



A STUDY ON SITUATIONAL LEADERSHIP (II) AND ITS ADOPTION BY INDIAN COMPANIES

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ABSTRACT

In an environment rife with competition, Indian companies cannot afford to insulate themselves, appropriate and efficacious leadership has become pertinent. It has already been established that - effective leadership is a powerful tool to achieve organizational goal and productivity. This paper analyses and summarizes the available literature on contemporary leadership styles followed in India and with focus on Situational Leadership II model propagated by Paul Hersey and Kenneth Blanchard.

Key words: Situational Leadership, organizational goal and productivity.

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1. INTRODUCTION

Leadership is considered as one of the important factors, which plays a vital role in the productivity and success of the organization. The leaders who do not have the ability to lead the people effectively can never be successful and therefore cannot lead their subordinates well. So, it is highly advisable for the organization to have the right type of leaders to promote the efficiency and the productivity in the organization (Mussolino & Calabrò, 2014).

It has indeed been a Herculean task for many companies to derive answers as to, how to enhance productivity and improve results, which is the bottom-line for any business. “Situational leadership” (SL) as the name goes does not semantically mean leadership under varying situations or circumstances. Prima facie one would consider it to be about the leader and his situation. It is literally not about the situation which a leader is confronted with in an organization.

Hersey-Blanchard suggest that a single leadership style may not be completely fool-proof when compared to another. Rather than emphasizing on workplace factors; Hersey-Blanchard advice that leaders adjust their styles to the subordinates and their ever changing and evolving capabilities. Situational leadership is task and relationship relevant. It puts responsibility on the

leader to flex and be agile to requirements of the subordinate(s) be it their fulfilment of competency related or emotional support related deficiencies.

Practitioners of SL vouch for its tenets that – “a situational leader knows what their subordinates need”. Providing right amount of support be it professional or emotional, these leaders would artfully master how to create proficient, confident contributors who will zestfully give out their best to an organization. The Situational Leadership II (or SL II) was developed by Kenneth Blanchard and evolves further on what was offered by Blanchard and Hersey's original theory. According to the new iteration version of the theory, effective leaders must align their behaviour with the developmental level of their subordinates or followers for completion of specific tasks. Most subordinates linearly move through their career developmental trajectory and just a few leapfrog, probably the high potentials. The move of the subordinate on this trajectory is to be facilitated by the leaders, and this subsequently will snowball for the overall success of the company.

Studies amplify that Indian companies today conspicuously practice either one type of leadership style – Transformational (TFM) and Transactional (TSL) – both were identified by Burns (1978). Amid the popularity of TFM and TSL, this study emphasises on the scope of Situational Leadership II (SL II) as a more evolved leadership style in current times. Burns opines that- the transformational leadership pertains to relationship of mutual stimulation and an elevation that metamorphosises followers into leaders and may convert leaders into moral agents. Transformational leadership is packaged with dollops of rationalised influence, motivation, intellectual stimulation, and consideration for individuals i.e employees. Pounder (2003) suggests that – transformational leadership resembles charisma in the sense that leader provides a vision and mission for overall achievement of goal. The leader infuses s pride, dignity, trust, enhances optimism, and inspires subordinates or followers.

Contrary to TFM, Burns gives a view - that transactional leaders approach followers with an eye towards exchange. Resources and opportunities in any organization are always short, and the scramble for it will ever remain. This will keep the subordinates perpetually be in state of competition and vying for such resources and opportunities which are valued. The leader creates an apparatus of mutual symbiosis in return for service/performance and lures with a bait (promotion/reward/ hike in salary and etc). Owen et al. (2004) enunciate that TSL leaders go with the belief that - stability of tenure, favourable appraisal ratings to the subordinates is provided in exchange for their support, cooperation and compliance.

Pounder (2003) remarks that TSL leaders very adroitly influences the valued outcomes for their subordinates in exchange for the subordinates unquestioned obedience and compliance. Den Hartog et al. (1997), make a sound conclusion that TSL leader may succeed in motivating their subordinates to perform as expected, but the TFM leader does a magical trick as he stirs subordinates to levels of performance far exceeding expectation.

2. BRASS TACKS OF SITUATIONAL LEADERSHIP

A leader with wide span of control (many subordinates) may constantly be struggling for time which would for him always be a premium, can now find panacea in SL II model. In SL II, leaders are expected to match their style to the requirements of their subordinate(s). A fault or mismatch of leadership style vis-à-vis the requirement of the subordinate(s) will render the entire apparatus counter-productive.

Competence and Commitment – The performance related developmental level of a subordinate is determined by two parameters, level of competence to complete a task and commitment for it. These levels are in combinations as mentioned below:-

- **D1:** High commitment, low competence for a specific task.

- **D2:** Competence is growing however few setbacks at work lead to low commitment for a specific task.
- **D3:** Competence has grown adequately; ironically the level of commitment fluctuates for a specific task, may be due to inadequate information, conflict, etc.
- **D4:** High competence and commitment for a specific task.

The tenets of SL II puts impetus on the fact that for leadership to be efficacious, is dependent on two key behaviours: supporting and directing. Directing behaviours encompasses giving out instructions, definitive directions, and a tendency to control the behaviour of subordinates. Supporting behaviours constitutes actions which would provide an enabling environment. When managers/leaders listen empathetically, encourage, give constructive feedback and offer recognition, they are supporting the cause of subordinate development. The theory identifies four basic leadership styles which are commensurate to four different developmental levels of a subordinate specific to task.

- **Directing (S1):** High on directing behaviours, low on supporting behaviours, complements with D1 developmental level of a subordinate.
- **Coaching (S2):** High on both directing and supporting behaviours, complements with D2 developmental level of a subordinate
- **Supporting (S3):** Low on directing behaviour and high on supporting behaviours, complements with D3 developmental level of a subordinate.
- **Delegating (S4):** Low on both directing and supporting behaviours, complements with D4 developmental level of a subordinate.

The essence of SL II is that none of these four leadership styles is best by itself for a manager to use for his subordinate. Rather, the prescription would be to adopt and use these four styles with prudence bearing in mind the development level of the subordinate. For that matter if a subordinate displays four different development level then in that case the manager will have to practice the four different complementary leadership styles, even if it pertains to one subordinate. SL II does not take cognizance of an individual or subordinate wholly. It does not put label on individuals as perfect or otherwise. It dissects, examines and considers individuals on their competence and commitment for specific tasks. Example a subordinate could be D3 in data mining, D1 in preparing presentation and D2 in preparing a report. Consequently, his leader will have to complement and practice S3, S1 and S2 leadership styles, respectively.

In his comments about developing employees by helping them find their own solutions, Jagdish Khattar, the former managing director of the automaker Maruti Udyog, echoes a sentiment common among Indian leaders: "Throw issues to them, let them examine and come back to you with solutions. I have done it again and again...85% of their solution would be what you have in mind...Let them go back with the impression that 100% of the solution is theirs. Jagdish Khattar is here alluding to Coaching. A more conscious and consistent use of SLII will set new milestones in the history of leadership.

3. ACCEPTANCE OF OTHER LEADERSHIP STYLES IN INDIA

Amanchukwu, Stanley, & Ololube, 2015 opine that every organization is unique and has its own characteristics and idiosyncrasies. Leadership in an organization is fairly linked to the vision and mission of the organization and it deems fit to propagate leadership model that support the fulfilment of them. An organization cannot afford to go by fad in adopting a leadership model. This is indeed a tall order to comprehend, a matured approach to administering leadership in an organization and calls for a judicious understanding for the deployment of any leadership model.

Bandana Nayak throws light on her studies, that reveals that nurturant type of leadership is considered as the dominating style among supervisors of all age groups. A combination of assertive and a small amount of participative naturally goes well with an Indian leadership style. This comes across as nurturant leadership style towards subordinates, which is understood to suit organizational effectiveness in Indian companies. The managers over 50 years of age are more task oriented, and the senior ones are conservative to the point of restricting interactions at work and being completely autocratic with tight reigns and centralized decision-making power in their hands. On the other hand managers at lower levels prefer consensual decision-making; they are proactive, possess creativity and are self-driven to work for the prosperity of the organization. However, with the coming of age with an ever changing and evolving workforce, how long will this style hold good; could instigate deep thinking.

Naik Shruti D explains that – “India has today seen a lot of transformation from an unexciting mix of government owned companies and private family owned companies, many of which survived on government licenses to the inflow of multinational companies and lot of Indian companies being run as professional companies.” While a few public sector companies are earning profits, nevertheless there are talks of privatizing public sector companies. Several changes in the business environment will impact organization and thereby the ripple effect will also be seen in leadership styles. Organizations that embrace change survive and going by this dictum, there have been instances wherein newly imbibed leadership styles have led to changes in business sometimes amounting to large transformation. These evolved organizations have transcended from hierarchical control to a mechanism of consulting followed by decision-making which has met with consent from the ranks and file. This construes to de-linking ownership from management and empowering one and all. A practice like this has augured well for organizations as they have been able to achieve stretched goals and inadvertently this has given in place to creation of a pipeline of leaders which is nothing but succession planning.

Leadership Lessons from India, a HBR Article by Peter Cappelli, Harbir Singh, Jitendra V. Singh and Michael Useem gives out - Vineet Nayar, CEO of the Indian IT services giant HCL, likes to rock the boat. Asked what he wished his greatest legacy to be in five years, Nayar responded without missing a beat: “That I have destroyed the office of the CEO.”

He spearheaded the change and coined the company’s motto, “Employee first, customer second”— this in fact could give hiccups to many managers. Nayar invited employees to evaluate their bosses and super bosses. After this, on the company intranet he communicated his own review. He further coaxed others to do the same. When compelled to explain, he resonated his views on transparency and empowerment. He was simply of the view that decisions should be made at the points where employees interface and deal with clients. Ideally, he said, “the organization would be inverted, where the top is accountable to the bottom, and therefore the CEO’s office will become irrelevant.”

Neha Et Al. reflect that - India is culturally a collectivist country where group effort and dynamics work. Other cultural traits being high power distance and hierarchy (caste and class distinction is prevalent). As times change, these distinctions and gaps may reduce, and participative leadership may show up, it becomes necessary to carefully inspect the applicability of western leadership model.

Sinha 1984, brings out that Indian organisations are inclined to accord priority to relationship over task. A mere task orientation will not enthuse in the Indian context and will have no positive impact on overall effectiveness. Employees in India look forward to personalised relationship over work relationship. A manager/leader is seen as provider of opportunities, who can bestow benevolently and not just be an authoritative figure head. Hence, the manager /leader is expected to be nurturant, caring, affectionate and most importantly be

committed to the subordinate's career growth. Indian managers and leaders are compelled to invest in employee development compared to western counterparts.

By and large Indian companies are perceived as autocratic and the subordinates closely supervised. The extent of participation of subordinates is very limited close to minimal. A real situation pertaining to leadership style can only be painted on comprehensively understanding various practices at work. Leadership styles are impacted by lot many factors such as genesis of the company, size of company, business environment, management practices are just a few to enumerate. Considering this it would be unreasonable to expect a standardised leadership style. Maintaining this stance, companies be classified into three categories which have some distinctive features and consequently the different leadership styles.

The three categories are:-

- I. Family owned and managed companies
- II. Professionally managed Indian companies and foreign-owned companies (MNCs)
- III. Public sector organisations

Family owned and managed companies are traditional in character and the most prevalent style is autocratic. These companies are managed by legacy in family and inheritance, resulting in highly centralized organisations with authoritarian demeanour.

Professionally managed Indian companies owned by Indians or foreign-owned companies (MNCs) institute and encourage empowerment and democratic leadership to a good extent. MNCs not only bring advanced technology but a powerful by-product as well which is work culture. This culture is favourable for application of modern management thought, which is more relevant and democratic to contemporary times. The third category is public sector organizations, managed in bureaucratic style. Owing to work culture which is divorced of participative style public sector managers tend to become callous.

On the Multifactor Leadership Questionnaire (MLQ), Indian executives have scored high on transformational leadership, which is intended to propel employees into action so that the goals assigned to them can be successfully accomplished. This in fact lends support to the fact that Indian managers are generally paternalistic. The American CEOs have been rated high on MLQ data in respect of transactional style. Well this seems like motivating employees to perform and deliver for excellence to meet business goals.

4. CONCLUSION – FAVORING SL II OVER OTHER LEADERSHIP STYLES

Indian companies may possess some elements of participative leadership which is preferred. Manager-subordinate discussion for business and feedback are encouraged. Positive reinforcement is considered a key to success in handling the subordinates. Paternalistic approach also comes with pros and cons, while it may appear nurturing on one hand, on the other it is controlling to the point found intimidating by others/ subordinates. While Participative leadership may have unleashed a new era in history of leadership, but it cannot rest on these laurels only.

Matured subordinates especially in knowledge economy may not relish the close supervision and paternal affection meted out to them by their leaders. Nandy, 1975 states “in this case the frustrations and resentments may threaten and compel the leader towards an authoritarian style”. In the light of increase in knowledge workers, literacy and skilled labour rate companies today cannot sit relaxed with an informed audience ready to take the flight, if not lead in a discerning manner.

Low levels of empowerment and career development parameters invariably feature as reason for low scores in Employee engagement. Wisdom should prevail and a more egalitarian

approach be followed. The leadership model practiced should espouse the cause of employee (subordinate). “What is in for me” resonates in the minds of employees and there cannot be any better model than SL II wherein they get dollops of career development and empowerment opportunities. As per the dictates of SL growth is not restricted to promotion or hike in salary, growth is very intrinsic it is the inherent development of capability for accomplish various task with ease and elan.

Last but not the least, SL II stealthily supports Managerial development. Infact it is multi-pronged, develops subordinates, managers/leader and the organization as a whole. Managers/leaders who deploy SL II, artfully supervise their team, gain more free time for strategic work instead of being caught up in routine supervisory work. Innovation, strategic work much required for competitive advantage can now become game changing device available for leaders /managers at all levels.

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