the needs of the people and developed friendly relationships with them but not paid much attention to increase production. The point C i.e. (9, 9) represents high concern for people end high concern for production.

This exhibits the superior style of management, an ideal one. It takes employees into full confidence by showing high concern for them at the same time motivating them to get increased level of production to its highest capacity.

The point D i.e. (9, 1) represents low concern for people and high concern for production. It exhibits strict attitude and very close supervision towards

employees to get high level of production. The point £ i.e. (5, 5) represents moderate levels of concern for people and concern for production. It is middle path adopted by the leadership.

These are the five different styles of leaderships put forward by managerial grid by Blake and Mouton. The bases of the grid correspond to the Michigan studies i.e. employee centered and production centered and Ohio studies i.e. consideration and initiating structures.

Fiedler's Contingency Model:

Fred Fiedler and his associates have given contingency theory of leadership. According to the theory the effectiveness of leadership depends upon three variables, leader's position power, leader-member relations and task structure.

Leader's Position Power: The leader's position powers refers to the degree of authority the leader holds in an organisation to command the required resources at his disposal for work accomplishment. His position power also depends upon as to degree of reward power he possesses to award a reward to the subordinate perfuming well and punish those lazy subordinates.

Leader Member Relations: It refers to the respect a leader commands and trust and confidence he enjoyed from his subordinates. A leader is more powerful if his subordinates are loyal to him. The poor leadership exhibits low level relations between employees and leader.

Task Structure: Task structure refers to the extent to which the task is well defined, clear and routine. The method of operation and procedures of task

accomplishment must be well defined and standards should be set to determine the high or low performance on the part of the subordinate so that they can be held responsible for non-performance or low performance. This increases the controlling power of the leader and he becomes very effective. The reverse makes him poor and ineffective leader.

The effective leader is one who develops good relations with his members, having high task structure and strong or stronger position power. All other combinations have moderate or poor leadership.

The theory is criticized by saying that it is uni-dimensional as it suggest relation oriented or task oriented dimension of leadership. Critics say that leadership is multidimensional. He should have combination of both qualities.

Path-Goal Model:

Path goal theory of leadership is developed by Robert House. It is highly respected model for studying leadership. The theory tries to predict effectiveness of leadership in various situations. According to the theory the leader has to specify goals for the employees and clear the paths leading to the accomplishment of goals by providing essential support and guidance and rewards.

A leader has to influence subordinates, perceptions of outcome and performance. The theory is designed on the basis of Vroom's expectancy theory of motivation. A leader has to motivate the subordinates by clarifying goals and paths to achieve them.

According to Keith Davis and Newstrom, "the essence of the theory is that the leader's job is to use structure, support and rewards to create a work environment that helps employees reach the organizations goals."

This theory is an improvement over Fiedler's model as it takes into account the features of subordinates and situation as well.

Composite Leadership: After looking at so many different leadership styles and theories one has to think whether a theory alone is perfect and a particular theory can be adopted for leading human resources at work. The answer is probably No. None of the theories explained above are perfect.

They have put for one or two aspects of leadership behaviour out of many that are required. A composite model was proposed by George Terry. Leader's confidence, support, knowledge, experience of followers organisation and its structure and environmental forces such as social, cultural, economic, political, technological factors, influence of community etc. are responsible for leadership. For an effective leadership all the qualities explained by various theories are required in a leader.

BEHAVOURAL THEORIES.

Two important behavioural theories are:

(i) Michigan Studies and

(ii) Ohio State University Leadership Studies:

Michigan Studies:

These empirical studies were conducted slightly after World War II by the Institute of Social Research at the University of Michigan. The purpose of these studies was to identify styles of leadership behaviour that results in higher performance and satisfaction of a group.

These studies distinguished between two distinct styles of leadership:

1. **Production Centered Leadership***:*
This leadership is also known as task oriented leadership.

The production oriented leadership stressed on certain points:
(i) Rigid work standards, procedure and rules

(ii) Close supervision of the subordinates

(iii) Technical aspect of the job

(iv) Employees were not to be considered as human beings but as tools to accomplish the goals of the organisations.

2. **Employee Centered Leadership***:*
This style is also known as relation oriented leadership because it emphasize on human relations.

The main parts which are concentrated upon in this approach are:
(i) To treat subordinates as human beings.

(ii) To show concern for the employees needs, welfare, advancement etc.

(iii) To encourage employee participation in goal setting and in other work related decisions.

(iv) To help ensure high performance by inspiring respect and trust.

The findings of Michigan studies were as follows:

(i) These studies found that both the styles of leadership led to increase in production, but it was slightly more in case of production oriented style.

(ii) On the other hand, production oriented style led to decreased satisfaction and increased turnover and absenteeism.

(iii) The employee centred approach led to improved work flow procedures and more cohesions in interactions resulting in increased satisfaction and decreased turnover and absenteeism.

Thus, the employees' oriented style was considered more superior. The concepts of Michigan studies were elaborated by Tannenbaum and Schmidt who identified the range of possible leadership behaviour available to a manager. They identified two more styles of leadership on the basis of authority used by the boss and the degree of freedom available to the subordinates.

These styles were:

(i) Boss Centered Leadership:
A manager, who exercises a high degree of control, is said to exercise a Boss Centered Leadership.

(ii) Employee Centered Leadership:

A manager who allows a high degree of freedom to the subordinates is known as the Employees Centered Leadership.

Criticism of Michigan Studies:

These behavioral studies were criticized on the following grounds:

(i) These studies failed to determine whether leadership behavior is a cause or effect. Employee centered leadership makes the group productive or the productivity of the group induces the manager to be employee centered.

(ii) These studies ignore the personal characteristics of subordinates, group characteristics and the other situational variables.

(iii) The leadership style suggested by these studies is an extreme. A leader is supposed to follow either of the two styles.

But in practice, these two extremes cannot be followed rigidly, because leaders cannot restrict themselves to a particular style. They adopt both the styles in varying degrees to suit the particular situation.

Ohio State University Leadership Studies:

The Bureau of Research at Ohio State University conducted these studies. The main objective of the studies was to identify the major dimensions of leadership and to investigate the effect of leader's behaviour on employee behavior and satisfaction.

Ultimately, these studies narrowed the description of leader behaviour to two dimensions:

(i) Initiating Structure

(ii) Consideration

Initiating Structure:
It refers to the leader's behavior in defining and organizing the relationship between himself and members of the group.

The purpose of initiating structure is to:
(a) Establish well defined patterns of organisation.

(b) Develop channels of communications and methods or procedures.

(c) To supervise the activities of employees.

Consideration:
Consideration refers to the behavior which can be characterized by:
(a) Friendliness

(b) Mutual trust

(c) Respect

(d) Supportiveness

(e) Openness

(f) Concern for the welfare of employees

The basic feature of this theory is that leadership behaviour is plotted on two axes rather than on a single continuum.

The findings of these studies are:

(i) There is a positive relationship between consideration and regularity of employees and low grievances. But consideration is negatively related to performance.

(ii) There is a positive relationship between initiating structure and employee performance. But initiating structure is also associated with absenteeism and grievances.

(iii) When both these dimensions are high, performance and satisfaction tended to be high. But in some cases high productivity was accompanied by absenteeism and grievances.