

Organizational behavior

Subject Code:- BBAD1-205

Class :- BBA 2nd Sem

Max. Marks 15

Q 2: Understand different approaches to management and leadership

2.1 compare different the effectiveness of different leadership styles in different organizations

Leadership is the activity of leading a group of people or an organization or the ability to do this. *Leadership* involves: establishing a clear vision, sharing that vision with others so that they will follow willingly, providing the information, knowledge and methods to realize that vision. (*business dictionary, 2015*) *different organizations follows different leadership styles to get the work done from the workers.*

According to the given scenario, leadership styles followed by the Citizen Bank Plc. are as follow as

1. Autocratic styles
2. Laissez- faire

On the other hand, Tasty fried chicken followed these styles:

1. Participative styles
2. Democratic styles

Autocratic leadership styles: This is classic model of “military” style leadership also known as commanding leadership styles. It is probably the most often used, but the least often effective. Because it rarely involves praise and frequently employs criticism, it undercuts morale and job satisfaction. Mr. Goleman argues it is only effective in a crisis, when an urgent turnaround is needed. Even the modern military has come to recognize its limited usefulness. The advantage of this style is this style is purely rapid enough that any decision can be made quickly. That’s why Citizen bank Plc. Followed this styles. As the market is rapidly changing, organizations have to take many prompt decisions. (Crippen, 2010)

Laissez- faire leadership styles: In this style the leader lets subordinate to free for making decision. Citizen bank believes that managers of the companies he is investing in ought to be left to run the business without interference from him (Kotelnikov, n.d.). That’s why they empower their management team to make decision without approval. All the heads of business units in his empire are empowered to make decision in the company that they in charge.

Tasty fried chicken, on other hand, applies the **Participative styles** in their company. Unlike democratic, the manager still has the right to make the final decision, but he also takes the opinion of his subordinates. This one-on-one style focuses on developing individuals, showing them how to improve their performance, and helping to connect their goals to the goals of the organization. Coaching works best, Mr. Goleman writes,

“with employees who show initiative and want more professional development.” But it can backfire if it’s perceived as “micromanaging” an employee, and undermines his or her self-confidence.

In **democratic leadership styles**, this style draws on people’s knowledge and skills, and creates a group commitment to the resulting goals. It works best when the direction the organization should take is unclear, and the leader needs to tap the collective wisdom of the group. Mr. Goleman warns that this consensus-building approach can be disastrous in times of crisis, when urgent events demand quick decisions.(Bass, 2009)

2.2 Explain how organizational theory underpins the practices of the management

Organizational theory is the discipline that studies the structure and design of the organizations. It analyses the actual structure of organizations and offers suggestions on how their effectiveness could be improved. (Robbins, 2009 - p.6)

There are five different organizational theories: scientific management, classical administration, human relation approach, system approach and contingency approach. For Tasty fried chicken, manager applies the human relation approach theory of Elton Mayo. The human relation approach theory focuses on the important of human factors and its influenceto organization. The main point of this theory is that managers need to understand the workers’ feelings and their needs. The manager also needs to reduce the control on his employee.

In order to manage the workforce effectively and gain better results, participatory decisionmaking styles and teamwork are adopted. This approach diverges somewhat from theclassical bureaucratic theories such as Fayol and Weber, and the scientific theory of Taylor, where a more fixed approach is considered. (Dinitzen, 2010 - p.12, 13) Citizen Bank recognizedthat their organization requires a more dynamic theory, and has taken to practice motivational theories and is trying to settle into an adequate and efficient management style through experimentation, which the new manager is required to apply.

2.3 Evaluate different approaches used by the management

Koontz, &Wiehrich (2008, p.17) offer different management approaches. One of these is the **Decision theory approach** focuses on the processes and persons making decisions. Decision making is used as the basis for all activities within, and can help managers to carry out their roles efficiently, and improves communications. On the downside, the focus is too narrow, and does not consider the many different aspects of management. Another is the **Systems approach**, which views the organization as a group of interrelated parts with a Single purpose of remaining in equilibrium. (Kriel Et al. 2007) While this approach is most useful in assimilating different parts of an organization and integrating them to the external environment, this is not a novel concept, and cannot be applied universally to each and every situation.

Sociotechnical Systems approach believes that technical system or an organization has great influence on the social system, and focuses on production and operations. The

MRSPTU ASSIGNMENT-2 COURSE CODE BBAD1-205

upside of this is that enough attention is given to the technical interactions as well as the people in managing, but the flip side is that it focuses mainly on the lower level operational work of the organization while disregarding the higher levels. (Kriel Et al. 2007)

Contingency approach tries to absorb all the management theories and come up with a unified plan, where managers realize that one fixed approach cannot be used for every situation. It has the advantage of taking into consideration every limitation of the organization and the human resource capabilities in evaluating potential solutions. (Montana &Charnov, 2008).