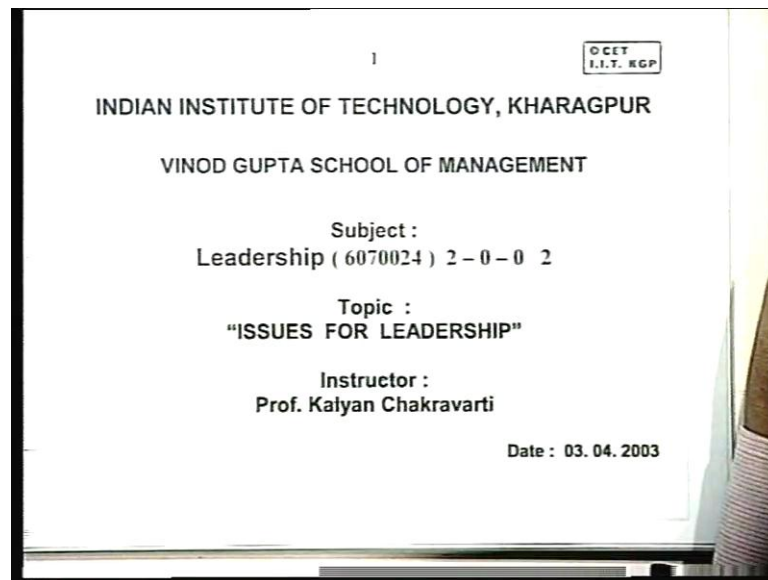


**Leadership**  
**Prof. Kalyan Chakravarti**  
**Vinod Gupta School of Management**  
**Indian Institute of Technology, Kharagpur**

**Lecture - 11**  
**Case: “Rai Bahadur Mohan Singh Oberoi” (Part - I)**  
**Issues in Institution Building**

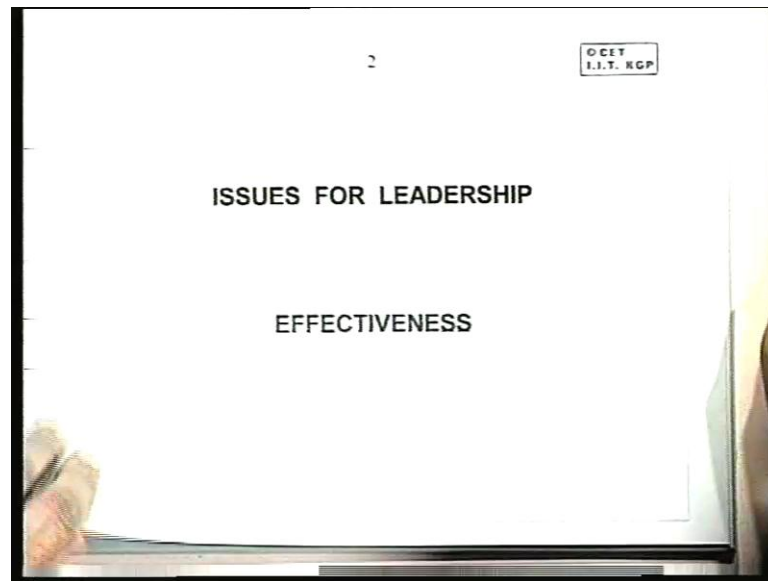
We have a class discussion of a case and their case is about Rai Bahadur Mohan Singh Oberoi, who was one of the greater hoteliers of our age. And he has built up a huge chain of hotels of very high quality starting from scratch. He started life as a clerk in a hotel.

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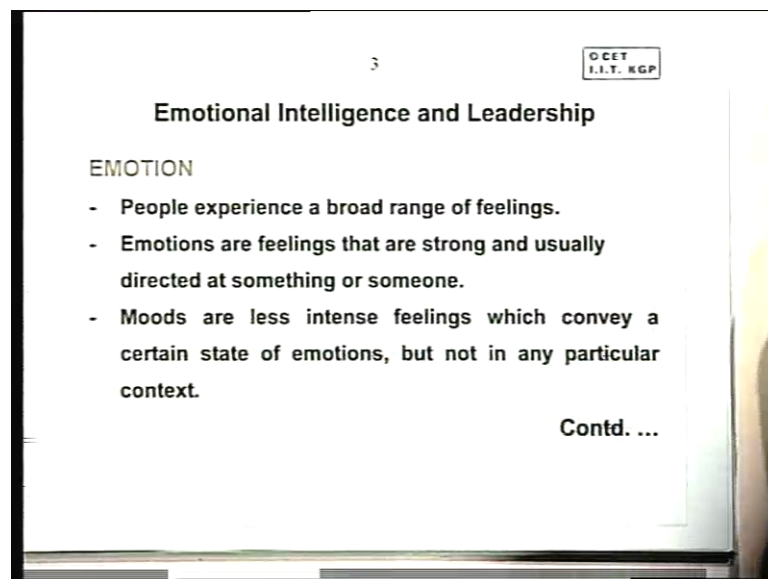
And then, within his own life time he built up a great empire, but apart from building the hotel you see there, he was the great leader of people. And today’s discussion will focus around his leadership qualities, what is it in him that made building this empire possible.

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Before we go to that, we will talk of some issues of leadership, which help in building empires institutions and so on.

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We have got a term called emotional intelligence. It is called EQ and often it is contrasted with IQ, so IQ is a measure for a person's intelligence and is EQ a measure for his emotions.

Student: It is a measure of...

Or is it?

Student: The emotions... Thus intelligent a person behaves at different and different circumstances.

So, what is the importance of EQ?

Student: Sir, choose then the amount of the, each are measure of empathy which the person has...

Empathy which a person has...

Student: A small.

Person has an ability to empathize with another person, but for say you do not possess empathy, what is empathy? It is the quality of seeing or being sensitive to the needs and feelings of others that is empathy.

Student: Feeling like him.

That is right, projecting yourself into his mind and trying to see how he would look at things, so that is the ability to be able to empathize it people, that is come to the same vibes. You can look at it at thing that the way he looks at it, but EQ you see people experience emotions, we have learnt about emotions are very strong feelings and emotions are feelings which are directed usually a someone, can you give me an example when we express emotion or you experience emotion.

I am making the submission that emotions are directive to either a person or a thing or an incident or an episode, emotions are aroused the triggered off by some episode or some person or some event example.

Student: ((Refer Time: 04:28)), any one let us happiness.

So, it was triggered off by an episode the winning of some match.

Student: Sir any results.

Any results which is announced you will get a promotion if you will happy, so we have various emotions, you have joy and you have happiness, you have anger, you have sorrow and you have excitement and so on. And these come out when is triggered and usually it is of high intensity is something which is manifested, so people around you can make out that feeling what is mood on the other hand, we also talk of mood.

Student: Mood is ((Refer Time: 05:12))

Emotion is also from inside they not from outside.

Student: Definite the stimulus was from outside some evaluates, someone as no is giving as...

And you are saying mood is just self generating.

Student: Self generating.

Without any dependence or many external factor, you say you have feeling in a romantic mood does not any external factor have to do with it anything to do with it, moon light, beautiful scenery someone nice with you.

Student: In the environment place it toward and the...

See, normally a mood is not triggered off by anything. It is a general feeling and you cannot pinpoint a specific cause for it.

[FL]

Student: Sir just turns off the time.

Yes.

Student: Over which the mood here also that is more than emotion ((Refer Time: 06:12)), we will move the state of...

So, moods are less intense feelings which convey our certain emotions, but not in any particular context that is also important.

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4

O C E T  
I. I. T. K G P

**EMOTIONAL INTELLIGENCE**

- It is a combination of skills and capabilities which we can draw upon to cope with all types of demands and pressures of the job, relationships and environment.
- It consists of
  - SELF AWARENESS : manifested by self-confidence, realistic self-assessment, self-deprecating sense of humour.
  - SELF MANAGEMENT : manifested by integrity, trustworthiness, comfort with ambiguity and openness to change.

Contd. ...

So, now we have intelligence and there are various steps and instruments to try and measure your intelligence, we also have got emotions. And we have a combination called emotional intelligence and this is the combination of skills and capabilities essentially, skills and capabilities which we can draw upon, so it is in our armory so to say, you can draw upon it in order to cope with number of demands and pressures.

And that is why in the organization context it is so important, because in organizational life when you come to work you have to cope with lot of demands on your time, on your intellectual abilities, emotional abilities. And we say someone is very mature what do we mean by that, that means he is able to cope, probably he does not lose his temper, he does not panic, does not lose his cool. So, when we try to express what we feel about a person we say he is immature, we are trying to express a basket of things.

And one way to do it say it is a combination of skills and capabilities which we can draw upon to cope with all types of demands and pressures of the job, relationships and environment. And studies I have try to classify what are these components which make up this emotional intelligence and here are some broad capabilities and abilities in it like self awareness, so if you have self awareness in good measure, then that is manifested by self confidence.

If you see someone whose self confidence, you can deduce that he has a strong awareness of itself, realistic self assessment, self deprecating sense of manner, what is that mean self deprecating sense of manner, what is self deprecating?

Student: ((Refer Time: 08:38))

No, not really not making fun, but playing it down, it reflects that you are not you do not want to boast about it, when you say it is a self deprecating person, that means he tries to take everything on a very low even key. Even if he has exceptional abilities is not very proud of it he is not arrogant does not want to boast about it, so even if he is very humorous, he does not say that is very humorous, he place down his abilities and that is one of the ways it manifest itself good self awareness.

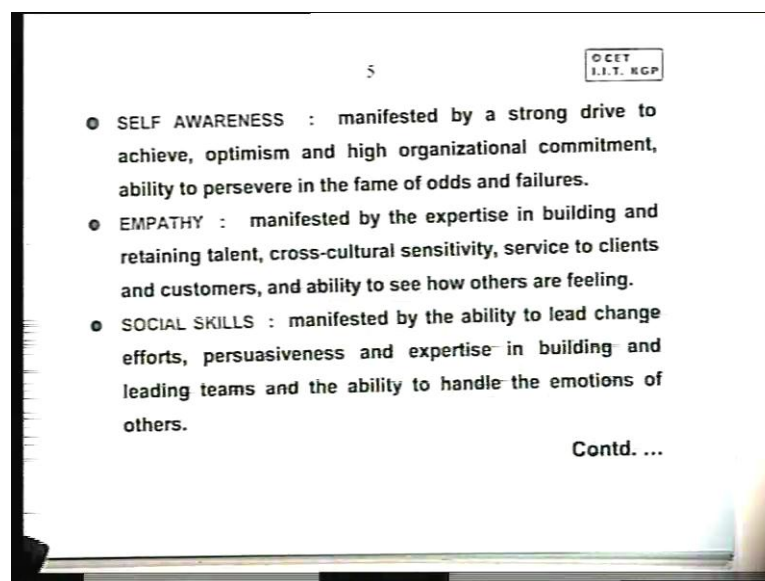
Self management what is it, manifested by integrity trustworthiness comfort with ambiguity and openness to change, what is comfort with ambiguity.

Student: ((Refer Time: 09:30))

You still feel comfortable, you do not feel uneasy when something cannot be explained this is not clear, are they people like that see essentially the human being we like to have clear cut answers anything that you do not understand. It gives you a feeling of disease or uneasiness, ambiguity, openness to change, this is the very important ability to be open to change, because all of us have fixed views, we have fixed opinions and sometimes they acquired rigid.

Whenever a country opinion is expressed we will like to oppose it that is the first reaction, so if you have an ability where you are open to change, then that is one of the hallmarks of having the emotional intelligence.

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So, there are three other streaks which have been classified or three other capabilities, so self awareness.

Student: ((Refer Time: 10:57))

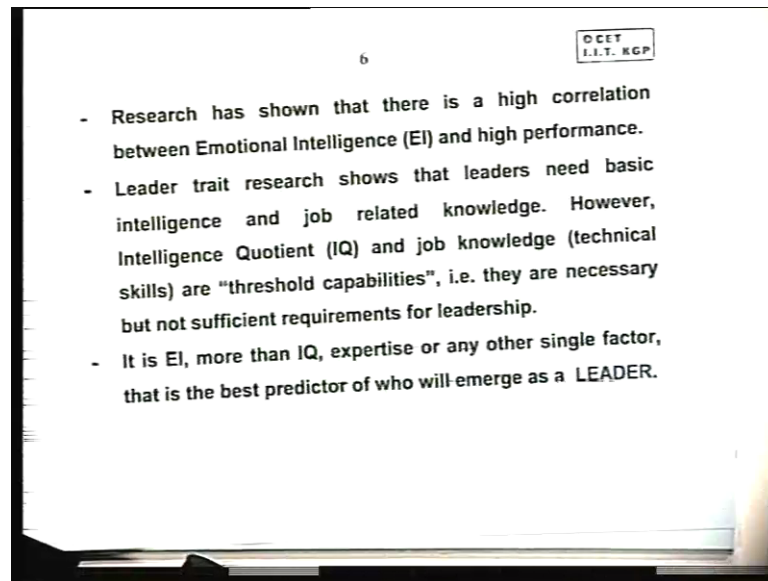
Yes, repeat it, so empathy we discussed about it manifested by expertise in building and retaining talent, if you empathize or have the ability to empathize the someone how does it manifest itself. If you can empathize the someone, then you probably have the ability or we retaining talent, very often it happens people who are under view in a company, they not very happy and is not uncommon they come and said they want to leave they have got another job.

There are some managers and leaders who are able to talk people out of it in a sincere manner, so this is the one of the capabilities where you are able to emphasize and you build credibility and trust. And this is one of the capabilities or abilities for emotional intelligence and social skills, social skills manifested by the ability to lead change efforts, persuasiveness and expertise in building and leading teams and the ability to handle the emotions of others.

Any comments on this, this is also a rare ability if you can handle others emotions, when you emerge as a leader within a group, particularly if it is a conflicting group people are very oppose to each other. There a violent disagreements and if within that you have the ability to handle the emotions of others, from them down, bring them back to the issue at point, then this is your demonstration of your own emotion intelligence. And that is why now what is the belief is that IQ is less predictive of leaders emerging, then the EQ.

IQ this is necessary to be able to lead you require to be intelligent, but that is not all, that is not sufficient you need to have EQ also to be able to ultimately emerge in leadership roles and positions during your career, any questions?

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All this we are discussing of the precautions of the case, which we are going to discuss, that is Rai Bahadur Mohan Sing Oberoi, researcher shown that there is a high correlation between emotional intelligence and high performance. Leader trait research shows that leaders need basic intelligence and job related knowledge, however IQ and job knowledge that is you can call it technical skills are threshold capabilities.

That is they are necessary, but not sufficient and you want something more and it is that emotional intelligence more than IQ expertise or any other single factor, that is the best predictor of who will emerge as a leader, any questions. Let me pose your question, then what is the difference between a team and a group, team is with the purpose and group is also without with the purpose or not need not be example give an example, what is the team and what is the group to illustrate what you just said.

Student: Go for people and railway compartment as a team of a cricket team.

So...

Student: Can you try differentiate and say what is it that the degree of coherence is more Degree of coherence is more, that means there is common bond may be because of common focus, what else...

Student: Because the common objective.

Common objective that is what give them the coherence, what else...



Student: Sir, the end result is always productive.

And result is always productive, yes.

Student: Division of labor.

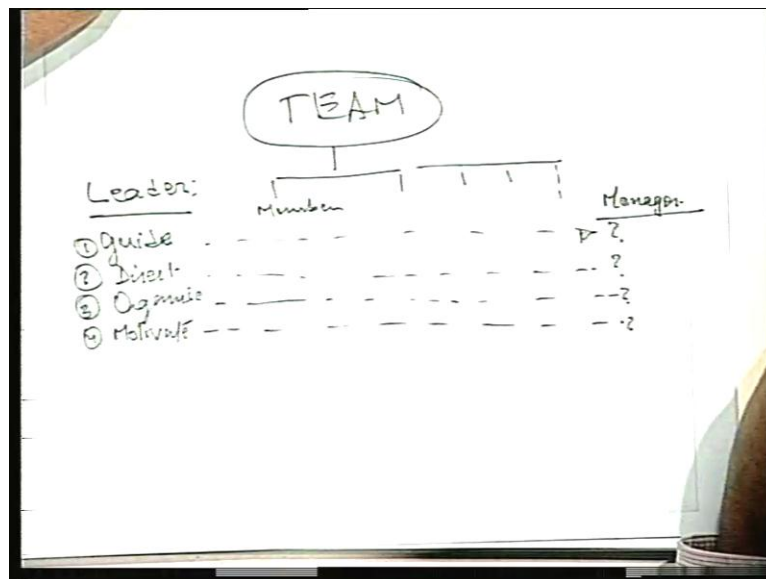
Division of labor, I think it is more productive, then the some of his constituent parts when you talk of team efforts, usually you talk of a synergistic kind of an effort that is each has his own part to play. The best example is in our cricket team or hockey team or whatever, but the some of the part which each individual place is really less than the total output that you get if they play together and they play as a team. So, therefore, team connotes some group which is active and actively focused for doing some job for some outcome or objective of goal.

Now, where does the role of the leader coming there, see immediately when you define it that way, the leadership role is down plate is it not, is basically the team members who are doing the interaction among themselves, focusing on a goal and delivering an outcome which is synergistic. So then what is the difference, if you do not have a leader at all or is there a need for a leader in such team.

Student: Sir, leader goes to guide the team.

Guide the team, so guiding.

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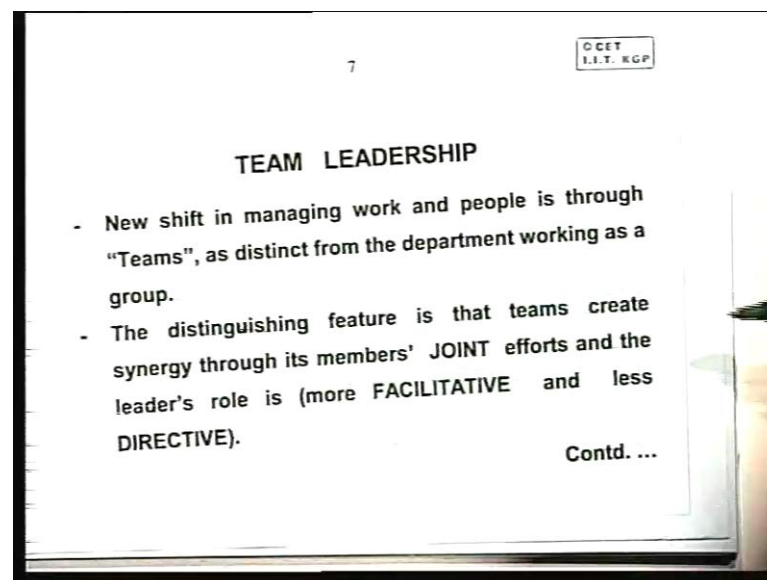


So, if we have team we have a team concept over, so you have members etcetera and leader you are trying to say what is load role if any, so one we say is guiding that is

showing a way, showing a direction, but not actively participating or dictating or deciding could you do that, issue orders and so on. So, directing, organizing, motivate, so if we have a manager here, does he have the same roles exactly or no, manager is suppose to direct plan, coordinate, organize he also has to motivate.

So, my submission is nowadays as business is get complex, there is lot of competition change is very fast, there is more and more need to organize work by means of teams. And not your classical concept of groups form into departments, either by specialization or by a task orientation like a task force there is more and more need to work through teams.

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So, team leadership, new shift in managing work and people is through teams, as distinct from the department working as a group. The distinguishing feature is that teams creates energy through it is member joint efforts, in a group you can have a accounts department, it is a department comes consists of people where they do have a goal also or a by essentially, each has the allotted task each member and they do it independently.

Here the concept is joint and again I say best is a athletic example, that is a game a team towards the common objective and now it says the leaders role is more facilitative and less directive. So, he is there not in the middle actively trying to guide his team and directing and organizing and so on, ordering around he is somewhere on the side lines.

He is observing his team, yes may be guiding, may be coaching a little bit, may be giving some help, where help is needed, but essentially leaving it to the team to take the

decision or a complete the task. We had a kind of a group meeting or seminar or workshop yesterday evening you remember, that was the problem solving and what was the approach there of the faculty.

Was it a facilitative approach or essentially trying to get the students to work out and that success succeeded, because the final settlement that came, it was not suggested by the faculty or directed right or wrong. So that is immediate example, I can think of, yesterday the faculty's role was to guide all right to help wherever possible. But, not to take the decision, it was not a decision making role.

So, when you are a team leader nowadays more and more the manager has to look at himself as a team leader and not a manager in the classical sense of managing people. So, this whole concept of command control, that is you have a boss, essentially the boss gives the task and subordinates do it. That is giving place to this whole idea of letting people do the work, because that is the way, they achieves synergy.

Then, you give potential, you know for each want to contribute, instead of contributing two whatever maximum we can, innovation, creativity, because the fact of the matter is once you start the situation. Where everything is told by the boss, you build up a dependency culture, essentially then the interaction is one of dependence. There is the problem, you push it upwards to the boss, expect a solution and best you can go to the boss with two or three options, but still you expect some decision to be given.

And here, it is the totally different, you expect that, you will work out a decision yourself, boss is there, he would not veto it also. He will help you, he have to judge whether you have succeeded or not succeeded. Any questions comments or observations.

Student: ((Refer Time: 23:20))

It is happening, they are researching it, it is particularly happening in organic type of organization in IT industries and industries, which are very short duration garment fashion garments is a very good example. The advertising, you know all these TV channels that we have program, all these creative program which are made. These companies are not chain of command control kind of companies.

You have the people with various skills, you know, you are the copy writer and the director and the cameraman and they all work amongst themselves. So, research also shows that above 30 percent of managers, when require to change from the classical

approach of management. That is the command control kind of management, they are unable to do it.

So, organizations point of view is such people become deadwood, because they cannot change and when the environment has changed into one of uncertainty, where to which requires, you know for success very fast a nimble operations. And it requires managers to become more facilitator, there are people about 30 percent to or 15 percent, they cannot do it 10 to 15 percent.

And why cannot they do it, because there was dominating on dominant personality type difficult for them to change, particularly if they are senior managers, because of motivation to change also is less. If it is relatively junior, there is the powerful motivation, there is the need to make a career to succeed. If it is relatively older manager not only the style is ingrained in his personality type, if is or the motivation is not there or both.

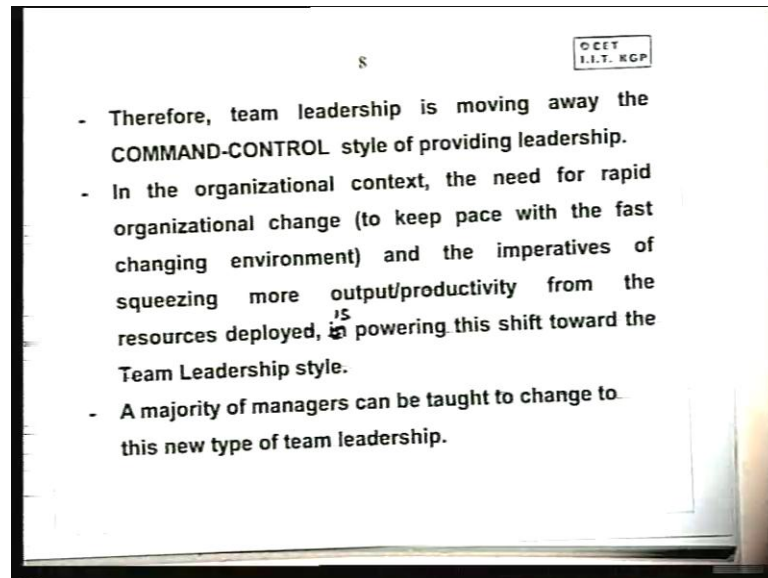
And then, there are 10, 15 percent who readily can adapt themselves and in between we have about say 75, 70 percent who can be trained and that is where the management of organization they 0 in they, can train them actually. And then, change the culture of management, train the management cadre in more and more adopting into the facilitative, kind of mode, in the factory setting you can see it all the time the older managers.

And particularly in relation to blue collar workman, because factory was a place the domain, where the command control kind of management was very, very pre dominant. The moment you come into the white collar, that is the office culturally, the office has never had that strong command control as you have had in the factories. And the first phenomenon of militant trade union is a when he started.

Then, this was something which many managers could not cope with they were used to giving orders which should be followed and here was the independent power base could not accept the orders. They could not adopt themselves and of course, if you cannot adopt then like the dinosaur you die. So, even if they had been very loyal managers and so on of necessity. The top management of the company had to give them sinecure jobs put them aside.

Bring people who could adapt to the new dispensation of trying to work with unions, change union, educate union get your outcomes.

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So, therefore, team leadership is moving away from command control, style of providing leadership, in the organizational context the need for rapid organization change to keep pace with the fast changing environment. And the imperatives of squeezing more output of productivity from the your resources which you deploy is powering, that should readers is power the shift towards team leadership style. A majority of managers can be taught and train to change to this type of team leadership, now we come to the training part.

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The slide is titled "Classification of Leadership Skills" and features a logo at the top center that says "TEAM" with a small "9" above it and a triangle below it. In the top right corner, there is a logo for "O CET I.I.T. KGP". The slide contains a bulleted list of points:

- Studies reveal that there are common responsibilities for assuming Team Leadership : coaching, Facilitating, handling disciplinary problems, reviewing team and individuals' performance, training and communication.
- The learning points for Team Leader style is patience to share information, to trust others, to give up authority, and to understand, when to intervene.
- A Team Leader's job focus is on two broad priorities :
  - o Managing the Team's external boundary
  - o Facilitating the team process

At the bottom right of the slide, it says "Contd. ...".

If you got you train what you go by, this is some of the classification of the team leadership, studies reveal that there are common responsibilities for assuming team leadership. So, you have to have the responsibility of coaching, facilitating, handling disciplinary problems, reviewing team and individual performance, training and communication.

Now, mind you many of these are also the roles of a manager are they not yes or no, but the style is different, the learning points for team leader style is patience to share information. But the moment you go to a facilitative mode, do not you have to share information to try and give rational for various courses of action which are open to solve the problem instead of you dictating what? That is the facilitation and guiding to trust others, unless you trust others how do you allow them to take the decision on their own to give up authority.

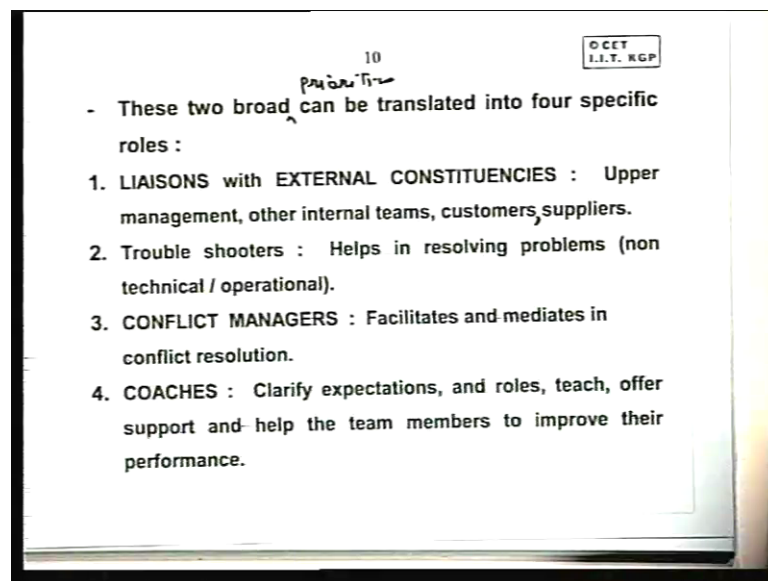
Now, this is the most difficult thing to do which of us can cross our hut and honestly say that we would like to give up our authority, we may say it, but we would not do it, what Viraj? When we will be give it up, under what conditions if we know and if we are convince that why, so doing it will be in our interest may be each of us is the manager has got task targets, do not you think if you find, that with this team approach. It works better than the command control approach, then there is a powerful motivation for us to adopt a team type of approach is it not, but as in all thing this is situational also.

If you have people under you and you are in a industry which is the knowledge industry, you are educated people, where the basic where with all in the ability to take decisions by examining various options and alternatives bringing to bare, the knowledge required for the solutions. Then the conditions are ideal for you to take more a team leadership role, but in the case of a let us say a larger workshop, where you have low skill jobs, where the education level is lower and knowledge level is lower.

It may not be that easy to expect people under you to solve problem, but then it all depends, there is the one school of thought with says that even the less skilled people the repetitive jobs they are doing. How to do it better they know better than you do, because they are doing it day in and day out and many of the valuable suggestions come from the people are that level.

So, a team leader's job, therefore is to focus on two broad priorities, one is external boundary and facilitating the team process. External boundary I think is very easy to understand, because as a leader you are suppose to interface and provide resources which are external. And facilitating team process is the more difficult you would like to jump in issue and order and do it your way, but you cannot you have to be patient. For instance, this case we were discussing which yesterday, it took a long time, it to the about 2 months to do it with 2 meetings.

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So, these two broad priorities can be translated into four specific roles of the team leader,

Liaison with external constituencies they also include your own management, but upper management, because they are the guys who control the resources. So, if the team wants resources, then is the team leaders job to go and get the resources from the upper management, other internal teams there is interdependency in an organization between the various departments.

So, if you want inputs which is case and you have to get it from other departments, then it is a team leaders role to go and negotiate with the other departments and get the resource, then again external customer suppliers depending on which department you are leading. Second role is trouble shooters, help in resolving problems non technical and non operational, why non technical and non operational, because your role is facilitative now, you are not to get into the nitty-gritty of solving.

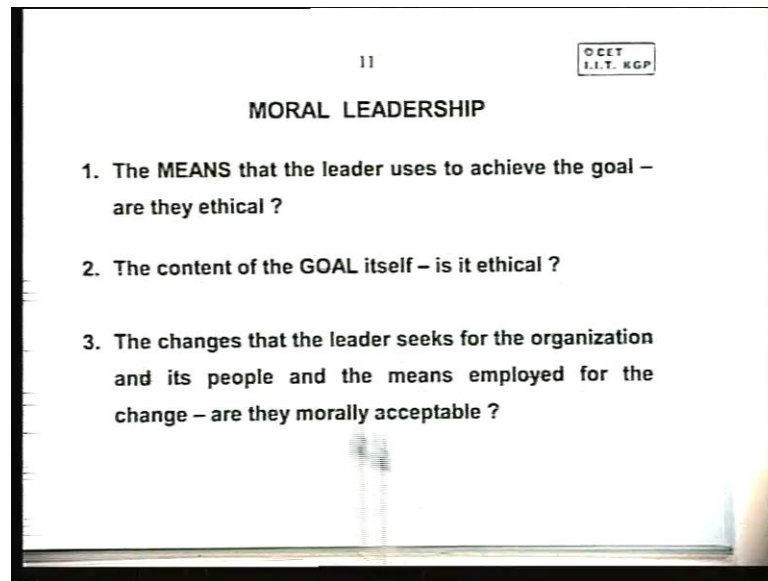
What you do in your traditional managerial role, you want your people your team to solve it, so you take a distance and you help resolving problem by facilitating, one of the way the facilitating is there are issues, where people have difference time to ask some questions which are appropriate, to bring some clarity to the issue that is your role. So that, that will facilitate the problem solving process, so conflict managers one is sharable which is more problem oriented conflict is more personality oriented, it usually arises out of personality conflicts.

And so facilitate and mediate in the resolution you got to be some kind of arbitrator, that is the role and coaches clarify expectations and roles teach of a support and help the team members to improve their performance. So, slowly it is more and more coming like a instructors role and teaching in a teachers, is it not coming more like a teachers role not a do a, teachers role also mean, teacher does not study and give the exam and pass the exams now it is trans facilitate the learning process.

But at the same time they also do some appraisal like we said, have to do appraisal also that is the role which you cannot abdicate. And last one issue which you want to touch up on is moral leadership, question of morals keep popping up and up everywhere, it moral or ethical.



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And here it makes the point the means that the leader uses to achieve the goal or the ethical, so there is always a debate whether the n justifies, the means of the means justify the end. So, in every business decision also this will keep copying up and today more than in yesteryears, it has assume lot of importance for the company, because you have a aware citizenry, aware public you are lot of consumer legislation. The content of the goal itself this is the ethical, that is every organization has a mission a vision a goal is it not.

So, you are very vision is it a ethical thing or not, for instance if you are in the business of ivory trading, now in order to do successful ivory trading what do have to do, you have to get the ivory know, so how do you get the ivory. So, killing the elephant if you could get the ivory without killing the elephant, that is one issue, but without killing if you cannot get the ivory, but you are still in the business, is in there a moral issue involved here and a ethical issue.

You are very content of the goal itself, tobacco companies is there what is their business, to sell as many cigarettes and tobacco, chewing tobacco, if you find there is a clear relationship or even unclear relationship, between smoking or chewing tobacco and cancer. Then what is the content of your basic business, goal is it there ethical issue involved there, so think about it; the changes of the leader seeks for the organization and it is people and the means employed for the change at the morally exceptive.

Two things the changes that the leader seeks for the organization and the means in which to use it, you see every company in some way of the other, they try to control behavior of

their employees yes or no. But then there are ethical issues involved up to how much do you control, the organization say you cannot get married until you are 40 years old, would you say that is the controlled which goes beyond the threshold.

Student: Much beyond.

Much beyond, so I am just giving example, you may say it impinges on your basic primary freedom, that is the control, which is a boron control, but if they say like in the old days the tea planters, they pass senior Cambridge and they got at job as assistant manager, in the tea garden in the Assam. And they were just about 16 or 17 that was the age and the rule was there till you are 25 or something you cannot get married, in the army also you have it there is the age, beyond after which you can marry, but it is a reasonable age, it is acceptable.

So, you would say there are no moral or ethical issues involved there may be companies which more go towards the cult you know, idealization of the leader the great leader or something, you have to wear a chain around your neck with the photograph of that person, I am just dramatizing it. But, in order to control up to the point is good, but when you control your employees, when you trying change your employees point of view beyond a certain threshold, then ethical and moral issues are involved.

And you as manager and future leaders, you have to be sensitized and ever of this every time you have to ask this question, it should be at the back of your mind, any questions, if there are no questions, then...

Student: Sir, there is the problem with varying culture have an if leader in India, directs a female employee on the code of content as a basic concerned, the same dress may not be problem in the same organization in for an rotation.

Yes.

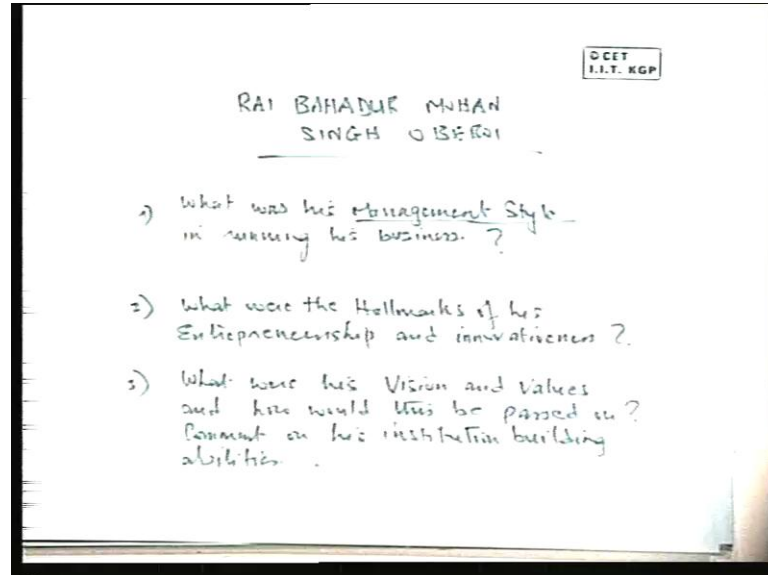
Student: But even ((Refer Time: 40:55)).

Student: So, is clarify with the problem with the employee.

Sure, in fact, there was a lot of protest I remember in Maharashtra when the police women you know, they were ask to wear the same uniform as the men you know, because earlier they were wearing salwar kameez. They were asked to wear you know shirts and trousers and there was lot of protest which happened, because it was felt that is

not acceptable sort of thing to do. So, now there are few question which I put down here which you may try an address.

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And one way to do it in a logical manner is the let us have three groups would discuss on each of these three. So, can we just divide into three groups, if some people will kindly come in front, one group stays there at the back one group is here. This group is too weak, you can have few more people here from this side, come Viraj you will bring a lot of strength here into this group.

Vikas come here, you are strong man strong personality come, come few people come here, separate give one line free, so that I know which group, I think Shevatz your line have to bother you just get up either come forward or the back. So, now we we have the three distinct groups you want 5 minutes break before we start

Student: Yes sir.

So, now it is 4:20 we will start at 4:30, 10 minutes break tries to get some, now this team working remember, let us see team leadership.