

Leadership
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Lecture - 07
Leadership Skills: Leadership and Management

All right we have so far had I think four lectures of which one we did a case, am I right and in the other 3 lectures just to recap we talked of what is the behavior, style, role all right and functions and activities. We also talked about what is a successful manager or leader and what is an successful versus effective or efficient, effective and we defined it how, okay good a little more depth what are the kind of actions most of the time that a efficient manager does or effective sorry, effective manager does and what does what are the action most of the time with a successful manager does, effective manager out of 8 hours that he has in a day most of the time what does he do either networking right, networking he builds networks and how have we defined the successful manager?

Student: The successful manager does...

It is a definition which we have given for a research study.

Student: Go through the organization.

Come in front come Ashutosh you do not see from the back this is small class, let us empathies with each other. Yeah tell me Ashutosh how have we defined what does successful manager and what is the effective manager.

Student: A successful....

A successful is that manager who...

Student: Who grow very fast...

Come in front gentleman who grow very fast that means he gets quick promotions right, an effective manager.

Student: Who get his job done.

Let someone else say effective manager Krishna, how have we defined you missed the class did not get the transparencies.

Student: Sir, I went to Telco.

You went to Telco okay you are excused, yes.

Student: I was also not there.

You were not there some of you come this side that is too remote I cannot empathies with you come this side right here, come from the back. So the effective managers spend most of his time anyone can tell me.

Student: Making things happen problem solving.

Making things happen even the successful he makes things happen what things he gets promotions quickly.

Student: He might not do the work but he gets it done and solves the problem of...

Yeah, so what he means to say he spends most of his time in doing the human resources activities all right that is coaching people, communicating with people all right making teams work that means his time is spent with his people and usually his department performance therefore is always superior but here is a kind of paradox of human behavior whereas we all profess that promotions are always on merit is not it and merit is always defined whether explicitly or implicitly on how well your department performs, is not that what is the explicit and

implicit definition of merit when your boss talks to you but often you find in organizations that the promotions do not happen that way, this is the big paradox, what is explanation for the paradox explanation is often we as human beings do not do what we profess to do right.

Yeah we do not walk our talk, if you are a manager and you say that in your department all promotions are strictly on merit will it happen all the time, think about it. You have done courses on individual and group behavior right, as often as not it may not happen that way there are other considerations which may influence these decisions and these research findings which say that having described or defined the effective manager and the successful manager as we have just done would not it be reasonable to assume logically that whichever manager's department is the more successful he should get the promotions quickly but research shows it does not happen okay.

Now that we have a reasonable strength in the class let us come back to an interesting topic which we set out to discuss, see we are talking of leadership okay and today's topic we will summarize leadership and management but before we do that what I want to ask is will India lift the world cup and there was general consensus that yes definitely, are there any people who disagree then we can segregate them on this side anyone disagrees, no one.

Student: Sir I disagree.

You disagree just sit on one chair that side you will have defend the position all right, yes will India win or will India not win, if you disagree you can join the opposition benches here, you give me a decision yes or no.

Student: He is saying no sir.

You go that side, come this side come from the back all right having asked that question, the next question which begs itself is there anything that the team and the others who are connected with this effort, can they do anything positively some actions which will ensure that definitely we will win the world cup and then we came to the question who are those people who are most

important, we are talking of leadership right this is where if you have leadership this is where you show it. So we came to the conclusion it is definitely the captain who has the leadership role to play maybe wise captain, coach, manager right anyone else, the sitting here can we lead the team to victory.

Student: Yes sir.

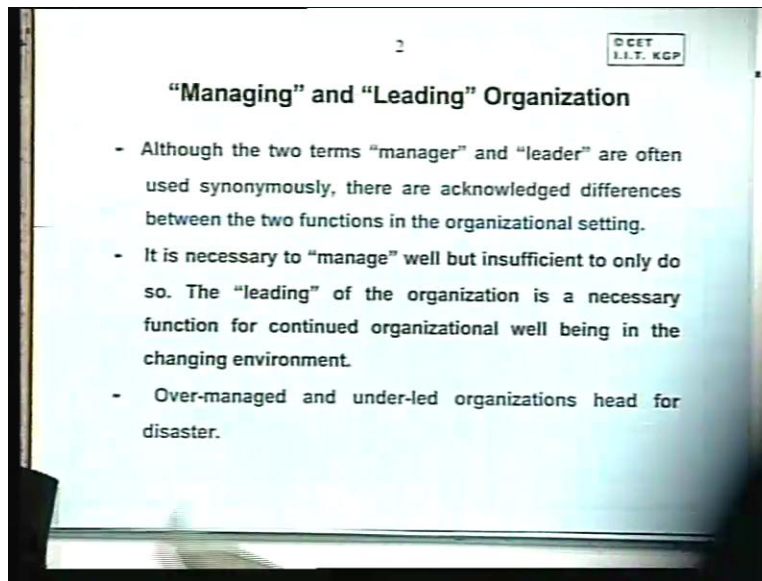
We can.

Student: There is one example when they were not finding support from outside they started curdling each other after every out and the explanation given by Saurav Ganguly was that when we do not find support from outside, we are getting it from our own like the team mates.

Okay was that a leadership action on part of Saurav Ganguly something innovative that you seeks strength you know most of these teams even in rugby and football and so on, what do they do the huddle together that is they come close for a unity of purpose, yes psychologically to so show that we are all together you are not there alone okay. Now leadership, behavior of leadership skills are very allied because skills of leadership you know the focus on how you can do some specific behavior in order to get some outcomes okay and we will talk about it here today but before we do that we want to explore a little bit more in depth about the leadership and the management, we have done it once but I will just show you again because this is a very contentious issue if I may say so.

See many gurus will tell you leadership and management is more or less the same a simultaneously. You cannot have a person who can lead without managing we are talking of the organizational setting okay others will say yes you can do it and so on. For the purpose of our previous discussion if you remember we have said, we will take leader and manager to be the same to be used synonymously but for today's purpose let me show you this, this is in the organization setting.

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So although the two terms manager and leader often used synonymously there are acknowledged differences between the two functions in the organizational setting and one distinction which is made here is it is necessary to manage every organization has to been managed it is necessary otherwise things will performance will be suboptimal but is it sufficient, answer is no. The leading of the organization is a necessary function for continued organizational wellbeing okay. So both necessary and sufficient over manage and under lead organizations head for disaster, you see it is same if you have too much our leadership and very little of management you are always doing the right things but nothing that you do you are doing right that is a recipe for disaster.

Any questions what would you do rather do half the day you lead and the other half day you manage these are very important questions think through it because you all doing MBA. So you are choosing to be a manager and in managing you will be required to show leadership every now and then.

Student: So they are the skill and inheriting people there are people who can lead and manage both like Narayan Murthy but there are people who are good leaders but for managing they need

like Mahatma Gandhi he was very good leader because of but we do not associate management with Mahatma Gandhi as much as we do associate the leadership skills.

Here is a proposition, Francis proposition is Mahatma Gandhi was a great leader but we have doubts whether you are a good manager will you respond to that

What is the and what that will lead to manage some...

Student: He picked the right people...

He picked the right people is that the role of managing or leading.

Student: Sir, managing.

Managing, what else he had organizational skills all right.

Student: So he made the example he set out personal levels of high integrity and that motivated people to follow him. So that is the style one but ultimately it is management when you are managing people under you and leading.

So what else some of let us recap of it what are some of the activities of a manager you talked about it, planning is an activity, agreed or not.

Student: Coordination

What else? Coordinating.

Student: Organizing.

Organizing.

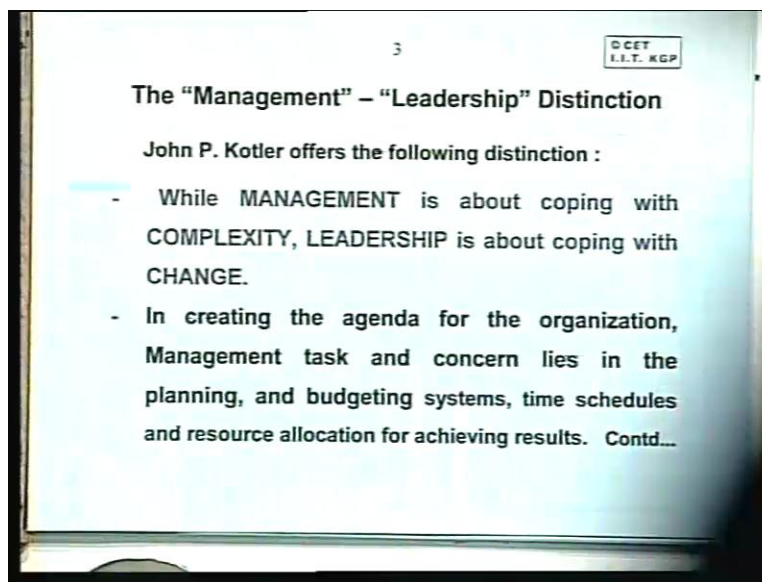
Student: Leading.

Leading.

Student: Manpower.

Yes, control, what else rewarding, punishing, motivating, see now you come into areas which overlap between the role of leader and role of manager, motivating okay is not that a role which leads into an overlap okay.

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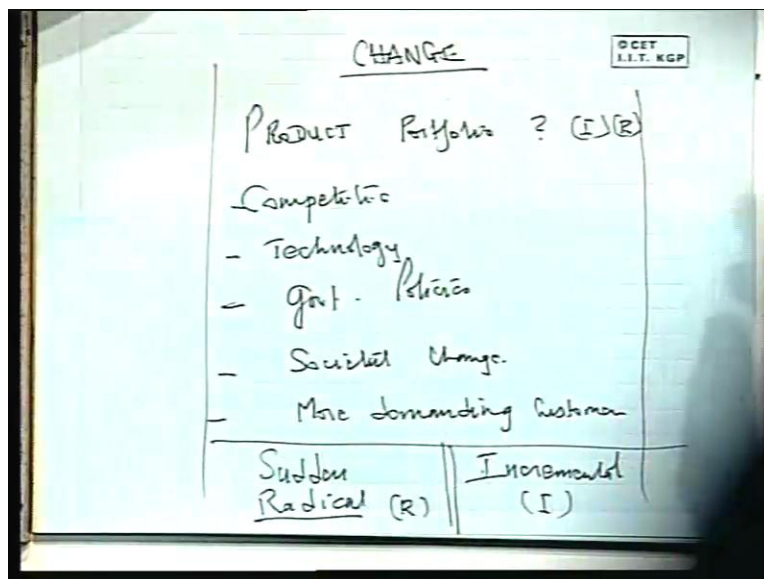


Here is a John. P. Kotler offers his views while management is about coping with complexity, complexity, leadership is about coping with change, do you agree with this there are various ways various authors I have looked at it complexity what does he mean by that remember this is organizational setting, what he means by complexity is in an organization, even a small organization there are many functions and activities which have to be done, they are all inter related, inter dependent.

Then there are issues over which in an organization you have control there are issues in which you do not have so much control right or wrong, you are dealing with systems made by human beings there are conflicts within organizations by limited resources, people within the organization, fighting for the same limited resources. So do you agree there is complexity even in a small organization, when you go to larger organizations which are geographically dispersed okay which have got many many products and divisions even if it is in the same country and same location that means it laterally dispersed which because of its very size is vertically teared and there are more complexities that come.

So what John Kotler says good manager he spends his time and masters the art of dealing with complexities and management and he says leader the distinction is it does not spend too much time there, he looks at change who can tell me what is the change, you are operating in a company all right what is the change what is the kind of change which a leader would have to deal with, imagine you are sitting in 2003, okay.

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Student: Change in product portfolio, change in...

Product portfolio. Now let us less pause for the moment who agrees that this this is what you would say a leader basic change product portfolio, yes speak up, yes.

Student: We have to look at the...

Yeah

Student: For example you can take take an example of see in the media with the coming of an Internet how it has changed the way people get news.

Right.

Student: So these are the macro level changes the leadership has to monitor and they have to keep track of these changes. So that they had they will suitably channelize their strengths and weaknesses to cope up with that change.

Okay.

Student: Sir another example I think can be say in the case of the company like Telco that because of the increased competition they have had to change their that is style of working there to retrench recruitment new people, introduce new management methodologies, so managing with this whole.

That is management of the change but what are you what are you saying the change is what competition?

Student: Change is Competition.

Competition, what else do not be difficult leaders speak up.

Student: Changes in technology.

Technology.

Student: The government changes and how the business works.

Government policies.

Student: Environment.

Environment means the weather or (())... let him say

Student: Environment mean in the society means I am working in my company is working.

Societal change, like more and more and more girls coming into the workforce things like that which was not there earlier all right, societal change.

Student: Sir in a business prospective of the customers become more demanding because of greater.

More demanding in customers again something to do with society.

Student: Change in customers behavior.

Now tell me just stop here for a moment when you go in a few months and start working in a company all these things are there say by some luck of chance or happen stuns you become CEO of the company in a year or two which I do hope you will and then you will comeback here and recruit some of our boys okay, when that happens you know that all this you sitting in the midst of all this am I right everything we have listed down, what are you going to do what are you going to do because ultimately is the actions which will determine an outcome. Did we discuss sometime that within chain you can also to another classification, you can do sudden or you can classify sudden or sometimes we call it radical, this is an...

Student: Incremental.

Incremental, would you say this is a radical or incremental change product portfolio.

Student: Sir this is not a change posed upon a company from outside.

Wait a, wait a minute, it is a change, this is the heading here change all right when you change your portfolio within a period of few years totally of course it is a change, is it radical or incremental, incremental.

Student: It can be either.

Can be either, example.

Student: Sir it is in the same line of business then it is a incremental change.

Example do not be wage, be specific.

Student: Sir, you are.

You are making automobiles and suddenly you start making switch gear the that kind of a thing.

Student: That is radical.

That is radical, does it happen in real life.

Student: Yes.

It does, example.

Student: (())

No, we do not know whether that is right or wrong but that was a decision they took obviously to manage some change was it change in itself, when it choose to manufacturer something, it is a action, it is an executive action

Student: This is response to...

Maybe response to competition you know diversification is a response that you do okay in order to keep your company healthy if you are loosing out on the existing products you want to diversify is not that the main motivation, give me a example of radical change.

Student: Sir.

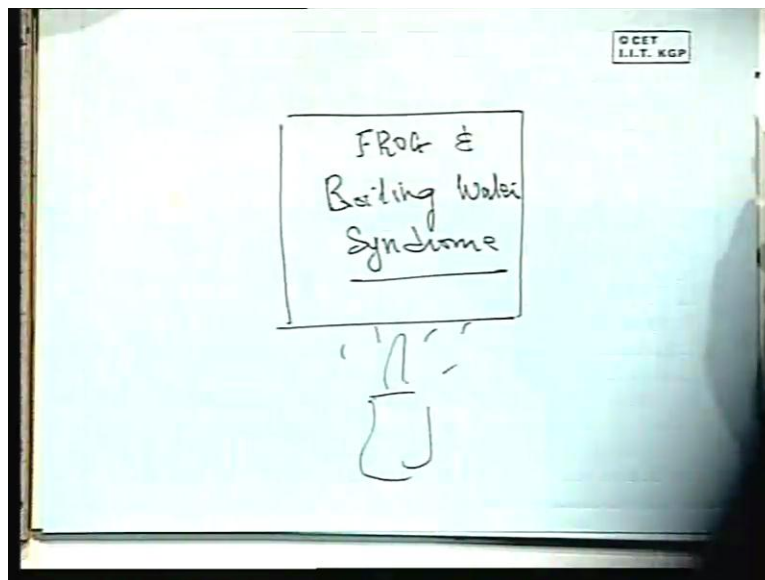
You are going along fine paying dividend 20 percent okay your net profit after taxes of 15 percent you are in old industry you are quite happy, you have good reserves, what are they doing? They are restructuring their business is it not they are diversify, what we normally say why are they doing that, why are they doing that, they do not want to have all the eggs in the same basket they started all by in a uniproduct company with a projected market, they may jeeps right then they went into tractors that was the license permit raj.

So it was easy to make good profits, when competition came they looked for other directions where they could a spread the risk be getting to businesses which had promise for sustained profitability and which they felt after doing their own sort analysis that they whom will be able to manage successfully okay, two things are necessary to make profits yes, Polash what are those two things, two basic things, one is within, can you do ahead do you have the strengths and the other is without, would you now enter into the Jute industry might make the profit but you will not, you will study the industry and say it is a sunset industry unlikely to make a profit and by the same token you know which are the sunrise industries, name one.

Student: Biotech.

Biotech, yeah but is it guaranteed if you enter biotech jump into it you will make good profits does not guarantee because there is always a mixture of the external environment opportunities the threats are there and strengths and weakness are within you can change that you can make an opportunity into a threatening, situation if you miss manage you can make a threat into an opportunity, you can make a strength into a weakness you can make a weakness into a strength okay and this is where the leadership when you talk of change, you see what is most difficult when you talk of change is to recognize the change.

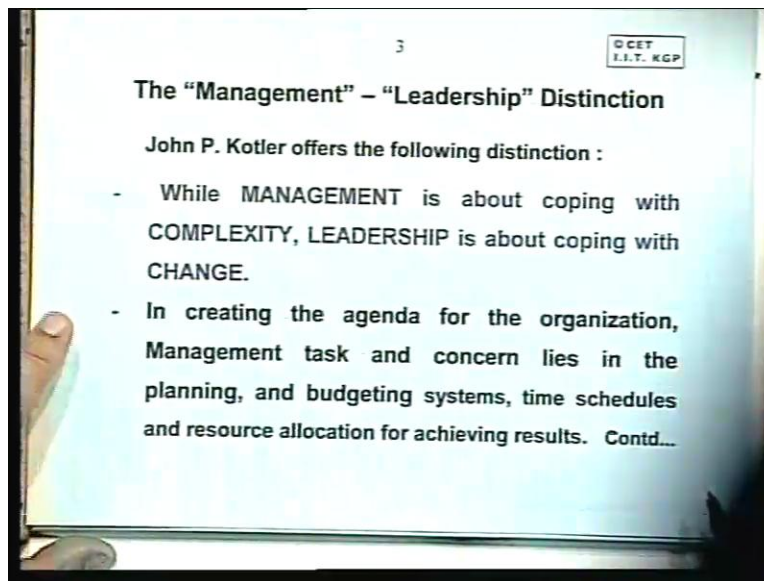
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You have heard of the frog and boiling water syndrome no no one has heard tell me Krishna, tell everyone what it that is (()) and the other way round if you have boiling water and through a frog into it what happens it jumps right out. So what is the moral of the story moral is change is so insidious sometimes an incremental change that it is like the heat is turned on slowly, you are within that pot the water is becoming hotter, the competition is growing but you still have a few cash cow products. So you are making a profit still have some old people who has done who have done good work in the past but not contributing much but have been loyal. So it is stuff you know to remove them and put some new young bright MBA's whom to taken over there. So you keep on doing the same things and hope the things will not change but one day you die.

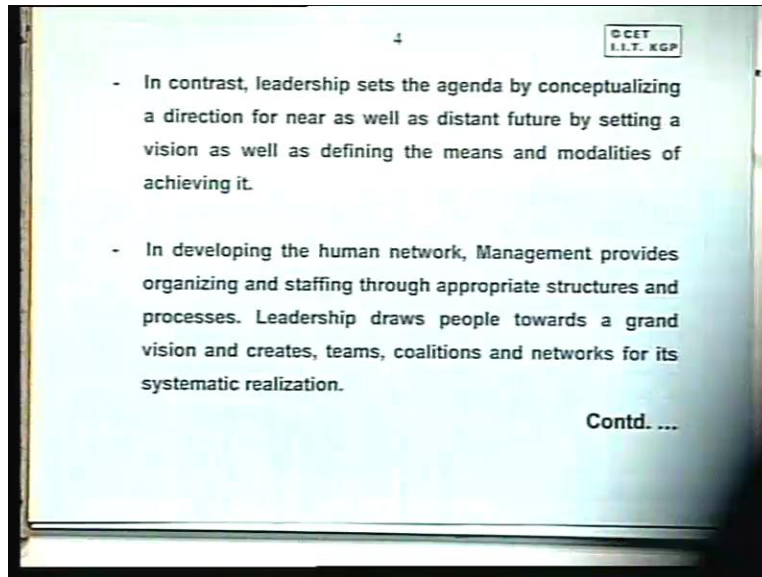
So the important thing is to recognize if there is a paradigm shift, paradigm shift which is happening in your industry or is happening okay in your country basically the underpinnings of your business is it safe and the sound as a foundation or it is suddenly going to be removed and you are going collapse into a black whole.

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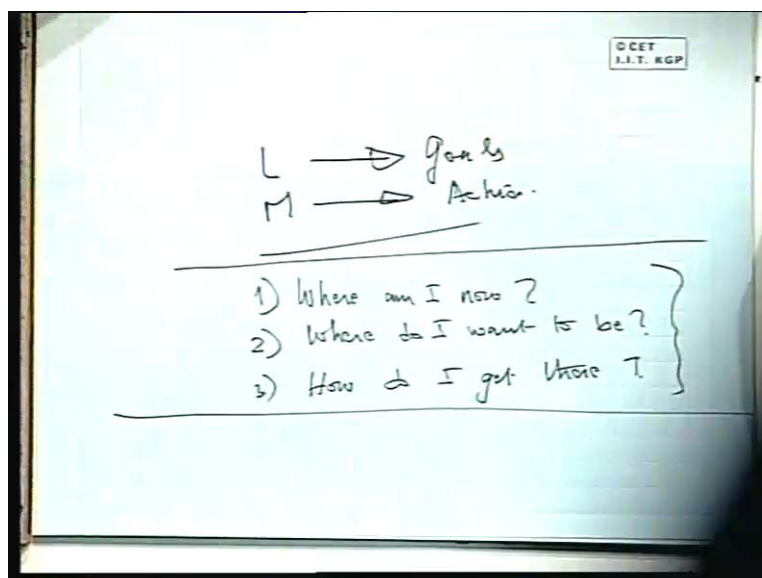
So in creating the agenda for the organization management task and concerns lie in the planning, budgeting, systems, time schedule, resource allocation for achieving results. Now let me hasten to warn you do not get overly fascinated by leadership because the bread and butter which you will deliver to your business whether you start your own business or whether you work for someone, some, some company is good efficient management remember that is the bread and butter. Leadership is important okay, it has to be done but not at the cost you cannot neglect the day to day efficient and effective management and operations. In contrast leaderships sets the agenda by conceptualizing a direction for near as well as distant future by setting your vision as well as defining the means and modalities to achieve it, any comments on this. In developing the human network management provides organizing and staffing through appropriate structures and processes.

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Leadership on the other hand draws people towards the grand vision and creates teams coalitions and networks for its systematic realization, see this is crucial and now you see the interconnectivity between the two if you do not have a vision what are you going to the strive towards you have some plan but you do not have grand vision.

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Student: In effect we are saying that leadership gives us the goal and management gives the way to achieve it.

Excellent, can you fault this statement. He says leadership sets the goals, so leadership sets goals and management achieves the same.

Student: The other framework.

All right.

Student: Answering three questions.

Three questions.

Student: What is my expression there where do I want to be and the third question is, these are the three questions that the leadership answers , your current position in what are your strengths today... based on that sir how we are going to get there is the increment which the leader delegates effectively to his manager.

Any responses to this, no responses all right.

Now I come to Avnish, having discussed all this, why do you say that the leaders in the Indian team cannot make things happen, so that India wins the world cup.

Student: They can break with them.

They can means they can do things which will make them win they have the skills to do that they have it tell me what those the skills specially what?

Student: Because now he see that it is one of the as usual step in the...

Okay, how.

Student: Sir, party.

Say okay boys, take a break, take a break let us have a party, what will what does he do.

Student: Mentally strong.

Mentally strong, how what skill does required to do that.

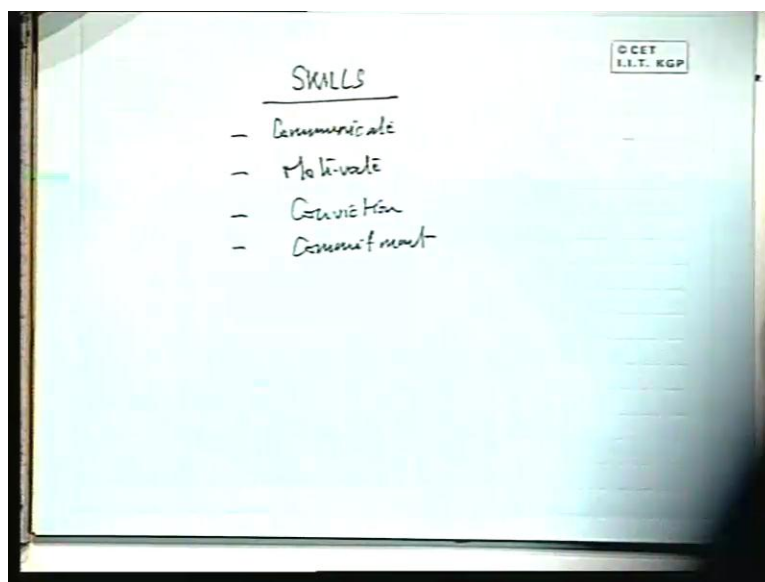
Student: feel and participate that who can do it first of all.

Talk to them.

Student: Yes.

Communicate, give a pep talk.

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Student: Sir telling them that you have already done it in the past, so you can still do it in in these matches or earlier matches.

Talk to them powerfully giving examples. So you communicate you talk, so again and again we are coming back to this whether you want be a excellent manager, successful manager, effective manager, great leader, this communication seems to be a common denominator, would you agree, those side communicators sitting at the back who are constantly communicating amongst themselves there. Do you agree, they are of the they are the, they are the internal club, Devash and Francis what are the skills besides communication for exhibiting leadership. Yes Krishna.

Student: Motivate.

Motivate, how do you motivate through example for instance

Through communication again.

Student: Conviction.

Conviction.

Student: Sir, in the specific case of Indian cricket team I think motivation for example is the most important thing in I feel because if the captains mental frame, he is not having a good run, he his form is not good. So he is worrying more or less about his form then he is diverting his energies towards worrying about his form then motivating his team.

So what should he do step down become a non-playing captain.

Student: He should get his form back because he can first of all he can motivate himself.

Mental form, say you are the psychologist of the people. Now listen gentleman, you are the physiologist of the team you want them the perform and win the cup. So here you take on a

leadership role now although you have expert power you are a psychologist, what are you going to tell them.

Student: I think that Ganguly had that aggression mean in himself

Yeah sheer, he royal Bengal tiger.

Student: Yes sir and he is able to infuse that aggression with in everybody in the team and because of that you know the team performance has more down. So overall he is a good captain but per say he is he is not in form, so that we should not take it at the center. Sir, I think he had already showed the mental strength even after not having a good run means consistently made his boys perform and win the matches and that is what it is required, you might not get many good leaders like even Sachin was something back a captain when his forms was not in like he was not having a good run then Indian team is started loosing matches which is not happening at the strength.

Okay I think we are coming to conclusion gentleman, he has no there is no prescription right for leadership.

Student: But sir but this is not that meaning for the performance leaders.

Can we can we can we not can we avoid few for all I want to pin point on what he says you know as he just now that he need to have performing leader.

Student: Sir but he is trying compensate it by boiling and he is trying to improve upon that.

But maybe he is trying to perform better maybe he is diversifying his product that if I cannot bat at least I will get a few wickets. What is your view Polash, tell me.

Student: Regarding Saurav in particular.

No I say in leadership required to ensure that we will win the world cup, what are the skills that you require leadership skills.

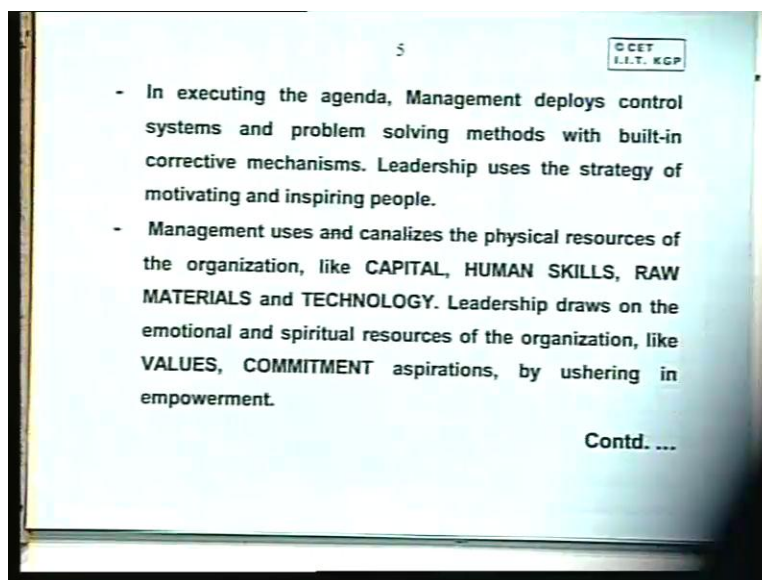
Student: Sir, I mean many of them mentioned here he must be a good motivator and I think in the this modern cricket you got to very aggressive and mentally very tuff I think those are the skills.

Basically those are the skills and how and when you do it is probably the art. So as I was saying a little while ago that does not seem to give a clear cut you know leadership in five leading steps just not there is it overlapping. So do you think all of you will become good leaders, are you already good leaders.

Student: Sir we mean to say much depends on the circumstances on which...

Situational specific also is there have not you heard or have not you seen history tell us that in times of adversity you know leaders are thrown up people particularly in war, is it not there are many people who would never think could exhibit such and courageous and so on but they excel when the time comes.

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Student: But sir history is always...

Yeah, but then you got scholars you know who analyze also right. In executing the agenda management deploys control systems and problem solving methods with built in corrective mechanisms, leadership on the other hand uses the strategy of motivating and inspiring people. So far we did not say inspiring right. Management uses and canalizes the physical resources of the organization like capital human skills, raw materials and technology. Leadership draws on the emotional and spiritual resources. This is something new but think about it great leaders all right even in the organizational setting is not that what they have been able to do touch an emotional cord because of to do that how do you that may be due to communication.

Student: Sir saying on the media that Indian team was not get world cup.

So what is the point you are making.

Student: Sir that the they that the emotional cord.

That is the emotional cord.

Student: Sir in leadership they want to identify the with the other person so that he can understand in greater that they so they want to identify the points where it can.

So you have to touch values commitment, aspiration by assuring the importance. So do not you think a leader who also have to have certain good values integrity.

Student: Yes sir he should be a role mode.

Should can you think of any rascal who has also become a great leader, would call them a leader or criminal, the prince amongst thieves yes. Yeah all right that is a good question anyone would like to answer that before I offer my comments.

Student: Sir before that I would like to answer.

Okay let us hear you but why go so far time and space okay Veerappan, would you say Veerappan is a great leader.

Student: No sir.

Why not gentleman this is the question which is debated again and again and again and again. So what is the difference? Was Hitler a great leader?

Student: Of course.

Of course very good leader but then who, Why that the word a Hitler have a bad conversation all right. So now we come to this core word are you listening back there.

Student: Yes sir integrating things.

Ethical whenever you want to do something take an action you have something called a little conscience sitting out there or not, sometimes the conscience tells you that you should not be doing it. So one way some gurus have defined, what is ethical to be done in the organizational setting, is what you are doing, would you be ashamed if it were published in the newspapers, if you would be ashamed then it is not ethical do not do it. Pardon me.

Student: Hitler is not was not ashamed of any act he has done.

Right.

Student: So that means all he did were ethical things. No sir and he is a great

Some people say that.

Student: But conscience of any person cannot be good and...

Some people say that he was a dangerous that means he was a mad man right Hitler has also been labeled as a mad man, so mad man leading a mad pack that is what some people say. So all..

Student: And certainly those mad pack became good people after the war was over and those people who are following with him.

Not those who were who were considered or who were involved in war crimes like the hollow cost is not it. I think the main issue that happened that he tried to do genocide mass extermination. Now I do not think under any kind of logic you can defend that can you mass extermination of two three million people okay coming back, coming back to this ethical, I think normally when we say he is a great leader or a great manager, what we try to do is put a framework against his to test his actions and usually if the action is more or less motivated by getting some private gain all right. We say that it is not a very ethical thing he is not a great leader and on the other hand if the action is motivated by up lifting society or doing some after all think about the leaders whom we talk as leaders.

Student: Found this points on this criteria will judge whether the particular area is ethical or not you know ethics class like theory of universal visibility and whether the same behavior if this cannot by others whether if the same person is accepted, the same behavior is and whether the same thing it was the among. So that is going to accepted or not. So those sort of things can be to took judge the....

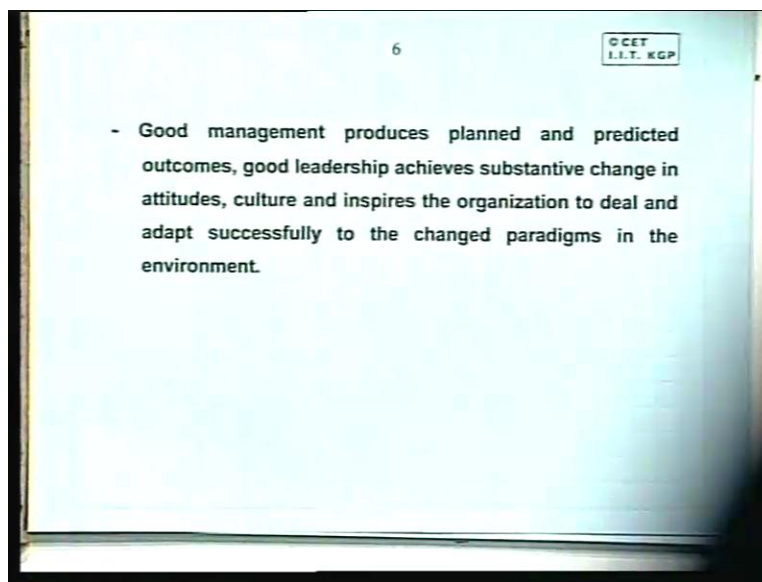
But the issue becomes when you are actually working in the organization that is the issue right, how do you, how do you then come to piece with what you what is your value of a ethical behavior.

Student: From the organizational point of view probably you have to do some other things which from the societal point of view is wrong. So which for which way you will think it as a leader of

the organization probably you are going to take the organization and the at same time from the other point of view the what you are done is wrong, so okay (())....

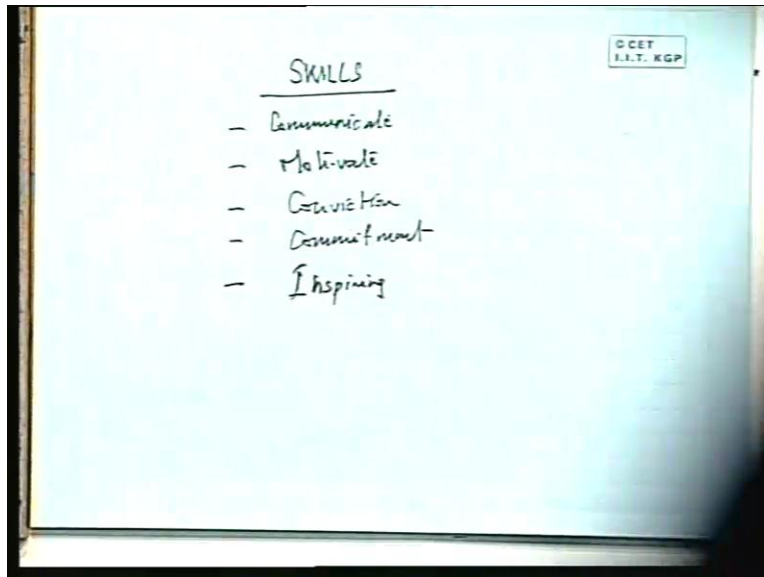
Maybe this answer lies in taking the middle path, I mean there are some organizations which in your mind when you talk of an organization immediately your response is that it is a good ethical reputed organization, whether there are others which brings to you mind the reverse, is it not they are existing in the same societal milieu and the same environment . So the answer probably is that there are ways in which you can do ethical business in an organization all right at the cost of something, you have to determine what is that cost okay.

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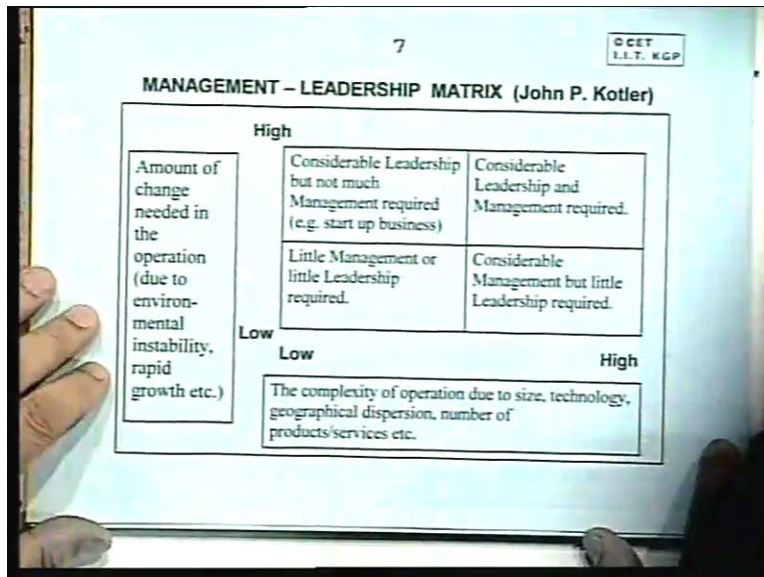


Now good management therefore produces plan and predicted outcomes predicted outcome is what your targets budgets if you do well you fulfill the budget you exceed the budget. Leadership achieves substantive change in attitudes culture and inspires the organization to deal and adapt successfully to the changed paradigm in the environment. So our good managers work and outcome can be more easily measured, a good leaders cannot be that easily measured. So what do you want to become make your choice now. Good manager preferably a successful manager or good leader an effective manager. Anyone like to answer that or I will tell him.

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Student: You tell.

Inspiration and motivation. One at a time.

Student: Sir motivation is which you are being provided from outside inspiration is something for within.

All right one moment let us here a few responses, yes Devash.

Student: Sir motivation means for a particular returns, one can be motivated to do certain things while inspiration can be from you can draw inspiration from something and it may not be related to one single task.

So what is what is that point I have not understood what you are saying.

Student: What I am saying is that motivation when we speak about motivation, it is within a particular task in hand while when somebody is inspired may outcome may not be no while the motivations, while you motivate we are motivating towards a certain goal.

Point he is making is goal motivation must have a goal in view inspiration may not have any goal is that what you are saying, any other responses.

Student: Sir.

Yes.

Student: Inspiration it seems though it is from point and motivation is from that.

Okay what about this you here people say that suddenly I have inspiration, what does that mean?

Student: Sir, there are three terms: encouragement, motivation and inspiration this three are reactions of an individual at 3 levels, the encouragement is the reaction from the brain, motivation is from the heart and inspiration is from the soul.

Okay soul motivation from the heart tell me, all right let me tell you, let me tell you what my view is, inspiration is an outcome of something which you are not through okay it is a sudden flash of light by which you get convinced that there is something which should be done in the company all right whereas motivation is an outcome which is more gradual and it is coming due to a thinking through process.

So in a sense and inspiration is something which you get spontaneously and then as a leader you try to imbibe other people through the same inspiration. Motivation is something you can think through say we have to achieve this and therefore I have to motivate people by achieving. So it maybe a difference in order and the source is different, that is my view.