

MODULE -4**LEADERSHIP AND MOTIVATION****CONTENTS:**

Motivation- Nature and Importance of Motivation,

Motivation Theories - Maslow's Need Hierarchy Theory, Herzberg's Two Factor Theory, McGregor's Theory X and Theory Y

Leadership – Nature and Importance, Qualities of Good Leaders, Types, Theories of Leaders (Contemporary leadership)

MOTIVATION

Motivation is a psychological phenomenon which generates within an individual. Motivation is a state-of-mind, filled with energy and enthusiasm, which drives a person to work in a certain way to achieve desired goals. Motivation is a force which pushes a person to work with high level of commitment and focus even if things are against him.

FEATURES OF MOTIVATION

1. Motivation is an act performed by manager.
2. Motivation produces goal-oriented behavior.
3. Motivation is a personal and internal feelings.
4. Motivation can be positive or negative. Positive motivation indicates rewards whereas negative indicates punishments.
5. Motivation is a continuous process.
6. Motivation is system oriented.
7. Individual differs in the terms of motivation even through performing homogenous tasks.
8. Motivation is deeply influenced by a given situation.

NATURE OF MOTIVATION

The following inferences can be drawn from the meaning of motivation:

1. Motivation is a inner feeling which energizes a person to work more.
2. The emotions or desires of a person prompt him for doing a particular work.
3. A person moves to fulfill his unsatisfied needs by conditioning his energies.
4. There are dormant energies in a person which are activated by channelizing them into actions.

IMPORTANCE OF MOTIVATION

The following is the importance of motivation:

1. **High Performance:** Motivated employees will put maximum efforts for achieving organisational goals. Better performance will also result in higher productivity. The

cost of production can also be brought down if productivity is raised. The employees should be offered more incentive for increasing their performance.

2. **Low Employee Turnover and Absenteeism:** When the employees are not satisfied with their job then they will leave it whenever they get an alternative offer. The dissatisfaction among employees also increases the absenteeism. When the employees are satisfied with their job and they are well motivated by offering them financial and non-financial incentives the employee turnover will reduce, and the rate of absenteeism will also come down.
3. **Better Industrial Relations:** A good motivational system will create job satisfaction among employees. The employment will offer them better service conditions and various other incentives. There will be an atmosphere of confidence among employers and employees.
4. **Creates Supportive Work Environment:** When the needs of employees are satisfied and they get proper recognition, then they will have a positive attitude towards work. The relations between superiors and subordinates will be cordial and working environment will improve.
5. **Helpful in changing Attitude of Employees:** In the absence of motivation, the employees will be taking the work in a routine way and will not think of doing their best.
6. **Acceptability to Change:** The changing social and industrial situations will require changes and improvements in the working of enterprise. When the employees are given various opportunities of development then they can easily adopt to new situations. Motivation will ensure the acceptability of new changes by the employees.
7. **Delegation of Authority:** If a subordinate is given a substantial amount of responsibility to execute a given task, it can prove to be a very strong motivating factor. The subordinate feels that since the supervisor has shown trust in him, he must show results.
8. **Reinforcement:** Reinforcement is a very powerful motivational tool. These include the following reinforcement techniques: -
 - a. Positive
 - b. Negative
 - c. Extinction
 - d. Punishment

The first two reinforces namely positive and negative reinforcements both seek to encourage desirable behaviour by different approaches. The remaining two enforcers namely punishment and extinction both seek to discourage undesirable behaviour through different approaches. The use of a particular strategy will depend upon the type of situation faced. Organisations, now-a-days are making use of this technique for modifying the behaviour of organization members, so that they are engaged in desirable behaviour.

9. **Job Rotation:** Job rotation implies shifting of an employee from one job to another in order to provide some variety so as to minimize monotony and boredom. The basic

objective of job rotation is to increase the knowledge and skill of the employees about related jobs. In job rotations employees learn to do different activities necessary for an operation or unit of work.

THEORIES OF MOTIVATION

The human nature is so complex that it responds unpredictably at different times. The motivators differ from time to time, place to place and situation to situation and person to person. Due to enormous effect of motivational factors on the working behaviour and level of performance of the employee, lot of research work has been done and as a result of that many theories of motivation have been developed. Some of these theories are discussed as follows:

1. Maslow's Need Hierarchy Theory
2. Herzberg's Hygiene-Two factor Theory.
3. Mc Gregor's 'X' and 'Y' Theory

1. MASLOW'S NEED HIERARCHY THEORY

The first theory of motivation was introduced by Abraham Maslow's, an American social scientist popularly termed as Maslow's hierarchy of needs introduced in the year 1943 in his article named as a theory of human motivation. He has categorised human needs into five categories. He is of the opinion that a person tries to achieve first category first then moves on to the next and so on.

According to Maslow the Hierarchy of needs are as follows: -

1. Physiological Needs
2. Safety Needs
3. Social Needs
4. Esteem Needs
5. Self Actualisation Needs



Fig. 17.2: Maslow's Need Hierarchy

ASSUMPTIONS

- (1) **Physiological needs:** These are the basic needs for sustaining human life itself, such as food, water, shelter, and sleep. A man will try to satisfy these needs first. Maslow took the position that until these needs are satisfied to the reasonable degree necessary to maintain life, other needs will not motivate people.
- (2) **Security or safety needs:** Once physiological needs are satisfied then safety need take over. Health and wellbeing financial security Safety of property against natural disasters Law and Order. People want to be free of physical danger and of the fear of losing job, property, or shelter.
- (3) **Social needs:** After having secured satisfaction for physical needs and protection for future one focus next on satisfying needs of love and affection which are known as social needs. Since people are social being, they need to belong, to be accepted by others. They start forming their own groups and association.
- (4) **Esteem needs:** Once people begin to satisfy their need to belonging, they tend to want to be held in esteem both by themselves and by others. This kind of need produces such satisfaction as power, prestige, and status. Esteem needs include need for self-respect and appreciation from others, status, and prestige in the society.
- (5) **Self-actualization needs:** Self-fulfilment is the highest need in Maslow's hierarchy This refers to the needs which helps an individual to develop his personalities. The self-fulfilment needs give satisfaction to the person concerned and are good for the society also. It is desired to become what one is capable of becoming to maximize one's potential and to accomplish something.

Maslow has categorised the needs in order of priority. When one need is satisfied then the other becomes the motivator. All the needs are interdependent. It is not necessary that only one need is satisfied at one time.

2. HERZBERG'S TWO FACTOR THEORY

Fredrick Herzberg and his associates have proposed a two factors theory of motivation. one group of needs are such things as company policy and administration, supervision, working conditions, interpersonal relations, salary, job security and personal life. These are called as dis-satisfiers and not motivators. If they exist in a work environment, they yield no dissatisfaction. Their existence does not motivate but their absence result dis-satisfaction. Hertzberg called these factors as hygiene or maintenance factors. The second group he listed certain satisfiers and therefore motivators, which are related to job content. They include achievement, recognition, challenging work, advancement and growth in the job.

It was introduced by Frederick Herzberg popularly termed as two factor theory in the year 1959. According to him factors affecting motivation are two types of namely hygiene and Motivation

- A. **Hygiene factors:** They are extrinsic factors and include factor like:
salary,

job security,
company policy and administration,
supervision and working conditions.

these factors do not motivate a person and however they provide working environment. Inadequacy of extrinsic factors lead to job dissatisfaction, and in turn their presence does not promote job satisfaction.

B. **Motivators**: They are intrinsic factors which includes:

sense of achievement,
recognition,
responsibility and personal growth,
opportunity for personal development and they determine satisfaction of given task to a worker.

Most of the motivational factors relate to job contents. The increase in these factors will be essential for increasing the motivation of the employees. It can be said that motivation factors contribute heavily to the satisfaction of employees and have a positive effect on their performance.

MC GREGOR'S 'X' AND 'Y' THEORY

Douglas Mc Gregor, US behavioural scientists has developed approach to manage and motivate based on various assumptions relating to human behaviour. It has formulated as theory X and theory Y. Both these theories are founded on certain assumptions regarding human behaviour.

Assumptions underlying X theory of motivation.

- Workers inherently dislike work, and they attempt to avoid work whenever possible.
- Most workers are not ambitious they have little desire for responsibility and prefers to be directed.
- Majority of the workers have little creativity in solving organizational problem.
- Workers are self-centered and they must be closely monitored and forced to achieve organizational problems.
- Workers lack integrity.
- Workers are purely interested in retaining the jobs rather than achievement.
- Worker resist change
- Workers are gullible and unintelligent.
Autocratic and authoritarian leadership is suitable and preferred by these workers.

Assumption underlying Y Theory of motivation.

- Work can be natural as play if favorable conditions persist.
- It is imprecise to assume that the workers are incompetent and are unable take right decision.
- Workers are self-directed and creative in performing their tasks and achieving organizational objectives.

- Creativity capacity spreads throughout the organization
- Majority of the workers can shoulder responsibility because the culture of creativity and ingenuity are common in population.
- For a worker financial reward is not only inspirational factor, even non-financial reward like recognition, higher responsibility, greater involvement in decision making is also equally important

LEADERSHIP

According to Koontz and O'Donnell, "leadership is generally defined as influence, the art of process of influencing people so that they will strive willingly towards the achievement of group goals". A leader is one who guides and directs other people.

A leadership is process and the ability to influence to lead and guide people to achieve common goals. In simple word the action of leading a group of people or an organization is a leadership.

Functions of leaders

The leaders while influencing the subordinates perform the following functions:

- (1) **Taking initiative:** A leader has to take all initiative to lead the business activities. He himself should come in the field and take all steps to achieve predetermined targets. Hence a leader is initiator.
- (2) **Guide:** A leader has the primary duty of guiding others by communicating instructions and orders.
- (3) **Representation:** A leader is a representative of the organization.
- (4) **Encouraging others:** A leader is the captain of the team. Encouragement is necessary to build teamwork. The leader must win the confidence of his colleagues.
- (5) **Arbitrator and mediator:** A leader has to create a smooth relationship among employees. In addition, he has to settle disputes arising among employees.
- (6) **Planner:** A leader makes decisions concerning the ways and means by which the organizational goals can be achieved.
- (7) **Administrator of rewards and punishments:** Leaders encourage, upgrade, promote deserving people and reprove, transfer, and fine inefficient workers.

NATURE OF LEADERSHIP

1. Leadership is personal quality.
2. It exists only with followers. If there are no followers, there is no leadership.
3. It is the willingness of people to follow that makes a person a leader.
4. Leadership is a process of influence. A leader must be able to influence the behaviour, attitude and beliefs of his subordinates.
5. It exists only for the realization of common goals.
6. It involves readiness to accept complete responsibility in all situations.
7. Leadership is the function of stimulating the followers to strive willingly to attain Organisational objectives.
8. Leadership styles do change under different circumstances.

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IMPORTANCE OF LEADERSHIP IN MANAGEMENT

The importance of leadership in any group activity is too obvious to be over-emphasised. Wherever there is an organised group of people working towards a common goal, some type of leadership becomes essential. Lawrence A. Appley remarked that the time had come to substitute the word leadership for management. Although the concern for leadership is as old as recorded history, It has become more acute during the last few decades due to the complexities of production methods, high degree of specialisation and social changes in the modern organisations.

A good dynamic leader is compared to a 'dynamo generating energy' that charges and activates the entire group in such a way that near miracles may be achieved. The success of an enterprise depends to a great extent, upon effective leadership. The importance of leadership can be highlighted from the following:

1.It improves motivation and morale. Through dynamic leadership managers can improve motivation and morale of their subordinates. A good leader influences the behaviour of an individual in such a manner that he voluntarily works towards the achievement of enterprise goals.

2. It acts as a motive power to group efforts. Leadership serves as a motive power to group efforts. It leads the group to a higher level of performance through its persistent efforts and impact on human relations.

3. It acts as an aid to authority. The use of authority alone cannot always bring the desired results. Leadership acts as an aid to authority by influencing, inspiring and initiating action.

4. It is needed at all levels of management. Leadership plays a pivotal role at all levels of management because in the absence of effective leadership no management can achieve the desired results.

5. It rectifies the imperfectness of the formal organisational relationships. No organisational structure can provide all types of relationships and people with common interest may work beyond the confines of formal relationships. Such informal relationships are more effective in controlling and regulating the behaviour of the subordinates. Effective leadership uses these informal relationships to accomplish the enterprise goals.

6. It provides the basis for co-operation. Effective leadership increases the understanding between the subordinates and the management and promotes co-operation among them.

QUALITIES OF A GOOD LEADER

1. Intelligence. This trait is considered to be the most important trait. Leaders generally have higher level of intelligence than the average of their followers. Intelligence is the natural quality of a person, to a great extent, because it is directly related to the brain. As the human beings are born with their brains, it is generally said that "leaders are born and not made."

Intelligence means ability to think scientifically, analyse accurately and interpret clearly and precisely the problems before them. Though it is a natural quality, psychologists claim that intelligence can be improved with the help of proper training programmes.

2. Physiological Factors. Physical features of a person determine his personality which, in turn, is an important factor in determining success of leadership. Height, weight, physique, health and appearance of an individual have a very strong impact on the personality and success of the leadership.

3. Emotional Stability. To be successful, a leader must have high level of emotional stability. He must be consistent in his actions, should not be biased and should know how to control anger. He must be well adjusted and self-confident personality who believes that he can handle most of the situations successfully.

4. Intense Inner Motivational Drive. Successful leaders generally have very intense inner motivational drives. They have the inner urge to keep on accomplishing something all the time. Not only should he be self-motivated, but he must have the requisite quality to motivate the others also. He should play an active role in stimulating the inner drives of his followers also.

5. Human Relations Attitude. Success of a leader depends on cooperation of the people. That is why, a successful leader must possess the human relations attitude. He should always try to develop social understanding with other people. He should have intimate knowledge about the people and the interpersonal relationships. It is very important for a leader to possess knowledge of how human beings react to different situations.

6. Vision and Foresight. A successful leader should have the capability to look into future and visualise trends and devise his policies and programmes with foresight based on logical programmes.

7. Empathy. Empathy is the ability of a person to observe the things or situations from the point of view of others. Empathy is an important aspect of successful leadership. An effective leader should know what makes the other fellow think as he does, even though he does not necessarily agree with him. On the basis of empathy he can predict and understand the behaviour of people but for that he must have an understanding of the rights, beliefs, values and feelings of other people.

8. Fairness and Objectivity. A good leader must show fairness and objectivity in his dealings with his subordinates. He should not be biased, and he should not allow himself to become emotionally involved to the extent that it becomes difficult to make an objective diagnosis and implement the required action.

9. Technical Skills. Planning, organising, delegation, analysis, seeking advice, making decisions, controlling and winning cooperation constitute technical competence of leadership. A leader can win support from his subordinates with his /her technical skills.

10. Open Mind and Adaptability. Flexibility or open mindedness is a quality which makes a leader more identified with the group. He should not be critical of others. He must accommodate the viewpoint of others and should be willing to modify his decision on the basis of that.

11. Art of Communication. To be successful a leader must know how to communicate effectively. Good communication skills can be used for persuasive, informative and stimulating purposes. A successful leader is generally an extrovert and a self-confident person.

12. Social Skills. Social skills play a very important part in successful leadership. A leader should know the plus and minus points of his subordinates. He should have the ability to work with his people in such a way that he wins their confidence and loyalty. A successful leader is one with whom people cooperate willingly and not under any pressure.

THEORIES OF LEADERSHIP

Different authors hold different views on the qualities that are considered essential for effective leadership. The main theories or approaches that have evolved have been discussed below:

1. The Trait Theory

The trait theory represents the earliest notions of leadership and was popular between 1930 and 1950. According to this theory the behavior scientists have listed out the personal characteristics or traits of successful leaders. Some of the traits of successful leaders are good personality, flexibility, Imagination, emotional stability, desire to accept responsibility, self-confidence, honesty, sincerity, persuasive power. It is presumed that the person possessing these traits could become successful leaders.

2. The Behavioural Theory

The behavioural theory emphasis on the actual behaviour and action of the leaders as against personal qualities or traits of leaders. According to this approach, leadership involves interpersonal relationship between a leader and subordinates in which the behaviour of the leader towards the subordinate constitutes the most critical element. The

effectiveness of leadership in the theory is the role played or the behaviour exhibited by the leader. According to this, the leaders use technical, Human and concept skill to lead his follower towards the achievement of goals of the organization. The good behaviour of the leader raises the morale, builds up confidence and spirit among the team members and lack of good behaviour will discard him as a leader.

3. The Situational Theory

The Situational theories emphasise not on personal qualities or traits of a leader, but upon the situation in which he operates. The advocates of this approach believe that leadership is greatly affected by a situation and maintain that leadership pattern is the product of situation at a particular time. A good leader is one who moulds himself according to the needs of a given situation.

4. The Contingency theory

Contingency theory was developed to focus on situational influences on leadership effectiveness suggested that under condition a, style x would be appropriate whereas style y would be more suitable for condition b.

There are two contingencies' theories:

i. Fiedler Model: This theory was developed by Fred Fiedler. This model proposes that effective group performance depends on the proper match between leader's style and the degree to which the situation gives control to the leader.

ii. Leader-Member Exchange Theory (LMX): This theory argues that because of time pressures, leaders establish a special relationship with a small group of their followers. These individuals make up the in-group: they are trusted and get a disproportionate amount of the leader's attention. Others fall into the out-group- they get loss of the leader's time, few of the preferred rewards that the leader controls, and have leader-follower relations based on formal authority interactions.

5. The Continuum Theory

Tannenbaum & Schmidt developed this theory which states that the appropriate style of leadership depends on the leader, subordinate & the prevailing situation.

The forces influencing the leadership style are:

- a) The forces operating in manager's personality.
- b) The forces in the subordinates
- c) The forces in the situation

6. The Follower Theory

According to this theory only followers decide whether a person is leader or not. Followers take a decision analysing the qualities of a person who helps to have their needs fulfilled. Here there is a need for forming a group and fulfilling some needs of such group. This theory cannot be applied without a group of followers.

7. The Path- Goal Theory

System theory is focused on person's act rather than his traits or behaviour. A leader coordinates the efforts of his follower. The process of co – ordination is done by person

called leader. The system theory considers all variables includes the leader, follower, situation, leadership traits, environment goals and groups nature.

DIFFERENT LEADERSHIP STYLES

1. **Autocratic or Authoritarian Style Leader:** An autocratic, also known as authoritarian style of leadership implies yielding absolute power. He does not consult his subordinates he takes all the decision by himself. He also takes full responsibilities for his decisions. The subordinates must obey him without asking any question.

Advantages

- a) The decision making is quick.
- b) Provides motivation and inspiration to the leader since he dictates the terms.
- c) Provides positive results when things need to be done with speed.

Disadvantages

- a) Leads to low morale and frustration among employees.
- b) Subordinates avoid initiative.
- c) Creativity and potential of subordinates is not utilized.

2. **Free reign/laissez-faire style:** The **Laissez-Faire or Free-Rein** is the leadership style wherein the leader gives full freedom to his subordinates to act on their own. Here, the leader once defines the goals, policies, programs and the limitations for action and then leaves the remaining process to be accomplished by the subordinates on their own.

This type of leadership creates self-confidence in the subordinates and provides them an opportunity to develop their talents.

This type of leadership may not work under all situations and with all types of subordinates. Such leadership can be employed with success where the subordinates are competent, sincere and self-disciplined.

3. **Democratic /participative style:** Participative type of leader encourages his subordinates to take part in the decision making. The final decision is not taken by the leader himself. It is taken by a group (team) i.e., by the leader and his subordinates. Under their leadership, everyone is encouraged to participate, leading to increased feelings of involvement, recognition, and satisfaction.

This style of leadership is suitable under the following situations:

- a) When leader wants participation of subordinates in decision making,
- b) When the company wants to increase job satisfaction of employees

4. **Bureaucratic or Rules Centered leader:** Bureaucratic leader follows all the rules and formalities of the organization. Here, rules, policies, and hierarchies form a clear set of expectations as well as an explicit chain of command. New ideas and initiatives are not encouraged and there is delay in taking decisions.

5. **Paternalistic leader:** Paternalistic style creates a family atmosphere in the organization. He acts just like a parent of his subordinates. he advises, guides, helps his subordinates in with

their personnel problem. This type of leadership style will be successful in small organization a very few employees and only one leader. The subordinates become dependent on the leader.

6. **Manipulative Leadership Style:** Manipulative leaders use position, power, and coercion to derive their outcomes. They confuse people. They falsely believe that these manipulative characteristics and behaviors will yield them success. There is a feeling of distrust when the manipulative nature of the leader is evident, and the employee feel cheated. This type of leadership is useful when co-operation of employees is needed urgently for a specific task.

7. **Formal and informal Leader:**

Formal leader: He/ she is the leader who is formally appointed/ elected & created by formal structure. They enjoy 2-fold responsibilities, authority & are also accountable. They are supposed to guide, help, and direct their subordinates.

Informal leader: These leaders are not formally recognized & command respect from people who approach them for guidance & help. They perform the task of achieving individual & group goals & thus strengthen the formal leadership.

IMPORTANT QUESTION**SECTION A**

1. What is Leadership?
2. What is autocratic Leadership?
3. What is Democratic Leadership?
4. State any four skills required by a leader.
5. What is motivation?
6. Give meaning of hygiene factors.

SECTION B

1. Explain Maslow's Need Hierarchy theory.
2. Explain Herzberg's Two factor theory.
3. Explain leadership traits.
4. Bring out the importance of motivation.
5. Explain the importance of leadership.

SECTION C

1. Describe the various theories of Leadership.
2. Explain the various Styles of Leadership.
3. Explain the various qualities required by a leader.
4. Write a note on Theory X and Theory Y.
5. What is Co-ordination? Explain the merits and Demerits of Co-ordination.